BOROUGH OF COLLINGSWOOD
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2003

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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, 2003, and 2002, 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, 2003. 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, 2003, 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 to 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, 2003 and 2002, 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, 2003 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 April 21, 2004 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 schedule of state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and 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 is 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

April 21, 2004

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

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, 2003 and 2002, and have issued our report thereon dated April 21, 2004. We conducted our audit on a comprehensive basis of accounting other than U.S. generally accepted accounting principles our audit does not include the general fixed asset account group. 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.

Compliance

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 03-1 and 03-2.

Internal Control over Financial Reporting

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 item 03-3, 03-4 and 03-5.

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 03-4 and 03-5 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

April 21, 2004

CURRENT FUND

EXHIBIT A

COMPARATIVE BALANCE SHEET - CURRENT FUND

ASSETS	Ref.	Balance Dec. 31, 2003	Balance Dec. 31, 2002
Regular Fund			
Cash - Treasurer	A-4	2,597,539.76	2,237,275.93
Petty Cash		600.00	600.00
Change Fund	A-6	275.00	275.00
		2,598,414.76	2,238,150.93
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	268,943.58	300,618.95
Tax Title Liens Receivable	A-8	15,207.64	71,647.23
Property Acquired for Taxes - Assessed Valuation	A-9	367,175.00	175,675.00
Revenue Accounts Receivable	A-11	17,663.87	24,801.12
Clean-up Charges Receivable		57,927.29	11,665.29
Local Grants Receivable		2,405.72	
Due from Animal Control Trust Fund	B	290.69	133.71
Due from Tax Sale Trust Fund	B	385.14	1,705.02
Due from Parking Meter Trust Fund	B	77.43	
Due from General Capital Fund			4,578.07
Due from Payroll Account	F	222,802.68	176,161.58
Due from Federal and State Grant Fund	A	231,008.81	200,686.71
Due from Special Improvement District		21,351.49	17,004.00
Due from Foundation for the Arts		42,129.63	
Prepaid Local School Taxes			141,702.00
		1,247,368.97	1,126,378.68
Deferred Charges:			
Expenditure Without Appropriation			
Overexpenditure of Appropriation			1,285.79
Overexpenditure of Appropriation Reserve	A-12	59.19	
		59.19	1,285.79
		3,845,842.92	3,365,815.40
Federal and State Grant Fund			
Grants Receivable	A-10	1,044,998.70	762,428.19
		1,044,998.70	762,428.19
		4,890,841.62	4,128,243.59

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, 2003	Balance Dec. 31, 2002
Regular Fund			
Liabilities:			
Appropriation Reserves	A-3:A-13	370,573.06	299,275.95
Encumbrances Payable	A-14	183,775.66	152,349.12
Reserve for Maintenance of Free Public Library		23,582.82	21,561.71
Due State of New Jersey - Senior Citizen and Veterans Deductions	A-15	56,775.43	49,421.30
Prepaid Taxes		74,602.33	86,412.17
Tax Overpayments		53,268.90	22,412.01
Due County for Added & Omitted Taxes	A-7	8,474.37	3,628.99
Due Special Improvement District - Taxes		1,319.36	48,268.66
Due to Trust Other	B	4,114.82	1,554.89
Due to General Capital Fund	C	1,951.36	
Due to Camden County MUA		37,518.41	65,583.16
Due State of New Jersey:			
Marriage License Fees		325.00	700.00
		816,281.52	751,167.96
Reserve for Receivables		1,244,963.25	1,126,378.68
Fund Balance	A-1	1,784,598.15	1,488,268.76
		3,845,842.92	3,365,815.40
Federal and State Grant Fund			
Reserve for Grants - Appropriated	A-18	640,706.52	525,489.77
Reserve for Grants - Unappropriated	A-17	6,616.37	16,947.00
Encumbrances Payable	A-14	166,667.00	19,304.71
Due Current Fund	A	231,008.81	200,686.71
		1,044,998.70	762,428.19
		4,890,841.62	4,128,243.59

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

Revenue and Other Income Realized	Ref.	Year 2003	Year 2002
Fund Balance Utilized	A-2	1,022,174.54	1,712,438.49
Miscellaneous Revenue Anticipated	A-2	5,350,455.85	4,823,587.82
Receipts from Delinquent Taxes	A-2	296,242.73	259,554.89
Receipts from Current Taxes	A-2	18,938,710.18	17,997,647.85
Non-Budget Revenue	A-2	313,087.04	254,413.81
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-13	200,092.25	98,186.19
Encumbrances Payable - Canceled	A-14	1,044.22	208.60
Interfund Loan Returned		5,807.46	424,987.57
Prepaid School Tax		141,702.00	10,132.50
Reserve for Grants Appropriated - Canceled			45.77
Tax Overpayments Canceled		2,369.55	400.00
Total Income		26,271,685.82	25,581,603.49
Expenditures			
Budget Appropriations Within "CAPS"			
Operations:			
Salaries and Wages	A-3	3,772,495.40	3,609,878.50
Other Expenses	A-3	3,358,677.36	2,978,738.00
Deferred Charges and Statutory Expenditures - Municipal	A-3	164,605.79	302,079.04
Budget Appropriations Excluded from "CAPS"			
Operations:			
Salaries and Wages	A-3	179,201.44	142,634.00
Other Expenses	A-3	908,501.79	847,967.96
Capital Improvements	A-3	150,000.00	160,000.00
Debt Service	A-3	1,736,112.78	2,380,258.86
Deferred Charges	A-3	355,500.00	442,000.00
County Taxes		4,465,752.08	4,246,279.95
County Open Space Taxes		50,166.07	48,248.07
Due County for Added Taxes		8,474.37	3,628.99
Local District School Tax	A-16	9,469,648.50	9,005,299.50
Special Improvement District Tax		189,257.04	191,685.85
Prior Year Deductions Disallowed	A-15	11,937.50	14,983.33
Prior Year Refund	A-4	5,087.24	
Grant Receivable Canceled	A-10	2,922.37	
Interfund Loan Advanced		124,842.16	175,554.37
Total Expenditures		24,953,181.89	24,549,236.42

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 2003	Year 2002
Excess in Revenue		1,318,503.93	1,032,367.07
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Year			1,285.79
Statutory Excess to Fund Balance		1,318,503.93	1,033,652.86
Fund Balance			
Balance January 1	A	1,488,268.76	2,167,054.39
		2,806,772.69	3,200,707.25
Decreased by:			
Utilization as Anticipated Revenue	A-1	1,022,174.54	1,712,438.49
Balance December 31	A	1,784,598.15	1,488,268.76

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

STATEMENT OF REVENUES

	Ref.	Anticipated Budget 2003	Anticipated Amended by NJSA40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	1,022,174.54		1,022,174.54	
Miscellaneous Revenues:					
Licenses: Other	A-11	6,000.00		3,516.00	(2,484.00)
Fees and Permits	A-11	24,000.00		25,126.50	1,126.50
Fines and Costs:					
Municipal Court	A-11	213,000.00		247,144.00	34,144.00
Interest and Costs on Taxes	A-11	90,000.00		88,374.23	(1,625.77)
Parking Meters	A-11	43,000.00		43,000.00	
Department of Recreation Fees	A-11	86,000.00		100,879.76	14,879.76
Tax Searches	A-11	500.00		800.00	300.00
Fire Service	A-11	32,000.00		30,645.00	(1,355.00)
Delaware River Port Authority	A-11	30,000.00		30,000.00	
Collingswood Ambulance Service	A-11	16,000.00		17,003.10	1,003.10
Pool Tags	A-11	79,000.00		76,165.51	(2,834.49)
Rental Inspections	A-11	13,000.00		17,065.00	4,065.00
Resale Inspection Fees	A-11	9,000.00		7,530.00	(1,470.00)
Third Party Ambulance - Billing	A-11	68,015.00		68,015.00	
Housing Inspections	A-11	37,500.00		41,465.00	3,965.00
Fundraising Ambulance	A-11	1,500.00		1,360.00	(140.00)
Donations - Community					
Sponsored Events	A-11	15,000.00		10,266.55	(4,733.45)
Lease Payments - Sutton Towers	A-11	126,666.96		116,111.38	(10,555.58)
Payments in Lieu of Taxes:					
Sutton Towers	A-11	819,000.00		819,000.00	
Methodist Home	A-11	31,212.00		31,836.00	624.00
Collingswood Arms	A-11	14,100.00		14,588.00	488.00
Pewter Village	A-11	67,400.00		67,500.00	100.00
Zane School Rent	A-11	216,000.00		213,195.00	(2,805.00)
Extraordinary Aid	A-11	100,000.00		100,000.00	
Legislative Initiative Municipal					
Block Grant	A-11	66,900.00		66,900.00	
Consolidated Municipal					
Property Tax Relief Act					
(N.J.S.A. 52:27D-118.34)	A-11	846,379.00		846,379.00	
Energy Receipts Tax	A-11	628,253.00		628,252.88	(0.12)
Supplemental Energy					
Receipts Tax	A-11	33,452.00		33,452.00	
Uniform Construction Code	A-11	84,000.00		73,233.00	(10,767.00)
Interlocal Municipal Services:					
Merchantville - Construction	A-11	10,918.44		10,008.57	(909.87)
Woodlynne - Construction	A-11	4,850.00		8,374.02	3,524.02
Uniform Fire Safety Act	A-11	7,604.37		8,197.11	592.74

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

EXHIBIT A-2
(Continued)

STATEMENT OF REVENUES

	Ref.	Anticipated Budget 2003	Anticipated Amended by NJSA40A:4-87	Realized	Excess or (Deficit)
Knight Park Donation	A-11	5,500.00	3,100.00	8,600.00	
Senior Community Center Rents	A-11	50,500.00		69,962.50	19,462.50
Lease 33 W. Collings	A-11	28,200.00		28,200.00	
Third Party Ambulance - Billing Additional	A-11	20,000.00		150,397.86	130,397.86
Sale of Municipal Assets	A-11	70,812.50		465,808.87	394,996.37
NJ Transportation Trust	A-10	150,000.00		150,000.00	
Clean Communities Program	A-10		13,539.69	13,539.69	
Community Dev. Block Grant	A-10	77,045.00		77,045.00	
DVRPC - Transportation & Community Development Init.	A-10		60,000.00	60,000.00	
Domestic Preparedness Grant	A-10	18,036.00		18,036.00	
Drunk Driving Enforcement	A-10		2,922.37	2,922.37	
Emergency Preparedness	A-10		160,436.00	160,436.00	
FEMA - Richey Avenue	A-10	16,947.00		16,947.00	
Green Communities	A-10		2,000.00	2,000.00	
Hazardous Discharge Site Rem.	A-10		63,962.00	63,962.00	
Municipal Alliance	A-10	15,650.00		15,650.00	
Neighborhood Preservation	A-10	100,000.00		100,000.00	
Occupant Protection Project	A-10		3,600.00	3,600.00	
Police Body Armor	A-10	2,834.14		2,834.14	
Recycling Tonnage Grant	A-10		2,726.09	2,726.09	
Safe & Secure Program	A-10		90,000.00	90,000.00	
State & Local All Hazards Emergency Planning	A		2,405.72	2,405.72	
Total Miscellaneous Revenues		4,375,775.41	404,691.87	5,350,455.85	572,472.57
Receipts from Delinquent Taxes	A-2	285,000.00		296,242.73	11,242.73
Amount to be Raised by Taxation	A-2	5,020,000.00		5,237,787.12	217,787.12
Budget Totals		10,702,949.95	404,691.87	11,906,660.24	801,502.42
Non-Budget Revenue				313,087.04	
		10,702,949.95	404,691.87	12,219,747.28	
	Ref.	A-3	A-3		

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

EXHIBIT A-2
(Continued)

STATEMENT OF REVENUES

	Ref.	
Allocation of Current Tax Collections:		
Revenue from Collections	A-7	18,938,710.18
Allocated to:		
School, County and Special Improvement Taxes		14,183,298.06
Balance for Support of Municipal Budget Appropriation		4,755,412.12
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	482,375.00
Amount for Support of Municipal Budget Appropriation	A-2	5,237,787.12
Receipts from Delinquent Taxes:		
Delinquent Tax Collection	A-7	277,485.85
Tax Title Liens Receivable	A-8	18,756.88
	A-2	296,242.73

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:		
Revenue Accounts Receivable:		
Senior Citizen Administration Fee	A-11	3,877.00
Interest on Investments	A-11	112,576.13
In Lieu of Taxes - Other	A-11	13,195.24
Developmental Regs	A-11	320.00
NSF Check Fees	A-11	229.00
Cat Licenses	A-11	451.00
Haddonfield Fire Company	A-11	16,845.00
Miscellaneous	A-11	25,853.87
Condemnation Refund	A-11	59,000.00
Refunds	A-11	2,177.61
Motor Vehicle Inspection Fees	A-11	6,505.00
Recycled Newspapers	A-11	11,443.51
BID Reimbursement	A-11	13,302.26
Photocopy Fees	A-11	1,081.00
CPR Registration Fees	A-11	260.00
Cable TV Franchise Fees	A-11	44,178.42
Clean-up Charges	A-11	1,792.00
	A-2	313,087.04

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

EXHIBIT A-3

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	12,000.00	12,000.00	11,472.60	176.33	351.07	
Mayor and Commissioners						
Salaries and Wages	16,891.00	16,891.00	16,890.96		0.04	
Other Expenses	2,500.00	3,325.00	2,910.49	413.04	1.47	
Municipal Clerk						
Salaries and Wages	38,582.00	38,582.00	38,581.63		0.37	
Other Expenses:						
Printing and Advertising	23,000.00	27,000.00	23,407.72	1,517.28	2,075.00	
Stationery and Supplies	1,300.00	1,300.00	561.20	228.56	510.24	
Miscellaneous Other Expenses	3,800.00	3,800.00	1,448.60	237.00	2,114.40	
Elections						
Salaries and Wages	450.00	450.00	450.00			
Other Expenses	4,600.00	4,600.00	3,182.33	425.00	992.67	
Financial Administration						
Salaries and Wages	1,955.00	1,956.00	1,955.04		0.96	
Other Expenses	20,950.00	25,450.00	23,395.68	275.11	1,779.21	
Audit Services						
Other Expenses	26,000.00	26,000.00	4,542.50		21,457.50	
Collection of Taxes						
Salaries and Wages	38,582.00	38,582.00	38,581.63		0.37	
Other Expenses	14,400.00	14,400.00	13,597.15	311.10	491.75	
Assessment of Taxes						
Salaries and Wages	29,586.00	29,586.00	29,585.86		0.14	
Other Expenses	7,500.00	7,500.00	1,399.00	1,540.55	4,560.45	
Legal Services and Costs						
Salaries and Wages	1,688.00	1,688.00	1,686.96		1.04	
Other Expenses	100,000.00	100,000.00	75,435.43		24,564.57	
Engineering Services and Costs						
Other Expenses	10,000.00	10,000.00	6,655.13	75.00	3,269.87	
Community Development						
Salaries and Wages	47,525.00	50,567.00	50,566.66		0.34	
Other Expenses	15,000.00	15,500.00	15,234.15	193.95	71.90	

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	500.00	500.00	316.02		183.98	
Zane School						
Other Expenses	30,000.00	30,000.00	26,113.04	2,659.76	1,227.20	
LAND USE ADMINISTRATION						
Municipal Land Use Law (N.J.S. 40:55D-1)						
Planning Board						
Salaries and Wages	13,004.00	13,004.00	13,003.92		0.08	
Other Expenses	500.00	500.00	138.08		361.92	
Zoning Commission						
Salaries and Wages	30,080.00	30,080.00	29,203.30		876.70	
Other Expenses	1,000.00	1,000.00	557.36	332.50	110.14	
CODE ENFORCEMENT AND ADMINISTRATION						
Nuisance Inspector						
Salaries and Wages	19,729.00	19,729.00	19,727.46		1.54	
Other Expenses	2,000.00	2,000.00	1,228.92	55.56	715.52	
INSURANCE						
Liability Insurance	138,802.00	138,802.00	138,801.40		0.60	
Workers Compensation Insurance	20,000.00	20,000.00	17,241.54		2,758.46	
Group Insurance Plan for Employees	1,152,000.00	1,147,400.00	971,320.92	10,841.37	165,237.71	
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries and Wages	2,198,575.00	2,097,808.00	2,096,568.79	1,185.90	53.31	
Other Expenses	79,000.00	83,600.00	77,006.38	5,485.23	1,108.39	
Office of Emergency Management						
Other Expenses	100.00	2,505.72	100.00	2,405.72		
Ambulance						
Other Expenses	103,757.00	65,859.00	55,854.75	7,973.49	2,030.76	
Fire						
Salaries and Wages	852,262.00	846,474.00	846,401.78	72.00	0.22	
Other Expenses	48,600.00	48,600.00	41,881.95	6,717.83	0.22	
Supplemental Fire	13,550.00	13,550.00	12,146.90	1,403.10		

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
Uniform Fire Safety Act (P.L. 1983, CH. 383):						
Fire Inspector						
Salaries and Wages	55,804.00	55,804.00	55,802.89		1.11	
Other Expenses	14,000.00	14,000.00	10,866.33	2,245.57	888.10	
Municipal Prosecutor						
Salaries and Wages	9,697.00	9,697.00	9,696.00		1.00	
PUBLIC WORKS FUNCTIONS						
Streets and Highways						
Salaries and Wages	232,619.84	251,819.84	249,495.08		2,324.76	
Other Expenses	13,609.00	14,909.00	12,828.00	557.66	1,523.34	
Storm Sewers						
Other Expenses	1,000.00	1,000.00	210.59		789.41	
Parking Meter Maintenance						
Other Expenses	250.00	250.00			250.00	
Shade Tree Commission						
Other Expenses	5,500.00	5,500.00	1,744.00		3,756.00	
Solid Waste Collection						
Contractual	354,000.00	354,000.00	323,950.00	29,500.00	550.00	
Public Building and Grounds						
Salaries and Wages	500.00	500.00	365.86		134.14	
Other Expenses	18,000.00	21,400.00	18,326.87	2,589.61	483.52	
Vehicle Maintenance						
Other Expenses	69,500.00	79,500.00	51,740.50	14,948.79	12,810.71	
HEALTH AND HUMAN SERVICES						
Public Health Services (Board of Health)						
Other Expenses	525.00	525.00	274.97		250.03	
Animal Regulation						
Other Expenses	9,500.00	13,200.00	11,461.28	1,241.61	497.11	
Administration of Public Assistance						
Other Expenses	50.00	50.00			50.00	
Poor and Indigent						
Other Expenses	50.00	50.00			50.00	

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
PARK AND RECREATION FUNCTIONS						
Parks and Playgrounds						
Salaries and Wages	34,381.00	30,356.00	30,352.00		4.00	
Other Expenses	124,800.00	124,800.00	110,882.49	5,169.38	8,748.13	
Robert's Park Swimming Pool						
Salaries and Wages	72,000.00	72,000.00	71,999.43		0.57	
Other Expenses	30,250.00	30,250.00	27,862.19	325.00	2,062.81	
Knight Park						
Salaries and Wages	47,826.00	51,230.00	51,227.86		2.14	
Senior Center						
Salaries and Wages	27,240.00	27,240.00	27,240.00			
Other Expenses	53,500.00	65,000.00	51,444.55	10,384.07	3,171.38	
Senior Citizens' Activities						
Other Expenses	500.00	500.00			500.00	
OTHER COMMON OPERATING FUNCTIONS						
Community Sponsored Events						
Other Expenses	45,000.00	45,000.00	44,999.00		1.00	
UTILITY AND BULK EXPENSES						
Electricity	100,000.00	130,000.00	104,722.76	6,174.50	19,102.74	
Street Lighting	94,000.00	107,500.00	92,657.89	11,644.20	3,197.91	
Telephone	35,000.00	35,000.00	23,048.77	2,602.18	9,349.05	
Gas (Natural or Propane)	19,000.00	22,500.00	19,634.24	1,047.17	1,818.59	
Fuel Oil	14,099.85	18,499.85	15,816.03	2,090.42	593.40	
Telecommunication Costs	9,000.00	11,650.00	8,186.97	2,034.78	1,428.25	
Gasoline	30,651.79	41,151.79	37,652.50	2,315.86	1,183.43	
SOLID WASTE DISPOSAL COSTS						
Solid Waste Disposal						
Other Expenses						
Other Expenses	415,000.00	415,000.00	358,559.13	30,009.99	26,430.88	

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 (NJAC5:23-4.17)						
Construction Official						
Salaries and Wages	88,451.56	88,451.56	74,239.51	4,690.60	9,521.45	
Other Expenses	2,000.00	2,000.00	1,488.90	75.00	436.10	
Total Operations	7,147,073.04	7,130,922.76	6,607,929.82	174,171.77	348,821.17	
Contingent	250.00	250.00			250.00	
Total Operations Including Contingent Within "CAPS"	7,147,323.04	7,131,172.76	6,607,929.82	174,171.77	349,071.17	
Detail:						
Salaries and Wages	3,857,428.40	3,772,495.40	3,753,622.62	5,948.50	12,924.28	
Other Expenses	3,289,894.64	3,358,677.36	2,854,307.20	168,223.27	336,146.89	
DEFERRED CHARGES & STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
DEFERRED CHARGES:						
Overexpenditure of Appropriation	1,285.79	1,285.79	1,285.79			
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System	8,442.00	8,442.00	8,441.94		0.06	
Social Security System (O.A.S.I)	154,100.00	154,830.00	154,830.00			
Police & Firemen's Retirement System	48.00	48.00	47.95		0.05	
Total Deferred Charges & Statutory Expenditures-Municipal within "CAPS"	163,875.79	164,605.79	164,605.68		0.11	
Total General Appropriations for Municipal Purposes within "CAPS"	7,311,198.83	7,295,778.55	6,772,535.50	174,171.77	349,071.28	

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
OPERATIONS EXCLUDED FROM "CAPS"						
Municipal Court						
Salaries and Wages	135,177.00	135,177.00	132,940.68		2,236.32	
Other Expenses	21,320.00	21,320.00	18,670.55	2,033.80	615.65	
Public Defender						
Salaries and Wages	7,441.00	7,441.00	3,100.00		4,341.00	
EDUCATION FUNCTIONS						
Maintenance of Free Public Library	304,850.00	304,850.00	296,918.04	7,570.09	361.87	
PUBLIC WORKS FUNCTIONS						
Snow Emergency (NJSA40A:4-45-3bb)						
Salaries and Wages	14,815.00	14,815.00	4,291.46		10,523.54	
Other Expenses	5,940.00	5,940.00	5,940.00			
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS						
Construction Code - Interlocal Service Agreements:						
Construction Official - Salaries & Wages:						
Borough of Merchantville	10,918.44	10,918.44	10,142.54		775.90	
Borough og Woodlynne	4,850.00	4,850.00	4,850.00			
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Matching Funds for Grants	2,000.00	2,000.00			2,000.00	
Knight Park Donation - Salary & Wages	2,900.00	6,000.00	5,352.50		647.50	
Municipal Alliance for Drug & Alcohol Abuse	19,562.50	19,562.50	19,562.50			
Clean Communities		13,539.69	13,539.69			
Safe and Secure		90,000.00	90,000.00			
Hazardous Discharge Site Remediation		63,962.00	63,962.00			
Emergency Prepardness Grant		178,262.00	178,262.00			
Body Armor Replacement Fund	2,834.14	2,834.14	2,834.14			
Drunk Driving Enforcement Fund		2,922.37	2,922.37			
Domestic Preparedness Grant	18,036.00	18,036.00	18,036.00			
FEMA - Richey Avenue	16,947.00	16,947.00	16,947.00			
Recycling Tonnage Grant		2,726.09	2,726.09			

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
Occupant Protection Program		3,600.00	3,600.00			
Neighborhood Preservation	100,000.00	100,000.00	100,000.00			
Green Communities		2,000.00	2,000.00			
DVRPC - Transportation & Communitiy Development		60,000.00	60,000.00			
Total Operations Excluded from "CAPS"	667,591.08	1,087,703.23	1,056,597.56	9,603.89	21,501.78	
Detail:						
Salaries and Wages	176,101.44	179,201.44	160,677.18		18,524.26	
Other Expenses	491,489.64	908,501.79	895,920.38	9,603.89	2,977.52	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
NJ Transportation Trust Fund	150,000.00	150,000.00	150,000.00			
Capital Improvements Excluded from "CAPS"	150,000.00	150,000.00	150,000.00			
DEBT SERVICE						
Payment of Bond Principal	692,748.15	692,748.15	692,748.15			
Payment of Bond Anticipation Notes	71,000.00	71,000.00	71,000.00			
Interest on Bonds	860,410.01	860,410.01	860,237.76			172.25
Interest on Notes	112,126.88	112,126.88	112,126.87			0.01
Total Debt Service	1,736,285.04	1,736,285.04	1,736,112.78			172.26
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"						
Deferred Charges:						
Transfer to Board of Education	355,500.00	355,500.00	355,500.00			
Total Deferred Charges Excluded from "CAPS"	355,500.00	355,500.00	355,500.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	2,909,376.12	3,329,488.27	3,298,210.34	9,603.89	21,501.78	172.26

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
Subtotal General Appropriations	10,220,574.95	10,625,266.82	10,070,745.84	183,775.66	370,573.06	172.26
RESERVE FOR UNCOLLECTED TAXES	482,375.00	482,375.00	482,375.00			
TOTAL GENERAL APPROPRIATIONS	10,702,949.95	11,107,641.82	10,553,120.84	183,775.66	370,573.06	172.26
Ref.	A-2			A-14	A	

	Ref.	
Budget	A-3	10,702,949.95
Budget Amendments per NJSA40A:4-87	A-2	404,691.87
		11,107,641.82

	Ref.	
Reserve for Uncollected Taxes	A-2	482,375.00
Deferred Charges:		
Overexpenditure of Appropriation Reserve	A-21	1,285.79
Reserve for Federal & State Grants - Appropriated	A-18	724,391.79
Disbursed	A-4	9,345,068.26
		10,553,120.84

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, 2003	Balance Dec. 31, 2002
Animal Control Trust Fund			
Cash - Treasurer	B-1	741.16	2,132.34
Parking Meter Trust Fund			
Cash - Treasurer	B-1	18,212.06	18,547.25
Trust Other Fund			
Cash - Treasurer	B-1	77,520.71	80,503.60
Commodity Resale Receivable		24,263.28	19,867.36
Accounts Receivable Off-Duty Police		11,208.26	1,575.01
Due from Current Fund	A	4,114.82	1,622.45
		117,107.07	103,568.42
Tax Sale Premium			
Cash - Collector	B-3	138,752.22	110,948.23
Unemployment Compensation Trust Fund			
Cash - Treasurer	B-1	106,838.74	112,426.63
		381,651.25	347,622.87

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, 2003	Balance Dec. 31, 2002
Animal Control Trust Fund			
Due Current Fund	A	290.69	133.71
Due State of New Jersey		1.20	5.40
Reserve for Dog Fund Expenditures	B-5	449.27	1,993.23
		741.16	2,132.34
Parking Meter Trust Fund			
Reserve for Escrow Fees		18,134.63	18,479.69
Due Current Fund	A	77.43	67.56
		18,212.06	18,547.25
Trust Other Fund			
Encumbrances Payable		12,729.21	11,571.75
Reserve for:			
Zoning Board Escrow		3,974.27	750.00
Planning Board Escrow		1,426.25	8,094.73
Other Escrow Fees		3,323.45	
Trust Other		99.01	99.01
Public Defender		8,421.24	8,659.50
Parking Offense Adjudication Act		8,256.07	8,325.67
Rooming House Escrow		1,400.00	1,400.00
Uniform Fire Safety - Penalty Money		20,723.10	20,116.43
Municipal Alliance Program Income		24,080.68	18,390.58
Law Enforcement Forfeiture		288.58	25.22
Donations - Police Equipment		3,465.40	5,380.66
Domestic Violence Program Income		283.39	283.39
Commodity Resale		28,520.87	20,355.93
		116,991.52	103,452.87

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, 2003	Balance Dec. 31, 2002
Tax Sale Premium			
Reserve for Tax Sale Redemptions	B -6	71,067.08	33,538.16
Reserve for Tax Sale Premiums	B-7	67,300.00	38,151.00
Due to Camden County MUA			37,554.05
Due Current Fund	A	385.14	1,705.02
		138,752.22	110,948.23
Unemployment Compensation Trust Fund			
Reserve for Unemployment Claims		106,838.74	112,426.63
		381,535.70	347,507.32

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

GENERAL CAPITAL FUND

EXHIBIT C

COMPARATIVE BALANCE SHEET - GENERAL CAPITAL

ASSETS	Ref.	Balance Dec. 31, 2003	Balance Dec. 31, 2002
Cash - Treasurer	C-2	4,796,892.97	5,438,958.57
Deferred Charges to Future Taxation:			
Funded	C-5	14,756,851.85	12,244,600.00
Unfunded	C-6	11,232,395.00	9,508,395.00
Due from Collingswood Foundation for Arts		1,460,000.00	
Due from Current Fund	A	1,951.36	
		32,248,091.18	27,191,953.57
LIABILITIES, RESERVES AND FUND BALANCE			
Bond Anticipation Notes Payable	C-10	11,229,000.00	7,305,000.00
Serial Bonds Payable	C-9	14,756,851.85	15,449,600.00
Improvement Authorizations:			
Funded	C-8	87,299.49	388,846.31
Unfunded	C-8	6,090,077.33	3,364,250.40
Encumbrances Payable	C-8	15,492.03	59,230.02
Due Current Fund			4,578.07
Due Water Capital Fund	D	1,348.88	559,348.88
Capital Improvement Fund	C-7	1,606.66	1,606.66
Reserve for Debt Service		14.77	134.88
Fund Balance	C-1	66,400.17	59,358.35
		32,248,091.18	27,191,953.57

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

EXHIBIT C-1

STATEMENT OF FUND BALANCE

	Ref.	
Balance December 31, 2002	C	59,358.35
Increased by:		
Premiums on Notes Issued	C-2	7,041.82
Balance December 31, 2003	C	66,400.17

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

WATER UTILITY FUND

EXHIBIT D

COMPARATIVE BALANCE SHEET - WATER & SEWER UTILITY FUND

ASSETS	Ref.	Balance Dec. 31, 2003	Balance Dec. 31, 2002
Operating Fund			
Cash - Treasurer	D-5	304,473.92	409,970.02
Cash - Change Fund		50.00	50.00
Cash - Petty Cash		100.00	100.00
Due from Payroll Account	F	21,362.15	22,006.65
		325,986.07	432,126.67
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-8	129,203.74	106,128.73
Water Liens	D-9		2,208.67
		129,203.74	108,337.40
Deferred Charges:			
Overexpenditure of Appropriation			55.81
Deficit in Operations			44,113.01
			44,168.82
Total Operating Fund		455,189.81	584,632.89
Capital Fund			
Cash - Treasurer	D-5	3,987.77	24,933.29
Fixed Capital	D-10	6,026,342.67	6,026,342.67
Fixed Capital Authorized and Uncompleted	D-11	1,002,000.00	1,002,000.00
Due from Water Operating Fund	D	20,993.00	20,937.24
Due from General Capital Fund	C	1,348.88	559,348.88
Total Capital Fund		7,054,672.32	7,633,562.08
		7,509,862.13	8,218,194.97

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, 2003	Balance Dec. 31, 2002
Operating Fund			
Liabilities:			
Appropriation Reserves	D-4:D-12	72,637.79	200,042.57
Encumbrances Payable	D-13	45,045.09	40,695.09
Accrued Interest on Bonds	D-15	31,409.92	35,218.12
Water Rent Overpayments		11,275.04	7,343.05
Due Water Capital Fund	D	20,993.00	20,937.24
		181,360.84	304,236.07
Reserve for Receivables		129,203.74	108,337.40
Fund Balance	D-1	144,625.23	172,059.42
Total Operating Fund		455,189.81	584,632.89
Capital Fund			
Serial Bonds Payable	D-18	2,303,111.11	2,438,800.00
Bond Anticipation Notes Payable	D-19	22,000.00	558,000.00
Improvement Authorizations:			
Funded	D-17	3.76	3.76
Unfunded	D-17	199.00	22,000.00
Encumbrances Payable	D-13		21,088.76
Capital Improvement Fund	D-14	20,705.90	20,705.90
Reserve for Amortization		3,701,231.56	3,565,542.67
Deferred Reserve for Amortization	D-16	1,002,000.00	1,002,000.00
Fund Balance	D-2	5,420.99	5,420.99
Total Capital Fund		7,054,672.32	7,633,562.08
		7,509,862.13	8,218,194.97

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

EXHIBIT D-1

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

Revenue and Other Income Realized	Ref.	Year 2003	Year 2002
Fund Balance Utilized	D-3	66,561.04	134,162.30
Rents	D-3	1,295,000.00	1,296,306.42
Additional Rents	D-3	130,759.12	
Miscellaneous	D-3	26,491.24	33,848.93
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-12	32,160.79	12,688.52
Total Income		1,550,972.19	1,477,006.17
Expenditures			
Operating	D-4	1,169,281.87	1,235,894.00
Capital Improvements	D-4		20,000.00
Debt Service	D-4	246,269.65	220,736.18
Deferred Charges and Statutory Expenditures	D-4	96,293.82	44,489.00
Total Expenditures		1,511,845.34	1,521,119.18
Excess in Revenue		39,126.85	
Deficit in Revenue			44,113.01
Operating Deficit to be Raised in Budget of Suceeding Year			44,113.01
Fund Balance			
Balance January 1	D	172,059.42	306,221.72
		211,186.27	306,221.72
Decreased by:			
Utilization as Anticipated Revenue	D-1	66,561.04	134,162.30
Balance December 31	D	144,625.23	172,059.42

EXHIBIT D-2

STATEMENT OF FUND BALANCE -- WATER CAPITAL FUND

	Ref.	
Balance December 31, 2002	D	5,420.99
Balance December 31, 2003	D	5,420.99

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

STATEMENT OF REVENUES

	Ref.	Anticipated Budget 2003	Realized	Excess or (Deficit)
Operating Surplus Anticipated	D-1	66,561.04	66,561.04	
Rents	D-3	1,295,000.00	1,295,000.00	
Additional Rents	D-3	122,000.00	130,759.12	
Miscellaneous	D-3	30,000.00	26,491.24	(3,508.76)
		1,513,561.04	1,518,811.40	(3,508.76)
	Ref.	D-4		

Analysis of Realized Revenue

Rents:		
Consumer Accounts Receivable:		
Collected	D-8	1,418,416.07
Overpayments Applied	D-8	7,343.05
		1,425,759.12
Miscellaneous:		
Penalties		11,804.52
Miscellaneous		270.01
Sale of Water		7,919.67
Interest on Investments		6,497.04
	D-3:D-5	26,491.24

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

EXHIBIT D-4

STATEMENT OF EXPENDITURES

	Appropriations		Expended			Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Operating:						
Salaries and Wages	551,408.37	555,353.37	555,350.49		2.88	
Other Expenses	618,474.50	613,928.50	496,249.07	45,045.09	72,634.34	
Debt Service:						
Payment of Bond Principal	135,688.89	135,688.89	135,688.89			
Interest on Bonds	111,389.71	111,389.71	109,674.01			1,715.70
Interest on Notes	906.75	906.75	906.75			
Deferred Charges:						
Overexpenditure of Appropriation	55.81	55.81	55.81			
Deficit in Operations	44,113.01	44,113.01	44,113.01			
Statutory Expenditures:						
Public Employees Retirement System	9,524.00	9,524.00	9,523.77		0.23	
Social Security System (O.A.S.I.)	42,000.00	42,601.00	42,600.66		0.34	
	1,513,561.04	1,513,561.04	1,394,162.46	45,045.09	72,637.79	1,715.70
Ref.	D-3			D-13	D	

	Ref.	
Interest on Bonds and Notes	D-15	110,580.76
Deferred Charges		
Overexpenditure of Appropriation		55.81
Deficit in Operations		44,113.01
Disbursed	D-5	1,239,412.88
		1,394,162.46

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, 2003	Balance Dec. 31, 2002
Operating Fund			
Cash - Treasurer	E-5	160,890.76	136,043.85
Cash - Change Fund		50.00	50.00
Cash - Petty Cash		100.00	100.00
Due from Payroll Account	F	20,083.89	19,694.51
		181,124.65	155,888.36
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-8	34,857.73	36,535.44
Sewer Liens	E-9		1,216.30
		34,857.73	37,751.74
Deferred Charges:			
Deficit in Operations			20,337.97
Total Operating Fund		215,982.38	213,978.07
Capital Fund			
Cash - Treasurer	E-5	487,308.04	291,048.65
Fixed Capital	E-10	1,943,739.63	1,943,739.63
Fixed Capital Authorized and Uncompleted	E-11	3,096,000.00	2,871,000.00
Due from Sewer Operating Fund	E	46,917.24	47,105.50
Total Capital Fund		5,573,964.91	5,152,893.78
		5,789,947.29	5,366,871.85

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, 2003	Balance Dec. 31, 2002
Operating Fund			
Liabilities:			
Appropriation Reserves	E-4:E-12	15,224.69	32,887.27
Encumbrances Payable	E-13	5,481.66	12,750.54
Accrued Interest on Bonds	E-15	29,961.37	29,808.07
Sewer Rent Overpayments		3,541.98	3,691.95
Due Sewer Capital Fund	E	46,917.24	47,105.50
		101,126.94	126,243.33
Reserve for Receivables		34,857.73	37,751.74
Fund Balance	E-1	79,997.71	49,983.00
Total Operating Fund		215,982.38	213,978.07
Capital Fund			
Serial Bonds Payable	E-18	1,107,037.04	1,164,600.00
NJ Wastewater Treatment Trust Loan	E-20	1,454,349.15	1,527,698.58
Bond Anticipation Notes Payable	E-19	225,000.00	
Improvement Authorizations:			
Funded	E-17	295,195.00	305,784.82
Unfunded	E-17	249,627.22	49,864.00
Encumbrances Payable	E-13	8,446.48	1,548.75
Capital Improvement Fund	E-14	27,280.00	27,280.00
Reserve for Amortization		972,489.44	841,577.05
Deferred Reserve for Amortization	E-16	1,231,000.00	1,231,000.00
Fund Balance	E-2	3,540.58	3,540.58
Total Capital Fund		5,573,964.91	5,152,893.78
		5,789,947.29	5,366,871.85

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 2003	Year 2002
Fund Balance Utilized			166,829.87
Rents	E-3	954,000.00	899,000.00
Additional Rents	E-3	169,595.40	56,121.73
Miscellaneous	E-3	23,612.05	22,415.75
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-12	2,597.26	13,624.55
Total Income		1,149,804.71	1,157,991.90
Expenditures			
Operating	E-4	825,944.34	825,917.00
Capital Improvements	E-4		45,000.00
Debt Service	E-4	223,498.69	229,327.21
Deferred Charges and Statutory Expenditures	E-4	70,346.97	78,085.66
Total Expenditures		1,119,790.00	1,178,329.87
Excess in Revenue		30,014.71	
Deficit in Revenue			20,337.97
Operating Deficit to be Raised in Budget of Suceeding Year			20,337.97
Fund Balance			
Balance January 1	E	49,983.00	216,812.87
		79,997.71	216,812.87
Decreased by:			
Utilization as Anticipated Revenue	E-1		166,829.87
Balance December 31	E	79,997.71	49,983.00

EXHIBIT E-2

STATEMENT OF FUND BALANCE - SEWER CAPITAL FUND

	Ref.	
Balance December 31, 2002	E	3,540.58
Balance December 31, 2003	E	3,540.58

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

STATEMENT OF REVENUES

	Ref.	Anticipated Budget 2003	Realized	Excess or (Deficit)
Rents	E-3	954,000.00	954,000.00	
Additional Rents	E-3	145,790.00	169,595.40	
Miscellaneous	E-3	20,000.00	23,612.05	(3,508.76)
		1,119,790.00	1,147,207.45	(3,508.76)
	Ref.	E-4		

Analysis of Realized Revenue

	Ref.	Amount
Rents:		
Consumer Accounts Receivable:		
Collected	E-8	1,119,903.45
Overpayments Applied	E-8	3,691.95
		1,123,595.40
Miscellaneous:		
Penalties		5,620.36
Miscellaneous		370.50
Earnings Credit		3,921.45
Interest on Investments		13,699.74
	E-3:E-5	23,612.05

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:					
Salaries and Wages	519,505.84	521,509.84	521,509.33		0.51
Other Expenses	307,923.50	304,434.50	283,729.77	5,481.66	15,223.07
Debt Service:					
Payment of Bond Principal	130,912.39	130,912.39	130,912.39		
Interest on Bonds	92,586.30	92,586.30	92,586.30		
Deferred Charges:					
Deficit in Operations	20,337.97	20,337.97	20,337.97		
Statutory Expenditures:					
Public Employees Retirement System	9,524.00	9,524.00	9,523.77		0.23
Social Security System (O.A.S.I.)	39,000.00	40,485.00	40,484.12		0.88
	1,119,790.00	1,119,790.00	1,099,083.65	5,481.66	15,224.69
Ref.	E-3			E-13	E

	Ref.	
Interest on Bonds and Notes	E-15	92,586.30
Deferred Charges: Deficit in Operations		20,337.97
Disbursed	E-5	986,159.38
		1,099,083.65

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

PAYROLL FUND

EXHIBIT F

COMPARATIVE BALANCE SHEET - PAYROLL FUND

ASSETS	Ref.	Balance Dec. 31, 2003	Balance Dec. 31, 2002
Cash - Treasurer	F-1	250,100.64	275,446.00
Direct Deposit 2004		72,484.66	
		322,585.30	275,446.00
LIABILITIES, RESERVES AND FUND BALANCE			
Payroll Taxes Payable		58,336.58	57,583.26
Due Current Fund	A	222,802.68	176,161.58
Due Water Operating Fund	D	21,362.15	22,006.65
Due Sewer Operating Fund	E	20,083.89	19,694.51
		322,585.30	275,446.00

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Reporting Entity

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

The Borough has an elected 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 & Sewer Operating and Capital Funds – Account for the operations and acquisition of capital facilities of the municipally-owned Water & Sewer Utility.

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 (CONTINUED)

C. Basis of Accounting

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

Budget – The Borough adopts an annual budget in accordance with N.J.S.A. 40:4. Once approved, the Borough may make emergency appropriations for purposes which are not foreseen at the time the budget was adopted per N.J.S.A. 40A:4-46. After approval from the Director of Division of Local Government Services the Borough may also make amendments for any special item of revenue made available by any public or private funding source per N.J.S.A. 40A:4-87.

Authorized budget amendments were approved as follows:

Current Fund:	
Special Item of Revenue:	
Knight Park	3,100.00
State & Local all Hazards	2,405.72
Clean Communities Program	13,539.69
Transportation Comm. Devel.	60,000.00
Safe & Secure	90,000.00
Green Communities	2,000.00
Hazardous Discharge Site Remediation	63,962.00
Recycling Tonnage Grant	2,726.09
Drunk Driving Enforcement	2,922.37
Occupant Protection Program	3,600.00
Assistance to Firefighters	160,436.00
	404,691.87

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 (CONTINUED)

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 constitute part of the Borough's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available until lapsed at
the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.
Grant appropriations are charged upon budget adoption to create separate spending reserves. Budgeted transfers to other funds are recorded as expenditures when the budget is adopted to the extent permitted or required by law. Appropriations for principal payments on outstanding general capital and utility capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual 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.

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

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.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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 not developed a fixed asset 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.

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 has not been accounted for separately.

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

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 reported 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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 year's 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.

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.

Encumbrances are reported as a liability in the financial statement.

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, certificates of 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.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

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.

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, 2003, was $8,944,433.75 and the bank balance was $9,087,573.43. Of the bank balance, $216,406.80 was covered by federal depository insurance (including public and custodial funds) and $8,871,166.63 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. Investments in the New Jersey Cash Management Fund are included in this category.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

	Categories		
	1	2	3
Current Fund	2,490,800.40		
Trust Fund	413,780.72		
General Capital Fund	4,889,892.97		
Water Operating Fund	295,150.86		
Water Capital Fund	3,987.77		
Sewer Operating Fund	165,552.49		
Sewer Capital Fund	487,308.04		
Payroll Fund	341,100.18		
	9,087,573.43		

Investments

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

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

b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage 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.

The Borough did not have any investments at December 31, 2003.

NOTE 3: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2003, the following deferred charges are shown on the balance sheets of the various funds.

	Balance Dec. 31, 2003	2004 Budget Appropriation
Current Fund:		
Overexpenditure of Appropriation Reserve	59.19	59.19

NOTE 4: FUND BALANCES APPROPRIATED

The Current Fund balance at December 31, 2003 was $1,784,598.15 of which $1,356,934.37 was appropriated and included as anticipated revenue in the introduced budget for the year ending December 31, 2004.

The Water Operating Fund balance at December 31, 2003 was $144,625.23 of which $131,721.02 was appropriated and included as anticipated revenue in the introduced budget for the year ending December 31, 2004.

The Sewer Operating Fund balance at December 31, 2003 was $79,997.71 of which $31,261.69 was appropriated and included as anticipated revenue in the introduced budget for the year ending December 31, 2004.

NOTE 5: INTERFUND RECEIVABLES AND PAYABLES

The following schedule reconciles interfund receivables and payables for the year ended December 31, 2003.

	Due From	Due To
Current Fund		
Animal Control Trust Fund	290.69	
Parking Meter	77.43	
Tax Sale Premium	385.14	
Payroll Account	222,802.68	
Federal and State Grant Fund	231,008.81	
Trust Other		4,114.82
General Capital Fund		1,951.36
Federal and State Grant Fund		
Due Current Fund		231,008.81
Trust Other		
Current Fund	4,114.82	
General Capital Fund		
Current Fund	1,951.36	
Water Capital Fund		1,348.88
Animal Control Trust Fund		
Current Fund		290.69
Parking Meter Trust		
Current Fund		77.43
Tax Sale		
Current Fund		385.14
Water Operating Fund		
Water Capital Fund		20,993.00
Payroll Account	21,362.15	
Water Capital Fund		
Water Operating Fund	20,993.00	
General Capital Fund	1,348.88	
Sewer Operating Fund		
Sewer Capital Fund		46,917.24
Payroll Account	20,083.89	
Sewer Capital Fund		
Sewer Operating Fund	46,917.24	
Payroll Account		
Water Operating Fund		21,362.15
Sewer Operating Fund		20,083.89
Current Fund		222,802.68
	571,336.09	571,336.09

NOTE 6: LONG-TERM DEBT

Summary of Municipal Debt Service

During the calendar year 2003, the following changes occurred in the municipal debt of the Borough:

	Dec. 31, 2002	Authorized	Reduction	Dec. 31, 2003
ISSUED:				
General:				
General Serial Bonds	15,449,600.00		692,748.15	14,756,851.85
Bond Anticipation Notes	7,305,000.00	7,200,000.00	3,276,000.00	11,229,000.00
Water:				
Serial Bonds	2,438,800.00		135,688.89	2,303,111.11
Bond Anticipation Notes	558,000.00	22,000.00	558,000.00	22,000.00
Sewer:				
Serial Bonds	1,164,600.00		57,562.96	1,107,037.04
NJ Infrastructure Loan	1,527,698.58		73,349.43	1,454,349.15
Bond Anticipation Notes		225,000.00		225,000.00
Net Debt Issued	28,443,698.58	7,447,000.00	4,793,349.43	31,097,349.15
AUTHORIZED BUT NOT ISSUED:				
General:				
Bond Anticipation Notes	2,203,395.00	5,000,000.00	7,200,000.00	3,395.00
Water:				
Bond Anticipation Notes	22,000.00		22,000.00	
Sewer:				
Bond Anticipation Notes	49,864.00	225,000.00	225,000.00	49,864.00
Authorized but not Issued	2,275,259.00	5,225,000.00	7,447,000.00	53,259.00
Total Debt Issued and Authorized but Not Issued	30,718,957.58	12,672,000.00	12,240,349.43	31,150,608.15

Permanently funded debt as of December 31, 2003, consists of general obligation serial bonds as follows:

	Date of Issue	Maturities	Interest Rate	Amount
Serial Bonds:				
General Improvements	8/1/1993	2004/2013	Varies	971,851.85
Acquisition of Real Estate	7/15/1996	2004/2026	Varies	4,730,000.00
Acquisition of Real Estate	7/15/1996	2004/2011	Varies	1,670,000.00
General Improvements	10/1/1998	2004/2023	Varies	1,825,000.00
General Improvements	10/1/1998	2004/2009	Varies	1,350,000.00
CCIA Revenue Bonds	9/1/1999	2004/2019	Varies	1,125,000.00
General Improvements	11/15/02	2004/2022	Varies	3,085,000.00
Water Treatment Improvements	8/1/1993	2004/2013	Varies	871,111.11
Water Treatment Improvements	10/1/1998	2004/2018	Varies	895,000.00
Water Improvements	11/15/02	2004/2022	Varies	537,000.00
Sewer Improvements	8/1/1993	2004/2013	Varies	157,037.04
Sewer Improvements	10/1/1998	2004/2018	Varies	950,000.00
Total permanently funded debt				18,167,000.00

NOTE 6: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

Permanently funded debt at December 31, 2003 also consists of New Jersey Infrastructure Trust Loans as follows:

Issue	Purpose	Maturities	Rate	Amount
11/9/2000	Construction Sewer Lines	2004/2020	Varies	480,313.00
11/9/2000	Construction Sewer Lines	2004/2020	0%	445,128.87
11/8/2001	Sewer Utility Improvements	2004/2021	Varies	271,248.00
11/8/2001	Sewer Utility Improvements	2004/2021	0%	257,659.28
				1,454,349.15

Temporary unfunded debt as of December 31, 2003, consists of one year maturity or less of bond anticipation notes as follows:

		Interest Rates	Amount
General Capital:	Acquisition of Real Estate	2.00%	929,000.00
	Acquisition of Real Estate	1.08%	5,300,000.00
	Loan to Redeveloper	1.75%	5,000,000.00
Water Capital:	Water Utility Improvements	1.25%	22,000.00
Sewer Capital:	Sewer Utility Improvements	1.09%	225,000.00
			11,476,000.00

As of December 31, 2003, debt service requirements on long-term debt in future years are:

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Current			
2004	725,177.78	830,211.60	1,555,389.38
2005	727,607.41	791,587.54	1,519,194.95
2006	730,037.04	752,769.56	1,482,806.60
2007	824,896.30	713,427.68	1,538,323.98
2008	834,755.56	668,010.46	1,502,766.02
2009-2013	3,509,377.76	2,688,724.64	6,198,102.40
2014-2018	3,215,000.00	1,756,767.50	4,971,767.50
2019-2023	3,110,000.00	830,475.00	3,940,475.00
2024-2026	1,080,000.00	129,600.00	1,209,600.00
	14,756,851.85	9,161,573.98	23,918,425.83

NOTE 6: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Water			
2004	137,866.67	106,686.36	244,553.03
2005	140,044.44	100,666.16	240,710.60
2006	142,222.22	94,524.40	236,746.62
2007	152,577.78	88,203.32	240,781.10
2008	156,933.33	81,283.86	238,217.19
2009-2013	918,466.67	288,005.80	1,206,472.47
2014-2018	504,000.00	105,745.50	609,745.50
2019-2023	151,000.00	18,198.76	169,198.76
	2,303,111.11	883,314.16	3,186,425.27

Year Ended December	Principal	Interest	Total
General Serial Bonds			
Sewer			
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	74,525.93	41,040.02	115,565.95
2008	75,311.11	37,719.20	113,030.31
2009-2013	417,155.55	135,803.18	552,958.73
2014-2018	350,000.00	47,075.00	397,075.00
	1,107,037.04	402,427.04	1,509,464.08

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 3.04%.

NOTE 6: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

	Gross Debt	Deductions	Net Debt
Local School District Debt	399,000.00	399,000.00	
Water Debt	2,325,111.11	1,454,655.91	870,455.20
Sewer Debt	2,836,250.19	2,836,250.19	
General Debt	25,989,246.85	11,400,000.00	14,589,246.85
	31,549,608.15	16,089,906.10	15,459,702.05

Net Debt $15,459,702.05/Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $507,950,179.67, = 3.04%

Borrowing Power Under N.J.S.A. 40:A2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal)	17,778,256.29
Net Debt	15,459,702.05
Remaining Borrowing Power	2,318,554.24

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

Cash Receipts from fees, rents, or other charges		1,518,811.40
Deductions:		
Operating and Maintenance Costs	1,316,650.86	
Debt Service per Water & Sewer Account	246,269.65	
		1,562,920.51
Deficit in Revenue		(44,109.11)

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

Cash Receipts from fees, rents, or other charges		1,147,207.45
Deductions:		
Operating and Maintenance Costs	891,018.66	
Debt Service per Water & Sewer Account	223,498.69	
		1,114,517.35
Excess in Revenue		32,690.10

NOTE 7: PENSION FUNDS

Description of Plan – All required employees of the Borough are covered by either the Public Employees' Retirement System or the Police and Firemen's Retirement System which have been established by state statute and are administered by the New Jersey Department of Pension and Benefits. According to the State of New Jersey Administrative Code, all obligations of both Systems 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. This report 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 was established in January, 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 is generally required for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency provided the employee is not a member of another state-administered retirement system. Members are eligible for retirement at age 60 with an annual benefit generally determined to be the number of years of service divided by 55, times 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 fire-fighters and State fire-fighters appointed after June 30, 1944. Enrollment is required for permanent, full-time employees appointed to positions in law enforcement or fire fighting 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 service credit 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 systems provide for employee contributions of 3% of employees' annual base salary for PERS and 8 ½% for 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.

NOTE 7: PENSION FUNDS (CONTINUED)

Trend Information

	2003	2002	2001
Total Payroll	5,637,966.45	5,138,545.32	4,694,408.78
PERS			
PERS Covered Payroll	2,281,421	2,139,978	1,990,596
Employer Required Contribution	27489.48	7,977.20	15090.27
Percentage of PERS Covered Payroll	1.20%	0.37%	0.76%
PFRS			
Covered Payroll Police	1,849,474	1,692,562	1,658,504
Covered Payroll Fire	852,969	678,033	544,364
Employer Required Contribution	47.95	60.51	77,553
Percentage of PERS Covered Payroll	0.00%	0.00%	3.52%

NOTE 8: 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 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 a duly negotiated and approved labor agreement with the FMBA #108 and FOP Lodge #76 in regards to accumulated absence benefits. The Borough also has local personnel policy that covers all non-union personnel.

The total value of compensated absences owed to employees as of December 31, 2003 under the FOP Lodge Agreement was $318,992.63 and $124,734.43 under the FMBA labor agreement. The total value of compensation for all non-union personnel was $26,339.39 for a total of $470,066.45. The Borough has not appropriated anything in the 2004 budget to fund a reserve for accumulated absences.

NOTE 10: DEFERRED COMPENSATION

The Borough offers it 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.

All assets of the plan are held by an independent administrator, Variable Annual Life Insurance Company.

NOTE 11: 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 employees who retire after accumulating 25 years of service. The cost of these benefits, are paid monthly by the Borough. As of December 31, 2003, there were 25 employees who met the eligibility requirements for post-retirement healthcare benefits.

NOTE 12: LITIGATION

It is the Borough of Collingswood Counsel's opinion there is not any litigation or contingent liability that may be pending against the Borough of Collingswood 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 2003		Year 2002	
	Amount	%	Amount	%
Revenue & Other Income Realized				
Fund Balance Utilized	1,022,174.54	3.89%	1,712,438.49	6.69%
Miscellaneous - From Other Than Local Property Tax Levies	6,008,750.91	22.87%	5,186,928.92	20.28%
Collection of Delinquent Taxes and Tax Title Liens	296,242.73	1.13%	259,554.89	1.01%
Collection of Current Tax Levy	18,938,710.18	72.09%	17,997,647.85	70.35%
Interfund Loans Returned	5,807.46	0.02%	425,033.34	1.67%
Total Income	26,271,685.82	100.00%	25,581,603.49	100.00%
Expenditures				
Budget Appropriations:				
Municipal Purposes	10,625,094.56	42.58%	10,863,556.36	44.25%
County Taxes	4,524,392.52	18.13%	4,298,157.01	17.51%
Local District School Taxes	9,469,648.50	37.95%	9,005,299.50	36.68%
Special Improvement Tax	189,257.04	0.76%	191,685.85	0.78%
Interfund Loans Created	127,764.53	0.51%	175,554.37	0.72%
Other Expenditures	17,024.74	0.07%	14,983.33	0.06%
Total Expenditures	24,953,181.89	100.00%	24,549,236.42	100.00%
Excess in Revenue	1,318,503.93		1,032,367.07	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year			1,285.79	
Statutory Excess to Fund Balance	1,318,503.93		1,033,652.86	
Fund Balance January 1	1,488,268.76		2,167,054.39	
	2,806,772.69		3,200,707.25	
Decreased by:				
Utilization as Anticipated Revenue	1,022,174.54		1,712,438.49	
Fund Balance December 31	1,784,598.15		1,488,268.76	

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

	Year 2003		Year 2002	
	Amount	%	Amount	%
Revenue & Other Income Realized				
Fund Balance Utilized	66,561.04	4.29%	134,162.30	9.08%
Collection of Water Rents	1,425,759.12	91.93%	1,296,306.42	87.77%
Miscellaneous Revenue	58,652.03	3.78%	46,537.45	3.15%
Total Income	1,550,972.19	100.00%	1,477,006.17	100.00%
Expenditures				
Budget Appropriations:				
Operating	1,169,281.87	77.34%	1,235,894.00	81.25%
Capital Improvements			20,000.00	1.31%
Debt Service	246,269.65	16.29%	220,736.18	14.51%
Deferred Charges	96,293.82	6.37%	44,489.00	2.92%
Total Expenditures	1,511,845.34	100.00%	1,521,119.18	100.00%
Statutory Excess to Fund Balance	39,126.85			
Deficit in Revenue			44,113.01	
Operating Deficit to be Raised in Budget of Succeeding Year			44,113.01	
Fund Balance January 1	172,059.42		306,221.72	
	211,186.27		306,221.72	
Decreased by:				
Utilization as Anticipated Revenue	66,561.04		134,162.30	
Fund Balance December 31	144,625.23		172,059.42	

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

	Year 2003		Year 2002	
	Amount	%	Amount	%
Revenue & Other Income Realized				
Fund Balance Utilized			166,829.87	14.41%
Collection of Sewer Rents	1,123,595.40	97.72%	955,121.73	82.48%
Miscellaneous Revenue	26,209.31	2.28%	36,040.30	3.11%
Total Income	1,149,804.71	100.00%	1,157,991.90	100.00%
Expenditures				
Budget Appropriations:				
Operating	825,944.34	73.76%	825,917.00	70.09%
Capital Improvements			45,000.00	3.82%
Debt Service	223,498.69	19.96%	229,327.21	19.46%
Deferred Charges	70,346.97	6.28%	78,085.66	6.63%
Total Expenditures	1,119,790.00	100.00%	1,178,329.87	100.00%
Statutory Excess to Fund Balance	30,014.71			
Deficit in Revenue			20,337.97	
Operating Deficit to be Raised in Budget of Succeeding Year			20,337.97	
Fund Balance January 1	49,983.00		216,812.87	
	79,997.71		216,812.87	
Decreased by:				
Utilization as Anticipated Revenue			166,829.87	
Fund Balance December 31	79,997.71		49,983.00	

COMPARATIVE STATEMENT OF TAX RATE INFORMATION

Tax Rate	2003	2002	2001
Without Special Improvement	3.949	3.757	3.540
With Special Improvement	4.200	4.008	3.791
Apportionment of Tax Rate			
Municipal	1.0420	0.9950	0.8430
County	0.9280	0.8820	0.8490
County Open Space	0.0110	0.0120	0.0100
Local School	1.9680	1.8680	1.8380
Special Improvement	0.2510	0.2510	0.2510
Assessed Valuation			
2003	481,395,332		
2002		482,258,477	
2001			484,979,260

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
2003	19,233,955.19	18,938,710.18	98.46%
2002	18,325,389.59	17,997,647.85	98.21%
2001	17,376,060.69	17,011,514.58	97.90%

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.

Dec. 31 Year	Amount of Tax Title Liens	Delinquent Taxes	Amount of Total Delinquent	Percentage of Tax Levy
2003	15,207.64	268,943.58	284,151.22	1.48%
2002	71,647.23	300,618.95	372,266.18	2.03%
2001	76,771.53	232,504.71	309,276.24	1.78%

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
2003	367,175.00
2002	175,675.00
2001	175,700.00

COMPARISON OF WATER UTILITY LEVIES

Year	Balance Jan. 1	Levy	Cash Collections	Percentage of Collections
2003	108,337.40	1,450,249.12	1,425,759.12	91.48%
2002	103,973.74	1,306,120.82	1,296,306.42	91.93%
2001	114,104.95	1,352,039.44	1,350,659.07	92.12%

COMPARISON OF SEWER UTILITY LEVIES

Year	Balance Jan. 1	Levy	Cash Collections	Percentage of Collections
2003	37,751.74	1,122,109.00	1,123,595.40	96.87%
2002	23,756.54	969,287.50	955,121.73	96.18%
2001	33,882.41	897,858.50	898,337.51	96.41%

COMPARATIVE SCHEDULE OF FUND BALANCES

	Year	Balance December 31,	Utilized in Budget of Succeeding Year
Current Fund	2003	1,784,598.15	1,356,934.37
	2002	1,488,268.76	1,022,174.54
	2001	2,167,054.39	1,712,438.49
	2000	1,281,251.26	889,229.90
	1999	1,642,776.83	1,048,374.58
Water Operating Fund	2003	144,625.23	131,721.02
	2002	172,059.42	66,651.04
	2001	306,221.72	134,162.30
	2000	406,137.08	196,783.68
	1999	453,524.33	47,387.25

COMPARATIVE SCHEDULE OF FUND BALANCES (Continued)

	2003	79,997.71	31,261.69
	2002	49,983.00	None
Sewer Operating Fund	2001	216,812.87	166,829.87
	2000	229,821.15	173,611.98
	1999	168,403.73	111,050.42

OFFICIALS IN OFFICE AND SURETY BONDS

Name	Title		Amount of Bond
M. James Maley	Mayor		
Louis Cappelli, Jr.	Commissioner		
Joan C. Leonard	Commissioner		
Bradford C. Stokes	Business Administrator		
Patrick Abusi	Chief Financial Officer		
Sandra Powell	Finance Officer, Qualified Purchasing Agent		25,000.00
Alice Marks	Borough Clerk		25,000.00
Margaret Howard	Tax Collector, Tax Search Officer		225,000.00
Keith Hastings	Revenue Supervisor		125,000.00
Robert T. Zane	Magistrate	A	60,000.00
Mary Ann Pearce	Court Administrator	A	60,000.00
Kathy Harrington	Deputy Court Clerk	A	60,000.00
Joseph Nardi	Solicitor		
Remington & Vernick	Engineer		

Bonds were written with Fidelity and Deposit Company of Maryland

A - A blanket bond was written for Municipal Court personnel only.

CURRENT FUND

EXHIBIT A-4

SCHEDULE OF CASH - TREASURER

	Ref.	Current Fund
Balance December 31, 2002	A	2,237,275.93
Increased by Receipts:		
Tax Receivable	A-7	18,922,329.51
Tax Title Liens Receivable	A-8	18,756.88
Prepaid Taxes		74,602.33
Tax Overpayments		108,396.59
Grants Receivable	A-12	477,258.41
Revenue Accounts Receivable	A-11	4,881,438.88
Due State of New Jersey - Senior Citizen and Veterans Deductions	A-15	193,850.00
Reserve for Grants - Unappropriated	A-17	6,616.37
Due CCMUA		37,854.49
Due from Collingswood Special Improvement District		73,642.70
Due from General Capital		7,755.12
Due Trust Other		7,385.46
Due State of New Jersey - Marriage Licenses		1,900.00
Reserve for Maintenance Free Public Library		17,084.00
Total Receipts		24,828,870.74
		27,066,146.67

EXHIBIT A-4
(Continued)

SCHEDULE OF CASH - TREASURER

	Ref.	Current Fund
Decreased by Disbursements:		
2003 Budget Appropriations	A-3	9,345,068.26
2002 Appropriation Reserves	A-13	99,242.89
Encumbrances Payable	A-14	170,609.61
Reserve for Grants - Appropriated	A-18	442,508.04
Due State of New Jersey - Marriage Licenses		2,275.00
Reserve for Maintenance Free Public Library		15,062.89
County Taxes Payable	A-7	4,465,752.08
County Open Space Taxes Payable	A- 7	50,166.07
Due County Added & Omitted Taxes		3,628.99
Special Improvement District		236,206.34
Due CCMUA		65,919.24
Tax Overpayments		66,145.47
Prior Year Refund		5,087.24
Due Trust Other		4,825.53
Due Payroll Account		48,042.94
Due from Special Improvement District		77,990.19
Due from Collingswood Foundation Arts		42,129.63
Local District School Tax	A-16	9,327,946.50
		24,468,606.91
Balance December 31, 2003	A	2,597,539.76

EXHIBIT A-5

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

	Ref.	Current Fund
Balance December 31, 2003	A-4	2,597,539.76
Increased by Receipts:		
Cash Receipts Record		5,757,930.75
		8,355,470.51
Decreased by Disbursements:		
Cash Disbursements Record		6,562,880.24
Balance March 31, 2004	A-5	1,792,590.27

Cash Reconciliation - March 31, 2004

	Ref.	
Balance per Statement		
First Colonial Bank		1,811,439.87
Add: Deposit in Transit		32,515.44
Less: Outstanding Checks		51,365.04
Balance March 31, 2004	A-5	1,792,590.27

EXHIBIT A-6

SCHEDULE OF CHANGE FUND

Office	Balance Dec. 31, 2002	Balance Dec. 31, 2003
Borough Clerk	50.00	50.00
Tax Collector	150.00	150.00
Municipal Court	25.00	25.00
Construction Code	50.00	50.00
	275.00	275.00
Ref.	A	A

EXHIBIT A-7

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2002	2003 Levy	Added Taxes	Collected 2002	Collected 2003	Canceled	Overpayments Applied	Transferred to Tax Title Liens	Balance Dec. 31, 2003
1999	697.83								697.83
2000	1,411.87				293.66				1,118.21
2001	10,697.84				5,989.06				4,708.78
2002	287,811.41		13,182.01		270,685.51	20,693.88	517.62		9,096.41
	300,618.95		13,182.01		276,968.23	20,693.88	517.62		15,621.23
2003		19,233,955.19		86,412.17	18,843,794.65	31,158.41	8,503.36	10,764.25	253,322.35
	300,618.95	19,233,955.19	13,182.01	86,412.17	19,120,762.88	51,852.29	9,020.98	10,764.25	268,943.58
Ref.	A			A				A-8	A

	Ref.	
Cash	A-4	18,922,329.51
Due State of New Jersey	A-15	198,433.37
		19,120,762.88

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Analysis of Property Tax Levy

	Ref.			
Tax Yield				
General Purpose Tax:				
Business Personalty Tax		170,317.68		
General Property Tax		18,839,986.58		
Special Improvement District		189,257.04		
			19,199,561.30	
Added Taxes (54:4-63.1 et seq.)			34,393.89	
				19,233,955.19
Tax Levied				
Local District School Tax (Abstract)	A-16		9,469,648.50	
County Taxes:				
County Tax (Abstract)		4,465,752.08		
County Open Space (Abstract)		50,166.07		
Due County for Added & Omitted Taxes (54:4-63.1 & 54:4-63.12 et seq.)		8,474.37		
Total County Taxes			4,524,392.52	
Local Tax for Municipal Purposes	A-2	5,020,000.00		
Add: Additional Taxes Levied		219,914.17		
			5,239,914.17	
				19,233,955.19

EXHIBIT A-8

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	Ref.		
Balance December 31, 2002	A		71,647.23
Increased by:			
Transfers from Taxes Receivable	A-7	10,764.25	
			10,764.25
			82,411.48
Decreased by:			
Cash Receipts	A-4	18,756.88	
Transferred to Property Acquired for Taxes	A-9	48,446.96	
			67,203.84
Balance December 31, 2003	A		15,207.64

EXHIBIT A-9

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES (AT ASSESSED VALUATION)

	Ref.	
Balance December 31, 2002	A	175,675.00
Increased by:		
Transfer from Tax Title Liens	A-8	48,446.96
Transfer from Water Liens	D-9	2,208.67
Transfer from Sewer Rents	E-9	1,216.30
		51,871.93
Add: Adjustment to Assessed Valuation		139,628.07
Balance December 31, 2003	A	367,175.00

SCHEDULE OF GRANTS RECEIVABLE

Grant	Balance Dec. 31, 2002	2003 Budget Revenue Realized	Received	From Grants Unappropriated	Canceled	Balance Dec. 31, 2003
Federal Grants:						
Community Development Block Grant		77,045.00	77,045.00			
Neighborhood Preservation Home Grant	150,000.00		51,168.00			98,832.00
FEMA - Hazardous Mitigation Grant		16,947.00		16,947.00		
Transportation Community Development Initiative		60,000.00				60,000.00
Emergency Preparedness Grant		160,436.00				160,436.00
COPS in School - 2000	125,000.00					125,000.00
COPS in School - 2001	125,000.00					125,000.00
Occupant Protection Project	5,469.92	3,600.00	4,860.00			4,209.92
State Grants:						
Domestic Preparedness Grant		18,036.00				18,036.00
New Jersey Transportation Trust - Homestead		150,000.00				150,000.00
New Jersey Transportation Trust - Eldridge	43,283.37		43,283.37			
New Jersey Transportation Trust - S. Atlantic	68,045.52		49,693.12			18,352.40
New Jersey Transportation Trust - Woodlynne Ave 2001	40,000.00					40,000.00
Green Communities		2,000.00	2,000.00			
Recycling Tonnage Grant		2,726.09	2,726.09			
Drunk Driving Enforcement Fund		2,922.37			2,922.37	
Aggressive Driver	200.00					200.00
Body Armor Grant		2,834.14	2,834.14			
Clean Communities Program		13,539.69	13,539.69			
Delaware River Bay Authority Browning Road - 1998	10,000.00					10,000.00
Hazardous Discharge Site Remediation		63,962.00	63,462.00			500.00
Department of Environmental Protection BWR 08-93	36,798.38					36,798.38
Safe & Secure	60,000.00	90,000.00	90,000.00			60,000.00
Municipal Alliance Youth Service	8,631.00	15,650.00	11,606.00			12,675.00
Neighborhood Preservation Grant	90,000.00	100,000.00	65,041.00			124,959.00
	762,428.19	779,698.29	477,258.41	16,947.00	2,922.37	1,044,998.70
Ref.	A	A-2	A-4	A-17	A-1	A

EXHIBIT A-11

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2002	Accrued in 2003	Collected by Treasurer	Balance Dec. 31, 2003
Miscellaneous Revenue Anticipated				
Licenses: Other		3,516.00	3,516.00	
Fees and Permits		25,126.50	25,126.50	
Fines and Costs:				
Municipal Court	24,801.12	240,006.75	247,144.00	17,663.87
Interest and Costs on Taxes		88,374.23	88,374.23	
Parking Meters		43,000.00	43,000.00	
Department of Recreation Fees		100,879.76	100,879.76	
Tax Searches		800.00	800.00	
Fire Service		30,645.00	30,645.00	
Delaware River Port Authority		30,000.00	30,000.00	
Collingswood Ambulance Service		17,003.10	17,003.10	
Pool Tags		76,165.51	76,165.51	
Rental Inspections		17,065.00	17,065.00	
Resale Inspection Fees		7,530.00	7,530.00	
Third Party Billing - Ambulance		68,015.00	68,015.00	
Third Party Billing - Ambulance - Additional		150,397.86	150,397.86	
Housing Inspections		41,465.00	41,465.00	
Fundraising - Ambulance		1,360.00	1,360.00	
Donations - Community Sponsored Events		10,266.55	10,266.55	
Lease Payments Parkview		116,111.38	116,111.38	
Payments in Lieu:				
Parkview		819,000.00	819,000.00	
Methodist Home		31,836.00	31,836.00	
Collingswood Arms		14,588.00	14,588.00	
Pewter Village		67,500.00	67,500.00	
Zane School Rents		213,195.00	213,195.00	
Legislative Initiative Municipal Block Grant		66,900.00	66,900.00	
Extraordinary Aid		100,000.00	100,000.00	
Consolidated Municipal Property Tax Relief		846,379.00	846,379.00	
Energy Receipts Tax		628,252.88	628,252.88	
Supplemental Energy Receipts Tax		33,452.00	33,452.00	
Uniform Construction Code Official		73,233.00	73,233.00	
Interlocal Agreements - Construction Code:				
Borough of Merchantville		10,008.57	10,008.57	
Borough of Woodlynne		8,374.02	8,374.02	
Knight Park - Donation		8,600.00	8,600.00	
Uniform Fire Safety Act		8,197.11	8,197.11	
Sale of Municipal Assets		465,808.87	465,808.87	
Senior Community Center Rents		69,962.50	69,962.50	
Lease 33 W. Collings		28,200.00	28,200.00	
Miscellaneous Revenue Not Anticipated				
Senior Citizen Administration Fee		3,877.00	3,877.00	
BID Reimbursements		13,302.26	13,302.26	
Haddon Twp Fire Company		16,845.00	16,845.00	
Cable TV Franchise Fee		44,178.42	44,178.42	
Recycled Newspapers		11,443.51	11,443.51	
DMV Inspection Fines		6,505.00	6,505.00	
Miscellaneous		25,853.87	25,853.87	
Condemnation Refund		59,000.00	59,000.00	
Refunds		2,177.61	2,177.61	
Interest on Investments		112,576.13	112,576.13	
In Lieu of Taxes - Other		13,195.24	13,195.24	
Developmental Regs		320.00	320.00	
NSF Check Fees		229.00	229.00	
CPR Registration Fees		260.00	260.00	
Photo Copy Fees		1,081.00	1,081.00	
Cat Licenses		451.00	451.00	
Clean-up Charges		1,792.00	1,792.00	
	24,801.12	4,874,301.63	4,881,438.88	17,663.87
Ref.	A		A-4	A

EXHIBIT A-12

SCHEDULE OF DEFERRED CHARGES

	Balance Dec. 31, 2002	Added in 2003	Reduced in 2003	Balance Dec. 31, 2003
Overexpenditure of Appropriation:				
Park & Playgrounds S & W	25.63		25.63	
Social Security	1,260.16		1,260.16	
Overexpenditure of Appropriation Reserve:				
Construction Code S & W		59.19		59.19
	1,285.79	59.19	1,285.79	59.19
Ref.	A	A-13	A-3	A

EXHIBIT A-13

SCHEDULE OF 2002 APPROPRIATION RESERVES

	Balance Dec. 31, 2002	Balance After Transfers	Paid or Charged	Overexpended	Balance Lapsed
Salary & Wages:					
Police	90,727.59	72,327.59	812.30		71,515.29
Streets & Highways	1,951.87	1,951.87	1,593.73		358.14
Construction Code Official	2,101.01	4,001.01	4,060.20	59.19	
Other Expenses:					
Mayor and Commissioners	262.62	262.62	78.11		184.51
Financial Administration	1,843.74	1,843.74	196.40		1,647.34
Audit Services	375.00	375.00	375.00		
Collection of Taxes	1,548.81	1,548.81	56.00		1,492.81
Legal	19,112.40	19,112.40	1,532.00		17,580.40
Engineer	1,659.35	1,659.35	1,650.00		9.35
Community Development	3,654.11	3,654.11	2,840.43		813.68
Zane School	1,147.74	2,147.74	1,172.00		975.74
Group Insurance	16,464.70	23,364.70	7,310.97		16,053.73
Ambulance	5,462.64	5,462.64	3,553.49		1,909.15
Streets & Highways	1,552.82	1,552.82	325.80		1,227.02
Storm Sewers	1,500.00	1,500.00	1,500.00		
Shade Tree Commission	4,687.50	4,687.50	4,687.00		0.50
Public Buildings and Grounds	783.91	783.91	410.77		373.14
Vehicle Maintenance	620.90	3,620.90	3,619.62		1.28
Parks & Playgrounds	1,252.71	1,252.71	1,252.71		
Roberts Park Swimming Pool	8,938.09	8,938.09	506.00		8,432.09
Senior Center	19.69	3,619.69	3,613.66		6.03
Celebration of Public Events	13,137.68	13,137.68	11,218.98		1,918.70
Street Lighting	14,084.82	14,084.82	9,829.89		4,254.93
Electricity	16,208.48	16,208.48	8,247.74		7,960.74
Telephone	1,884.38	3,884.38	3,797.96		86.42
Gas (Natural or Propane)	14,783.93	14,783.93	2,102.43		12,681.50
Telecommuniciation Costs	1,336.35	1,336.35	433.93		902.42
Solid Waste Disposal	16,729.42	16,729.42	16,132.92		596.50
Contingent	495.39	495.39	10.17		485.22
Municipal Court	4,534.19	4,534.19	2,100.00		2,434.19
Maintenance of Free Public Library	7,087.88	7,087.88	4,222.68		2,865.20
Other Accounts - No Change	43,326.23	43,326.23			43,326.23
	299,275.95	299,275.95	99,242.89	59.19	200,092.25
Ref.	A		A-4	A-12	A-1

EXHIBIT A-14

SCHEDULE OF ENCUMBRANCES PAYABLE

	Ref.	Current Fund	Grant Fund
Balance December 31, 2002	A	152,349.12	19,304.71
Increased by:			
Charges to 2003 Appropriations	A-3	183,775.66	
Reserve for Grants - Appropriated	A-18		166,667.00
		336,124.78	185,971.71
Decreased by:			
Payments	A-4	151,304.90	19,304.71
Canceled	A-1	1,044.22	
		152,349.12	19,304.71
Balance December 31, 2003	A	183,775.66	166,667.00

EXHIBIT A-15

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

	Ref.		
Balance December 31, 2002	A		49,421.30
Increased by:			
Receipts	A-4		193,850.00
			243,271.30
Decreased by:			
2003 Deductions Per Tax Duplicate		208,750.00	
2003 Deductions Allowed by Collector		3,000.00	
2003 Deductions Disallowed by Collector		(13,316.63)	
	A-7	198,433.37	
2002 Deductions Disallowed by Collector	A-1	(11,937.50)	
			186,495.87
Balance December 31, 2003	A		56,775.43

EXHIBIT A-16

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

	Ref.	
Balance December 31, 2002:		
School Tax Payable	A	(141,702.00)
Increased by:		
Levy Calendar Year	A-7	9,469,648.50
		9,327,946.50
Decreased by:		
Payments	A-4	9,327,946.50
2003 Tax Liability for Local District School Tax:		
Tax Payable 12-31-02	A-16	141,702.00
Tax Paid	A-16	9,327,946.50
Amount Charged to 2003 Operations	A-1	9,469,648.50

EXHIBIT A-17

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

	Balance Dec. 31, 2002	Receipts	Budget Appropriation	Balance Dec. 31, 2003
FEMA - Hazardous Discharge	16,947.00		16,947.00	
Drunk Driving Enforcement Fund		6,616.37		6,616.37
	16,947.00	6,616.37	16,947.00	6,616.37
Ref.	A	A-4	A-10	A

EXHIBIT A-18

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

	Balance Dec. 31, 2002	Transferred from 2003 Budget Appropriation	Paid or Charged	Encumbered	Balance Dec. 31, 2003
Federal Grants:					
Neighborhood Preservation Home Grant	98,832.00		67,074.00	402.00	31,356.00
FEMA - Hazardous Mitigation Grant		16,947.00			16,947.00
Transportation Community Development Initiative		60,000.00			60,000.00
Emergency Preparedness Grant		178,262.00		151,021.07	27,240.93
COPS in School - 2000	25,940.25		25,940.25		
COPS in School - 2001	123,514.62		40,576.10	1,752.85	81,185.67
Occupant Protection Project	2,469.92	3,600.00	3,420.00		2,649.92
COPS More	1,828.54				1,828.54
BJA Local Law Enforcement	3,579.55		2,753.91		825.64
State Grants:					
Domestic Preparedness Grant		18,036.00	18,036.00		
New Jersey Transportation Trust - Eldridge Ave.	0.02				0.02
New Jersey Transportation Trust - Woodlynne Ave.	7,267.12				7,267.12
New Jersey Transportation Trust - S. Atlantic	40,209.78		40,209.78		
New Jersey Transportation Trust - Homestead		150,000.00	16,394.01	2,085.80	131,520.19
Clean Communities		13,539.69	9,549.82	1,732.75	2,257.12
Drunk Driving Enforcement Fund	1,638.25	2,922.37	2,955.00		1,605.62
Recycling Tonnage Grant	14,280.94	2,726.09	6,570.00		10,437.03
Neighborhood Preservation	29,254.39	100,000.00	56,785.92	4,904.06	67,564.41
Green Communities		2,000.00	2,000.00		
Municipal Alliance Program	20,886.73	19,562.50	21,964.67	3,080.97	15,403.59
Safe & Secure		90,000.00	90,000.00		
Body Armor Grant		2,834.14	484.00		2,350.14
Special Legislative Grant - Richey Avenue	45,300.92		13,765.52		31,535.40
Aggressive Drivers	200.00				200.00
Municipal Court Alcohol Education	893.49				893.49
Hazardous Discharge Site Remediation		63,962.00		1,687.50	62,274.50
Camden County Richey Avenue	109,393.25		24,029.06		85,364.19
	525,489.77	724,391.79	442,508.04	166,667.00	640,706.52
Ref.	A	A-3	A-4	A-14	A

TRUST FUND

EXHIBIT B-1

SCHEDULE OF TRUST FUND CASH - TREASURER

	Ref.	Animal Control Trust	Parking Meter	Trust Other	Unemployment Compensation Trust
Balance December 31, 2002	B	2,132.34	18,547.25	80,503.60	112,426.63
Increased by Receipts:					
Interest Earned		13.58	13.22	1,856.65	2,385.90
Dog License Fees:					
Municipal Share	B-5	2,298.60			
State Share		572.40			
Due Current Fund		5.00		4,158.50	
Parking Meter Fees			42,654.94		
Zoning Board Escrow Fees				8,053.38	
Planning Board Escrow Fees				12,193.75	
POAA Fess				3,134.00	
Municipal Alliance				11,410.95	
Off-Duty Police				34,677.50	
Donations Police Equipment				1,985.00	
Uniform Fire Penalty Money				6,355.00	
Law Enforcement Forfeiture				1,226.75	
Commodity Resale				89,323.48	
Reserve for Insurance				1,000.00	
		2,889.58	42,668.16	175,374.96	2,385.90
Decreased by Disbursements:					
Expenditures Under RS 4:19-15.11	B-5	3,842.56			
NJ State Department of Health		433.20			
Encumbrances Payable				11,571.75	
Unemployment Compensation					7,973.79
Parking Meter Fees			43,000.00		
Zoning Board Escrow Fees				4,431.11	
Planning Board Escrow Fees				14,805.03	
Public Defender Trust Fund				4,734.86	
POAA Fess				3,203.60	
Municipal Alliance				5,205.85	
Off-Duty Police				42,957.75	
Donations Police Equipment				1,915.26	
Uniform Fire Penalty Money				5,748.33	
Law Enforcement Forfeiture				963.39	
Commodity Resale				77,810.00	
Reserve for Insurance				1,000.00	
Due Current Fund		5.00	3.35	4,010.92	
		4,280.76	43,003.35	178,357.85	7,973.79
Balance December 31, 2003	B	741.16	18,212.06	77,520.71	106,838.74

EXHIBIT B-2

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

	Ref.	Animal Control Trust	Parking Meter	Trust Other	Unemployment Compensation Trust
Balance December 31, 2003	B-1	741.16	18,212.06	77,520.71	106,838.74
Increased by Receipts:					
Cash Receipts Record		1,736.87	10,412.97	58,265.31	596.48
		2,478.03	28,625.03	135,786.02	107,435.22
Decreased by Disbursements:					
Cash Disbursements Record		449.60		45,041.85	914.16
Balance March 31, 2004	B-2	2,028.43	28,625.03	90,744.17	106,521.06

Cash Reconciliation - March 31, 2004

	Ref.	Animal Control Trust	Parking Meter	Trust Other	Unemployment Compensation Trust
Balance per Statement					
First Colonial Bank		2,020.43	28,622.69	90,744.17	106,518.28
Hudson United Bank					2.78
Add: Deposits in Transit		8.00	2.34		
Balance March 31, 2004	B-2	2,028.43	28,625.03	90,744.17	106,521.06

EXHIBIT B-3

SCHEDULE OF TRUST FUND CASH - COLLECTOR

	Ref.		
Balance December 31, 2002	B		110,948.23
Increased by:			
Deposits for Redemption of Tax Sale Certificates	B-6	870,511.64	
Premiums Received at Tax Sale	B-7	48,200.00	
Interest Earned		3,057.28	
			921,768.92
			1,032,717.15
Decreased by:			
Redemptions of Tax Sale Certificates	B-6	832,982.72	
Due CCMUA		37,554.05	
Tax Sale Premiums	B-7	19,051.00	
Interest Due Current Fund		4,377.16	
			893,964.93
Balance December 31, 2003	B		138,752.22

EXHIBIT B-4

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

	Ref.	
Balance December 31, 2003	B-3	138,752.22
Increased by:		
Cash Receipts Record		89,006.64
		227,758.86
Decreased by:		
Cash Disbursements Record		109,118.46
Balance March 31, 2004	B-4	118,640.40

Cash Reconciliation - March 31, 2004

Balance per Statement		
First Colonial Bank		122,857.57
Less: Outstanding Checks		4,217.17
Balance March 31, 2004	B-4	118,640.40

EXHIBIT B-5

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

	Ref.	
Balance December 31, 2002	B	1,993.23
Increased by:		
Municipal Share of Dog License Fees	B-1	2,298.60
		4,291.83
Decreased by:		
Expenditures Under R.S.4:19-15.11: Cash	B-1	3,842.56
Balance December 31, 2003	B	449.27

License Fees Collected

Year	Amount
2001	2,258.20
2002	2,258.00
	4,516.20

EXHIBIT B-6

SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES

	Ref.	
Balance December 31, 2002	B	33,538.16
Increased by:		
Deposits Received	B-3	870,511.64
		904,049.80
Decreased by:		
Refunds - Tax Sale Certificates Redeemed	B-3	832,982.72
Balance December 31, 2003	B	71,067.08

EXHIBIT B-7

SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE PREMIUMS

	Ref.	
Balance December 31, 2002	B	38,151.00
Increased by:		
Deposits Received at Tax Sale	B-3	48,200.00
		86,351.00
Decreased by:		
Premiums Refunded	B-3	19,051.00
Balance December 31, 2003	B	67,300.00

GENERAL CAPITAL FUND

EXHIBIT C-2

SCHEDULE OF GENERAL CAPITAL CASH - TREASURER

	Ref.		
Balance December 31, 2002	C		5,438,958.57
Increased by:			
Interest Earned		51,503.96	
Premiums on Bond Notes Issued	C-1	7,041.82	
Bond Anticipation Notes	C-10	10,300,000.00	
Reserve for Debt Service		113,324.89	
			10,471,870.67
			15,910,829.24
Decreased by:			
Improvement Authorizations	C-8	2,560,227.86	
Encumbrances Payable		59,230.02	
Bond Anticipation Notes	C-10	6,305,000.00	
Due Water Capital Fund		558,000.00	
Reserve for Debt Service		113,445.00	
Due from Collingswood Foundation for Arts		1,460,000.00	
Due Current Fund		58,033.39	
			11,113,936.27
Balance December 31, 2003	C		4,796,892.97

EXHIBIT C-3

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

	Ref.	
Balance December 31, 2003	C-2	4,796,892.97
Increased by:		
Cash Receipts Record		5,355,533.15
		10,152,426.12
Decreased by:		
Cash Disbursements Record		6,547,044.57
Balance March 31, 2004	C-3	3,605,381.55

Cash Reconciliation - March 31, 2004

Balance per Statement		
First Colonial Bank		3,600,141.28
Commerce Bank		98,240.27
Less: Outstanding Checks		93,000.00
Balance March 31, 2004	C-3	3,605,381.55

EXHIBIT C-4

ANALYSIS OF GENERAL CAPITAL FUND CASH

		Balance Dec. 31, 2002	Receipts: Bond Anticipation Notes	Receipts: Miscellaneous	Disbursements: Improvement Authorization	Disbursements: Bond Anticipation Notes	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2003
Fund Balance		59,358.35		7,041.82						66,400.17
Capital Improvement Fund		1,606.66								1,606.66
Due Current Fund		4,578.07		51,503.96			58,033.39			(1,951.36)
Encumbrances Payable		59,230.02					59,230.02		15,492.03	15,492.03
Due Water Capital Fund		559,348.88					558,000.00			1,348.88
Due from Collingswood Foundation for Arts							1,460,000.00			(1,460,000.00)
Reserve for Debt Service		134.88		113,324.89			113,445.00			14.77
Reserve for Payment of Bond Anticipation Notes		3,205,000.00				3,205,000.00				
Improvement Authorizations:										
Ordinance #										
1024	Various Capital Improvements	49.32								49.32
1070	Fire Department Equipment	3,448.08			2,128.00					1,320.08
1092	Acquistion of Real Estate	1,116.56								1,116.56
1114	Various Capital Improvements	47,826.18			40,114.09					7,712.09
1160	Various Capital Improvements	(985.29)			296.35					(1,281.64)
1161	Redevelopment Project	17,678.66								17,678.66
1190	Senior Citizen Community Center	392.16								392.16
1214	Various Capital Improvements	3,931.74			3,874.00					57.74
1216	Construction & Engineering of a Senior Citizen Center	38.05								38.05
1285	Acquistion of Real Estate	1,161,840.69	5,300,000.00		1,471,263.72	3,100,000.00		12,304.73		1,878,272.24
1291	Various Capital Improvements	314,365.56			252,243.43			3,187.30		58,934.83
1322	Loan to Redeveloper for Improvements to Scottish Rite		5,000,000.00		790,308.27					4,209,691.73
		5,438,958.57	10,300,000.00	171,870.67	2,560,227.86	6,305,000.00	2,248,708.41	15,492.03	15,492.03	4,796,892.97
	Ref.	C	C-10	C-2	C-8	C-10	C-2			C

EXHIBIT C-5

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	Ref.	
Balance December 31, 2002	C	12,244,600.00
Increased by:		
Improvement Costs Funded by:		
Serial Bonds Issued	C-6	3,205,000.00
		15,449,600.00
Decreased by:		
Payment of Bonds Payable	C-9	692,748.15
Balance December 31, 2003	C	14,756,851.85

EXHIBIT C-6

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Purpose		Balance Dec. 31, 2002	2003 Authorization	Notes Paid by Budget Appropriation	Transferred to Deferred Taxation - Funded	Balance Dec. 31, 2003	Analysis of Balance Dec. 31, 2003: Financed By Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
1160	Various Capital Improvements		3,295.00				3,295.00		1,281.64	2,013.36
1195	Acquisition of Real Estate		1,250,000.00			1,250,000.00				
1214	Various Capital Improvements		361,000.00			361,000.00				
1216	Senior Citizen Center		570,000.00			570,000.00				
1222	Acquisition of Real Estate		1,000,000.00		71,000.00		929,000.00	929,000.00		
1266	Redevelopment Areas		152,000.00			152,000.00				
1285	Acquisition of Real Estate		5,300,000.00				5,300,000.00	5,300,000.00		
1291	Various Capital Improvements		872,100.00			872,000.00	100.00			
1322	Loan to Redeveloper for Improvements to Scottish Rite			5,000,000.00			5,000,000.00	5,000,000.00		100.00
			9,508,395.00	5,000,000.00	71,000.00	3,205,000.00	11,232,395.00	11,229,000.00	1,281.64	2,113.36
		Ref.	C	C-8		C-5	C	C-10		

		Ref.		
Improvement Authorizations - Unfunded		C-8		6,090,077.33
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:				
Ordinance #				
1285	Acquistion of Real Estate	C-4	1,878,272.24	
1322	Loan to Redeveloper for Improvements to Scottish Rite	C-4	4,209,691.73	
				6,087,963.97
				2,113.36

EXHIBIT C-7

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2002	C	1,606.66
Balance December 31, 2003	C	1,606.66

EXHIBIT C-8

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance #	Purpose	Date	Amount	Balance Dec. 31, 2002 Funded	Balance Dec. 31, 2002 Unfunded	2003 Authorizations Deferred Charges to Future Taxation Unfunded	Paid or Charged	Encumbered	Balance Dec. 31, 2003 Funded	Balance Dec. 31, 2003 Unfunded
1024	Various Capital Improvements	02/01/93	1,180,500.00	49.32					49.32	
1070	Fire Department Equipment	01/17/95	88,092.78	3,448.08			2,128.00		1,320.08	
1092	Acquistion of Real Estate	02/20/96	8,000,000.00	1,116.56					1,116.56	
1114	Various Capital Improvements	01/21/97	1,494,000.00	47,826.18			40,114.09		7,712.09	
1160	Various Capital Improvements	08/10/98	390,500.00		2,309.71		296.35			2,013.36
1161	Redevelopment Project	08/10/98	1,800,000.00	17,678.66					17,678.66	
1190	Senior Citizen Community Center	07/06/99	1,300,000.00	392.16					392.16	
1214	Various Capital Improvements	04/03/00	380,000.00	3,931.74			3,874.00		57.74	
1216	Construction & Engineering of a Senior Citizen Center	04/03/00	600,000.00	38.05					38.05	
1285	Acquistion of Real Estate	02/04/02	5,300,000.00		3,361,840.69		1,471,263.72	12,304.73		1,878,272.24
1291	Various Capital Improvements	07/01/02	918,000.00	314,365.56	100.00		252,243.43	3,187.30	58,934.83	100.00
1322	Loan to Redeveloper for Improvements to Scottish Rite	08/04/03	5,000,000.00			5,000,000.00	790,308.27			4,209,691.73
				388,846.31	3,364,250.40	5,000,000.00	2,560,227.86	15,492.03	87,299.49	6,090,077.33
			Ref.	C	C	C-6	C-2	C	C	C

EXHIBIT C-9

SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Date of Issue	Purpose		Original Issue	Maturities of Bonds Outstanding December 31, 2003 Date	Amount	Interest Rate	Balance Dec. 31, 2002	Decreased	Balance Dec. 31, 2003
8/1/93	General Improvement Bonds		1,640,000.00	8/1/04	80,177.78	5.100%	1,049,600.00	77,748.15	971,851.85
				8/1/05	82,607.41	5.100%			
				8/1/06	85,037.04	5.100%			
				8/1/07	89,896.30	5.100%			
				8/1/08	94,755.56	5.150%			
				8/1/09	99,614.81	5.200%			
				8/1/10	104,474.07	5.250%			
				8/1/11/13	111,762.96	5.300%			
7/15/96	General Obligation Bonds	**R**	2,900,000.00	7/15/04/06	190,000.00	8.250%			
				7/15/07/11	220,000.00	8.250%	1,860,000.00	190,000.00	1,670,000.00
7/15/96	General Obligation Bonds		4,800,000.00	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	26,000.00	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%	4,740,000.00	10,000.00	4,730,000.00
10/01/98	General Obligation Bonds	**R**	2,100,000.00	10/1/04/08	75,000.00	5.900%			
				10/1/09/10	75,000.00	6.000%			
				10/1/11/21	100,000.00	6.000%			
				10/1/22/23	100,000.00	6.100%	1,900,000.00	75,000.00	1,825,000.00
10/01/98	General Obligation Bonds		4,400,000.00	10/1/04/06	200,000.00	4.300%			
				10/1/07/09	250,000.00	4.300%	1,525,000.00	175,000.00	1,350,000.00

EXHIBIT C-9

SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding December 31, 2003 Date	Amount	Interest Rate	Balance Dec. 31, 2002	Decreased	Balance Dec. 31, 2003
09/01/99	CCIA - Revenue Bonds	R 1,300,000.00	9/1/04/06	50,000.00	5.850%			
			9/1/07/08	55,000.00	5.850%			
			9/1/09	60,000.00	5.850%			
			9/1/10/11	65,000.00	5.850%			
			9/1/12	70,000.00	5.850%			
			9/1/13	75,000.00	5.850%			
			9/1/14/15	80,000.00	5.850%			
			9/1/16	85,000.00	5.850%			
			9/1/17	90,000.00	5.850%			
			9/1/18	95,000.00	5.850%			
			9/1/19	100,000.00	5.850%	1,170,000.00	45,000.00	1,125,000.00
12/04/02	General Obligation Bonds	3,205,000.00	11/15/04	120,000.00	2.000%			
			11/15/05	120,000.00	2.050%			
			11/15/06	120,000.00	2.375%			
			11/15/07	125,000.00	3.000%			
			11/15/08	130,000.00	3.000%			
			11/15/09	135,000.00	3.200%			
			11/15/10	140,000.00	3.500%			
			11/15/11	145,000.00	5.000%			
			11/15/12	150,000.00	5.000%			
			11/15/13	155,000.00	5.125%			
			11/15/14	160,000.00	4.000%			
			11/15/15	170,000.00	4.300%			
			11/15/16	175,000.00	4.300%			
			11/15/17	185,000.00	5.250%			
			11/15/18	195,000.00	5.250%			
			11/15/19	200,000.00	4.625%			
			11/15/20	210,000.00	4.625%			
			11/15/21	220,000.00	4.750%			
			11/15/22	230,000.00	4.750%	3,205,000.00	120,000.00	3,085,000.00
						15,449,600.00	692,748.15	14,756,851.85
						C	C-5	C

R Redevelopment Bonds

EXHIBIT C-10

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ordinance #	Purpose	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2002	Increased	Decreased	Balance Dec. 31, 2003
1195	Acquisition of Real Estate	9/29/99	9/5/02	1/14/03	1.29%	1,250,000.00		1,250,000.00	
1214	Various Capital Improvements	6/6/00	9/5/02	1/14/03	1.50%	361,000.00		361,000.00	
1216	Senior Citizen Center	6/6/00	9/5/02	1/14/03	1.50%	570,000.00		570,000.00	
1222	Acquisition of Real Estate	11/2/00	11/1/02	10/31/03	2.00%	1,000,000.00		71,000.00	929,000.00
1266	Various Capital Improvements	11/8/01	9/5/02	1/14/03	1.50%	152,000.00		152,000.00	
1285	Acquisition of Real Estate	3/12/02	3/12/02	3/12/03	1.08%	3,100,000.00	5,300,000.00	3,100,000.00	5,300,000.00
1291	Various Capital Improvements	9/5/02	9/5/02	1/14/03	1.50%	872,000.00		872,000.00	
					1.75%		5,000,000.00		5,000,000.00
						7,305,000.00	10,300,000.00	6,376,000.00	11,229,000.00
					Ref.	C			C

	Ref.	
Renewal		3,100,000.00
Issued	C-10	7,200,000.00
	C-2	10,300,000.00

	Ref.	
Budget Appropriation		71,000.00
Issued for Cash	C-2	6,305,000.00
		6,376,000.00

EXHIBIT C-11

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Purpose		Balance Dec. 31, 2002	2003 Authorization	Notes Issued	Balance Dec. 31, 2003
1160	Various Capital Improvements		3,295.00			3,295.00
1285	Acquisition of Real Estate		2,200,000.00		2,200,000.00	
1291	Various Capital Improvements		100.00			100.00
1322	Loan to Redeveloper for Improvements to Scottish Rite			5,000,000.00	5,000,000.00	
			2,203,395.00	5,000,000.00	7,200,000.00	3,395.00
		Ref.		C-8	C-10	

WATER UTILITY FUND

EXHIBIT D-5

SCHEDULE OF WATER UTILITY CASH - TREASURER

	Ref.	Operating	Capital
Balance December 31, 2002	D	409,970.02	24,933.29
Increased by:			
Consumer Accounts Receivable	D-8	1,418,416.07	
Miscellaneous Revenues	D-3	26,373.99	117.25
Utility Rent Overpayments		11,288.13	
Bond Anticipation Notes	D-19		22,000.00
Due Payroll Account		22,006.65	
Due Utility Capital Fund	D-5	173.01	
		1,478,257.85	22,117.25
		1,888,227.87	47,050.54
Decreased by:			
Budget Appropriations	D-4	1,239,412.88	
Appropriation Reserve	D-12	167,881.78	
Improvement Authorizations	D-17		21,801.00
Encumbrances Payable	D-13	40,695.09	21,088.76
Accrued Interest Paid	D-15	114,388.96	
Overpayment Refunded		13.09	
Due Payroll Account		21,362.15	
Due Utility Operating Fund	D-5		173.01
		1,583,753.95	43,062.77
Balance December 31, 2003	D	304,473.92	3,987.77

EXHIBIT D-6

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

	Ref.	Operating	Capital
Balance December 31, 2003	D-5	304,473.92	3,987.77
Increased by:			
Cash Receipts Record		337,474.40	22.30
		641,948.32	4,010.07
Decreased by:			
Cash Disbursements Record		361,305.27	22.32
Balance March 31, 2004	D-6	280,643.05	3,987.75

Cash Reconciliation - March 31, 2004

Balance per Statement			
First Colonial Bank		319,389.18	3,987.75
Add: Deposit in Transit		2,793.88	
Less: Outstanding Checks		41,540.01	
Balance March 31, 2004	D-6	280,643.05	3,987.75

EXHIBIT D-7

ANALYSIS OF WATER UTILITY CAPITAL FUND CASH

	Balance Dec. 31, 2002	Receipts: Bond Anticipation Notes	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2003
Fund Balance	5,420.99							5,420.99
Capital Improvement Fund	20,705.90							20,705.90
Encumbrances Payable	21,088.76				21,088.76			
Due Water Utility Operating Fund	(20,937.24)		117.25		173.01			(20,993.00)
Due from General Capital Fund	(559,348.88)						558,000.00	(1,348.88)
Reserve for Payment of Bonds	558,000.00					558,000.00		
Improvement Authorizations:								
Ordinance Number								
1163 Various Capital Improvements	3.67							3.67
1258 Water Utility Improvements		22,000.00		21,801.00				199.00
1283 Replacement of Maple Ave. Water Lines	0.09							0.09
	24,933.29	22,000.00	117.25	21,801.00	21,261.77	558,000.00	558,000.00	3,987.77
Ref.	D	D-19	D-5	D-17	D-5			D

EXHIBIT D-8

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - WATER

	Ref.	
Balance December 31, 2002	D	106,128.73
Increased by:		
Utility Rents Levied		1,450,249.12
		1,556,377.85
Decreased by:		
Collections	D-5	1,418,416.07
Overpayments Applied	D-3	7,343.05
Canceled		1,414.99
		1,427,174.11
Balance December 31, 2003	D	129,203.74

EXHIBIT D-9

SCHEDULE OF WATER UTILITY LIENS RECEIVABLE

	Ref.	
Balance December 31, 2002	D	2,208.67
Decreased by:		
Transfer to Property Acquired for Taxes	A-9	2,208.67

EXHIBIT D-10

SCHEDULE OF FIXED CAPITAL

EXHIBIT D-8

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - WATER

	Ref.	
Balance December 31, 2002	D	106,128.73
Increased by:		
Utility Rents Levied		1,450,249.12
		1,556,377.85
Decreased by:		
Collections	D-5	1,418,416.07
Overpayments Applied	D-3	7,343.05
Canceled		1,414.99
		1,427,174.11
Balance December 31, 2003	D	129,203.74

EXHIBIT D-9

SCHEDULE OF WATER UTILITY LIENS RECEIVABLE

	Ref.	
Balance December 31, 2002	D	2,208.67
Decreased by:		
Transfer to Property Acquired for Taxes	A-9	2,208.67

EXHIBIT D-10

SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2002	Balance Dec. 31, 2003
Intangible Plant:		
Organization	10,996.82	10,996.82
Source of Supply Plant:		
Land & Land Rights	29,769.00	29,769.00
Structures & Improvements	246,246.00	246,246.00
Wells & Springs	1,253,911.66	1,253,911.66
Supply Mains	83,469.00	83,469.00
Pumping Plant:		
Structures & Improvements	450,139.00	450,139.00
Electric Pumping Equipment	88,093.27	88,093.27
Diesel Pumping	28,907.79	28,907.79
Water Treatment Plant:		
Structures & Improvements	1,034,952.00	1,034,952.00
Water Treatment Equipment	90,376.00	90,376.00
Transmission & Distribution Plant:		
Structures & Improvements	265,970.63	265,970.63
Distribution Reservoirs & Standpipes	772,224.79	772,224.79
Transmission & Distribution Mains	1,036,701.22	1,036,701.22
Fire Mains	42,753.00	42,753.00
Services	100,371.10	100,371.10
Meters	260,989.70	260,989.70
Meter Installation	44,354.00	44,354.00
Hydrants	50,632.00	50,632.00
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	42,139.81	42,139.81
Other General Equipment	3,494.66	3,494.66
	6,026,342.67	6,026,342.67
Ref.	D	D

EXHIBIT D-11

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Purpose	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2002	Balance Dec. 31, 2003
1163	Various Capital Improvements	8/3/98	410,000.00	410,000.00	410,000.00
1258	Water Utility Improvements	7/2/01	580,000.00	580,000.00	580,000.00
1283	Replacement of Maple Avenue Water Lines	2/8/02	12,000.00	12,000.00	12,000.00
				1,002,000.00	1,002,000.00
		Ref.		D	D

EXHIBIT D-12

SCHEDULE OF 2002 APPROPRIATION RESERVES - WATER

	Balance Dec. 31, 2002	Paid or Charged	Balance Lapsed
Operating:			
Other Expenses	199,259.51	167,881.78	31,377.73
Social Security System	782.66		782.66
Public Employees Retirement	0.40		0.40
	200,042.57	167,881.78	32,160.79
Ref.	D	D-5	D-1

EXHIBIT D-13

SCHEDULE OF ENCUMBRANCES PAYABLE - WATER

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2002	D	40,695.09	21,088.76
Increased by:			
Charges to 2003 Appropriations	D-4	45,045.09	
		85,740.18	21,088.76
Decreased by:			
Payments	D-5	40,695.09	21,088.76
Balance December 31, 2003	D	45,045.09	

EXHIBIT D-14

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2002	D	20,705.90
Balance December 31, 2003	D	20,705.90

EXHIBIT D-15

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES AND ANALYSIS OF BALANCE

	Ref.	
Balance December 31, 2002	D	35,218.12
Increased by:		
Budget Appropriation for:		
Interest on Bonds and Notes	D-4	110,580.76
		145,798.88
Decreased by:		
Interest Paid	D-5	114,388.96
Balance December 31, 2003	D	31,409.92

Analysis of Accrued Interest December 31, 2003

Principal Outstanding Dec. 31, 2003	Interest Rate	From	To	Period	Amount
871,111.11	Varies	8/1/03	12/31/03	5 Months	18,854.11
895,000.00	Varies	10/1/03	12/31/03	3 Months	9,752.50
537,000.00	Varies	11/15/03	12/31/03	1.5 Months	2,803.31
2,303,111.11					31,409.92

EXHIBIT D-16

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Purpose	Date of Ordinance	Balance Dec. 31, 2002	Balance Dec. 31, 2003
1163	Various Capital Improvements	8/3/98	410,000.00	410,000.00
1258	Water Utility Improvements	7/2/01	580,000.00	580,000.00
1283	Replacement of Maple Avenue Water Lines	2/8/02	12,000.00	12,000.00
			1,002,000.00	1,002,000.00
		Ref.	D	D

EXHIBIT D-17

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - WATER

				Balance Dec. 31, 2002		Paid or	Balance Dec. 31, 2003	
Ordinance #	Purpose	Date	Amount	Funded	Unfunded	Charged	Funded	Unfunded
1162	Various Capital Improvements	08/03/98	410,000.00	3.67			3.67	
1258	Water Utility Improvements	07/02/01	580,000.00		22,000.00	21,801.00		199.00
1283	Replacement of Maple Avenue Water Lines	02/08/02	12,000.00	0.09			0.09	
				3.76	22,000.00	21,801.00	3.76	199.00
			Ref.	D	D	D-5	D	D

EXHIBIT D-18

SCHEDULE OF WATER SERIAL BONDS

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding December 31, 2003 Date	Amount	Interest Rate	Balance Dec. 31, 2002	Decreased	Balance Dec. 31, 2003
8/1/93	Water Bonds	1,470,000.00	8/1/04	71,866.67	5.10%	940,800.00	69,688.89	871,111.11
			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%			
10/01/98	Water Bonds	1,090,000.00	10/1/04/06	45,000.00	4.30%	940,000.00	45,000.00	895,000.00
			10/1/07/10	50,000.00	4.30%			
			10/1/11/13	70,000.00	4.30%			
			10/1/14	70,000.00	4.35%			
			10/1/15	70,000.00	4.40%			
			10/1/16	70,000.00	4.45%			
			10/1/17	70,000.00	4.50%			
			10/1/18	70,000.00	4.55%			
12/04/02	Water Bonds	558,000.00	11/15/04	21,000.00	2.000%	558,000.00	21,000.00	537,000.00
			11/15/05	21,000.00	2.050%			
			11/15/06	21,000.00	2.375%			
			11/15/07	22,000.00	3.000%			
			11/15/08	22,000.00	3.000%			
			11/15/09	23,000.00	3.200%			
			11/15/10	24,000.00	3.500%			
			11/15/11	25,000.00	5.000%			
			11/15/12	26,000.00	5.000%			
			11/15/13	27,000.00	5.125%			
			11/15/14	28,000.00	4.000%			
			11/15/15	29,000.00	4.300%			
			11/15/16	31,000.00	4.300%			
			11/15/17	32,000.00	5.250%			
			11/15/18	34,000.00	5.250%			
			11/15/19	35,000.00	4.625%			
			11/1/20	37,000.00	4.625%			
			11/1/21	39,000.00	4.750%			
			11/1/22	40,000.00	4.750%			
						2,438,800.00	135,688.89	2,303,111.11
					Ref.	D		D

EXHIBIT D-19

SCHEDULE OF BONDS ANTICIPATION NOTES

Ordinance Number	Purpose	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2002	Increased	Decreased	Balance Dec. 31, 2003
1258	Water Utility Improvements	11/08/01	07/18/03	03/12/04	1.50%	558,000.00	22,000.00	558,000.00	22,000.00
					Ref.	D	D-5		D

EXHIBIT D-20

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Purpose	Balance Dec. 31, 2002	Issued
1258	Water Utility Improvements	22,000.00	22,000.00
	Ref.		D-19

SEWER UTILITY FUND

EXHIBIT E-5

SCHEDULE OF SEWER UTILITY CASH - TREASURER

	Ref.	Operating	Capital
Balance December 31, 2002	E	136,043.85	291,048.65
Increased by:			
Consumer Accounts Receivable	E-8	1,119,903.45	
Miscellaneous Revenues	E-3	14,030.52	9,581.53
Utility Rent Overpayments		3,604.48	
Bond Anticipation Notes	E-19		225,000.00
Due Utility Capital Fund	E-5	9,393.27	
		1,146,931.72	234,581.53
		1,282,975.57	525,630.18
Decreased by:			
Budget Appropriations	E-4	986,159.38	
Appropriation Reserve	E-12	30,290.01	
Improvement Authorizations	E-17		27,380.12
Encumbrances Payable	E-13	12,750.54	1,548.75
Accrued Interest Paid	E-15	92,433.00	
Overpayment Refunded		62.50	
Due Payroll Account		389.38	
Due Utility Operating Fund	E-5		9,393.27
		1,122,084.81	38,322.14
Balance December 31, 2003	E	160,890.76	487,308.04

EXHIBIT E-6

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

	Ref.	Operating	Capital
Balance December 31, 2003	E-5	160,890.76	487,308.04
Increased by:			
Cash Receipts Record		294,240.74	227,678.99
		455,131.50	714,987.03
Decreased by:			
Cash Disbursements Record		225,319.12	239,777.00
Balance March 31, 2004	E-6	229,812.38	475,210.03

Cash Reconciliation - March 31, 2004

	Ref.	Operating	Capital
Balance per Statement			
First Colonial Bank		233,491.19	475,210.03
Add: Deposit in Transit		652.66	
Less: Outstanding Checks		4,331.47	
Balance March 31, 2004	E-6	229,812.38	475,210.03

EXHIBIT E-7

ANALYSIS OF SEWER UTILITY CAPITAL FUND CASH

			Receipts		Disbursements		Transfers		
		Balance Dec. 31, 2002	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	Balance Dec. 31, 2003
Fund Balance		3,540.58							3,540.58
Capital Improvement Fund		27,280.00							27,280.00
Encumbrances Payable		1,548.75				1,548.75		8,446.48	8,446.48
Due Sewer Utility Operating Fund		(47,105.50)		9,581.53		9,393.27			(46,917.24)
Improvement Authorizations:									
Ordinance #									
1116	Replacement of Sewer Mains	2.00							2.00
1163	Construction of Sewer Lines	83.96							83.96
1224	Construction of Sewer Collection Lines	124,683.22			3,642.12		6,907.70		114,133.40
1259	Sewer Utility Improvements	167,437.94			40.00				167,397.94
1284	Replacement of Maple Ave Sewer Lines	165.59							165.59
1298	Various Capital Improvements	13,412.11							13,412.11
1305	Various Capital Improvements		225,000.00		23,698.00		1,538.78		199,763.22
		291,048.65	225,000.00	9,581.53	27,380.12	10,942.02	8,446.48	8,446.48	487,308.04
Ref.		E	E-19	E-5	E-17	E-5			E

EXHIBIT E-8

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE - SEWER

	Ref.	
Balance December 31, 2002	E	36,535.44
Increased by:		
Utility Rents Levied		1,122,109.00
		1,158,644.44
Decreased by:		
Collections	E-5	1,119,903.45
Overpayments Applied	E-3	3,691.95
Canceled		191.31
		1,123,786.71
Balance December 31, 2003	E	34,857.73

EXHIBIT E-9

SCHEDULE OF SEWER UTILITY LIENS RECEIVABLE

	Ref.	
Balance December 31, 2002	E	1,216.30
Decreased by:		
Transfer to Property Acquired for Taxes	A-9	1,216.30

EXHIBIT E-10

SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2002	Balance Dec. 31, 2003
Pumping Station	18,124.86	18,124.86
Sewer Extension Pumping Station	15,658.85	15,658.85
Lower Level Sewer	5,172.35	5,172.35
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 & Construction 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 Avenue - Sanitary Sewer, Diesel Building - 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 Avenue Between Cattell Avenue & Comley Avenue, Purchase of Equipment to Determine cause of Ground Water Infiltration, Construction 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	Purpose	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2002	2003 Authorizations Deferred Charges to Future Revenue	Balance Dec. 31, 2003
1116	Replacement of Sewer Mains	01/21/97	900,000.00	900,000.00		900,000.00
1163	Construction of Sewer Lines	08/03/98	280,000.00	280,000.00		280,000.00
1224	Construction of Sewer Collection Lines	07/17/00	1,050,000.00	1,050,000.00		1,050,000.00
1259	Sewer Utility Improvements	07/02/01	590,000.00	590,000.00		590,000.00
1284	Replacement of Maple Avenue Sewer Lines	02/04/02	20,000.00	20,000.00		20,000.00
1298	Various Capital Improvements	09/03/02	31,000.00	31,000.00		31,000.00
1305	Various Capital Improvements	03/03/03	225,000.00		225,000.00	225,000.00
				2,871,000.00	225,000.00	3,096,000.00
		Ref.		E	E-17	E

EXHIBIT E-12

SCHEDULE OF 2002 APPROPRIATION RESERVES - SEWER

	Balance Dec. 31, 2002	Paid or Charged	Balance Lapsed
Salary & Wages	7,828.96	7,666.43	162.53
Other Expenses	23,879.20	22,623.58	1,255.62
Social Security System	1,178.71		1,178.71
Public Employees Retirement	0.40		0.40
	32,887.27	30,290.01	2,597.26
Ref.	E	E-5	E-1

EXHIBIT E-13

SCHEDULE OF ENCUMBRANCES PAYABLE - SEWER

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2002	E	12,750.54	1,548.75
Increased by:			
Charges to:			
2003 Appropriations	E-4	5,481.66	
Improvement Authorizations	E-17		8,446.48
		18,232.20	9,995.23
Decreased by:			
Payments	E-5	12,750.54	1,548.75
Balance December 31, 2003	E	5,481.66	8,446.48

EXHIBIT E-14

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2002	E	27,280.00
Balance December 31, 2003	E	27,280.00

EXHIBIT E-15

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES AND ANALYSIS OF BALANCE

	Ref.	
Balance December 31, 2002	E	29,808.07
Increased by:		
Budget Appropriation for:		
Interest on Bonds and Notes	E-4	92,586.30
		122,394.37
Decreased by:		
Interest Paid	E-5	92,433.00
Balance December 31, 2003	E	29,961.37

Analysis of Accrued Interest December 31, 2003

Principal Outstanding Dec. 31, 2003	Interest Rate	From	To	Period	Amount
157,037.04	Varies	8/1/03	12/31/03	5 Months	3,398.87
950,000.00	Varies	10/1/03	12/31/03	3 Months	10,343.75
480,313.00	Varies	8/1/03	12/31/03	5 Months	10,510.42
271,248.00	Varies	8/1/03	12/31/03	5 Months	5,708.33
1,858,598.04					29,961.37

EXHIBIT E-16

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Purpose	Date of Ordinance	Balance Dec. 31, 2002	Balance Dec. 31, 2003
1116	Replacement of Sewer Mains	01/21/97	900,000.00	900,000.00
1163	Construction of Sewer Lines	08/03/98	280,000.00	280,000.00
1284	Replacement of Maple Avenue Sewer Lines	02/04/02	20,000.00	20,000.00
1298	Various Capital Improvements	09/03/02	31,000.00	31,000.00
			1,231,000.00	1,231,000.00
		Ref.	E	E

EXHIBIT E-17

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS - SEWER

Ordinance #	Purpose	Date	Amount	Balance Dec. 31, 2002 Funded	Balance Dec. 31, 2002 Unfunded	2003 Deferred Charges to Future Revenue	Paid or Charged	Encumbered	Balance Dec. 31, 2003 Funded	Balance Dec. 31, 2003 Unfunded
1116	Replacement of Sewer Main	01/21/97	900,000.00	2.00					2.00	
1163	Construction of Sewer Lines	08/03/98	280,000.00	83.96					83.96	
1224	Construction of Sewer Collection Lines	07/17/00	1,050,000.00	124,683.22	22,360.00		3,642.12	6,907.70	114,133.40	22,360.00
1259	Sewer Utility Improvements	07/02/01	590,000.00	167,437.94	27,504.00		40.00		167,397.94	27,504.00
1259	Replacement of Maple Avenue Sewer Lines	02/04/02	20,000.00	165.59					165.59	
1298	Various Capital Improvements	09/03/02	13,412.11	13,412.11					13,412.11	
1305	Various Capital Improvements	03/03/03	225,000.00			225,000.00	23,698.00	1,538.78		199,763.22
				305,784.82	49,864.00	225,000.00	27,380.12	8,446.48	295,195.00	249,627.22
			Ref.	E	E		E-5	E-13	E	E

EXHIBIT E-18

SCHEDULE OF SEWER SERIAL BONDS

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding December 31, 2003 Date	Maturities of Bonds Outstanding December 31, 2003 Amount	Interest Rate	Balance Dec. 31, 2002	Decreased	Balance Dec. 31, 2003
8/1/93	Sewer Bonds	265,000.00	8/1/04	12,955.56	5.10%	169,600.00	12,562.96	157,037.04
			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%			
10/01/98	Sewer Bonds	1,135,000.00	10/1/04/05	45,000.00	4.30%	995,000.00	45,000.00	950,000.00
			10/1/07/10	60,000.00	4.30%			
			10/1/11/13	70,000.00	4.30%			
			10/1/14	70,000.00	4.35%			
			10/1/15	70,000.00	4.40%			
			10/1/16	70,000.00	4.45%			
			10/1/17	70,000.00	4.50%			
			10/1/18	70,000.00	4.55%			
						1,164,600.00	57,562.96	1,107,037.04
					Ref.	E		E

EXHIBIT E-19

SCHEDULE OF BONDS ANTICIPATION NOTES

Ordinance Number	Purpose	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Increased	Balance Dec. 31, 2003
1305	Various Capital Improvements	05/07/03	05/07/03	03/12/04	1.09%	225,000.00	225,000.00
					Ref.	E-5	E

EXHIBIT E-20

SCHEDULE OF NJ WASTEWATER TREATMENT TRUST LOAN

	Ref.	Trust Loan	2000 Series Fund Loan	Total
Balance December 31, 2002	E	500,313.00	472,893.32	973,206.32
Decreased by:				
Principal Payments		20,000.00	27,764.45	47,764.45
Balance December 31, 2003	E	480,313.00	445,128.87	925,441.87

	Ref.	Trust Loan	2001 Series Fund Loan	Total
Balance December 31, 2002	E	281,248.00	273,244.26	554,492.26
Decreased by:				
Principal Payments		10,000.00	15,584.98	25,584.98
Balance December 31, 2003	E	271,248.00	257,659.28	528,907.28

	Ref.	Trust Loan	Combined Fund Loan	Total
Balance December 31, 2002	E	781,561.00	746,137.58	1,527,698.58
Decreased by:				
Principal Payments		30,000.00	43,349.43	73,349.43
Balance December 31, 2003	E	751,561.00	702,788.15	1,454,349.15

EXHIBIT E-21

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2002	Balance Dec. 31, 2003
1163	Construction of Sewer Lines	22,360.00	22,360.00
1259	Sewer Utility Improvements	27,504.00	27,504.00
		49,864.00	49,864.00

PAYROLL FUND

EXHIBIT F-1

SCHEDULE OF PAYROLL CASH

	Ref.	Payroll
Balance December 31, 2002	F	275,446.00
Increased by:		
Employee Withholdings		1,913,025.28
Employer Taxes		1,666,943.67
Deposits for Net Salaries		3,724,941.17
Due for January 2003 Payroll		(202,623.60)
Due for January 2004 Payroll		251,716.42
		7,354,002.94
Decreased by:		
Payroll Taxes Paid		3,652,613.74
Net Payroll Disbursed		3,724,941.17
Due Current Fund		1,793.39
		7,379,348.30
Balance December 31, 2003	F	250,100.64

Analysis of Balances

Due Current Fund	A	222,802.68
Due Water Operating Fund	D	21,362.15
Due Sewer Operating Fund	E	20,083.89
State Withholding		10,632.50
Unemployment/Disability		630.62
Pension		43,697.87
2004 Direct Deposit		(72,484.66)
Insurance		1,127.01
Savings Bonds		375.00
Higher Education		56.00
Dues		1,557.64
Wage Attachments		259.94
		250,100.64

EXHIBIT F-2

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

	Ref.	
Balance December 31, 2003	F-1	250,100.64
Increased by:		
Cash Receipts Record		1,673,335.19
		1,923,435.83
Decreased by:		
Cash Disbursements Record		1,845,646.02
Balance March 31, 2004	F-2	77,789.81

Cash Reconciliation - March 31, 2004

Balance per Statement		
First Colonial Bank		93,696.65
Less: Outstanding Checks		15,906.84
Balance March 31, 2004	F-2	77,789.81

SCHEDULE OF EXPENDITURES OF 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 state programs for the year ended December 31, 2003. 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 state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of 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 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 state programs for the year ended December 31, 2003.

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 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 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 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 not matters involving the internal control over compliance and its operations 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

Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252
April 21, 2004

SCHEDULE 1

BOROUGH OF COLLINGSWOOD
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2003

State Funding Department/Program	State Grant Number	Program Amount	Matching Funds	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	3,912.50	1,771.00	01/01/02	12/31/02	19,562.50
		15,650.00	3,912.50	9,835.00	01/01/03	12/31/03	4,158.91
		15,650.00	3,912.50		01/01/01	12/31/01	1,324.23
Green Communities Challenge Grant	4870-100-042-4GDE-038-V42Y-6110	2,000.00		2,000.00	01/01/03	12/31/03	2,000.00
Clean Communities	4900-765-042-4900-004-VCMC-6020	13,539.69		13,539.69	01/01/03	12/31/03	11,282.57
Recycling Tonnage	4900-752-042-4900-001-VREV-6020	7,288.89			01/01/01	12/31/01	6,411.93
		7,869.01			01/01/02	12/31/02	158.07
		2,726.09		2,726.09	01/01/03	12/31/03	
Special Purpose Grant - Richey Avenue	N/A	500,000.00			07/01/01	06/30/02	13,765.52
Special Purpose Grant - Richey Avenue pass-through County of Camden	N/A	250,000.00			07/01/01	06/30/02	24,029.06
Department of Environmental Protection							
Hazardous Discharge Site Remediation	N/A	63,962.00		63,462.00	01/01/03	12/31/04	1,687.50
Department of Housing and Community Resources							
Neighborhood Preservation	8020-100-022-8020-092-F301-6020	325,000.00		65,041.00	07/01/99	12/31/04	61,689.98
Department of Transportation							
Drunk Driving Enforcement Fund	1110-448-031020-60	4,804.29			01/01/02	12/31/02	1,638.25
		2,922.37			01/01/03	12/31/03	1,316.75
N.J.Transportation Trust Fund Authority Act	6320-480-078-6320-Z50-TCAP-6010	140,000.00		43,283.37	01/01/01	12/31/01	
		140,000.00		49,693.12	01/01/02	12/31/02	40,209.78
		150,000.00			01/01/03	12/31/03	18,479.81
Department of Law and Public Safety							
Safe and Secure Program	03-100-066-1020-232	90,000.00		30,000.00	06/01/02	05/30/03	90,000.00
		90,000.00		60,000.00	06/01/01	05/30/02	
Statewide Local Domestic Preparedness		18,036.00			01/01/03	12/31/03	18,036.00
Body Armor	1020-718-066-1020-001-YCJS-6120	2,834.14		2,834.14	01/01/03	12/31/03	484.00
				344,185.41			316,234.86

SCHEDULE 2

BOROUGH OF COLLINGSWOOD
NOTES TO SCHEDULES OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2003

NOTE A: BASIS OF PRESENTATION

The accompanying schedule of expenditures of State awards includes the 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, 2003

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:		Qualified
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

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 State Program or Cluster
N/A	Richey Avenue passthrough County of Camden
1020-100-066-1020-232-YCJS-6120	Safe & Secure
8020-100-022-8020-092-F301-6020	Neighborhood Preservation

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

SCHEDULE 3
(Continued)

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2003

Section II – Financial Statement Findings

03-1 Local Public Contract Law

Condition: A resolution confirming the purchase of an item under state contract was 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 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.

03-2 Vouchers

Condition: Purchase orders were found to be paid without acknowledgement of receipt as required by N.J.S.A.40A:5-16.

Criteria: The governing body is required to acknowledge receipt of all goods or services.

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

Recommendation: All purchase orders contain the required signatures prior to payment of bills.

03-3 Escrow

Condition: Statements have not been sent to escrow applicants showing an accounting of funds as required by Chapter 54, P.L. 1995.

Criteria: The Chief Financial Officer is required to send statements to escrow applicants showing an accounting of funds.

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

Recommendation: Escrow applicants be sent statements of activity as required by Chapter 54, P.L. 1995.

SCHEDULE 3
(Continued)

BOROUGH OF COLLINGSWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2003

Section II – Financial Statement Findings (Continued)

03-4 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.

03-5 Expenditures

Condition: There was an overexpenditure of an appropriation reserve.

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

Effect: Deferred charges are being raised in the budget of the next succeeding year.

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, 2003

FINANCIAL STATEMENT FINDINGS:

Finding No. 02-1

Condition

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

Current Status

Corrective action has been implemented.

Finding No. 02-2

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.5:34-1.2

Current Status

Corrective action has not been implemented for all purchases under state contract.

Planned Action

The Borough Clerk and appropriate Department heads will be reminded that a resolution is needed for State contract purchases.

Finding No. 02-3

Condition

All bills were not recorded in the minutes as required by N.J.S.A.40A:5-17.

Current Status

Corrective action has been implemented.

BOROUGH OF COLLINGSWOOD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2003

Finding No. 02-4

Condition

An analysis of balances was maintained for the Tax Sale Redemption bank account, however it does not agree with the cash on deposit.

Current Status

Corrective action has been implemented.

Finding No. 02-5

Condition

Hall attendants and Special Police Officers were paid by voucher instead of being paid through payroll.

Current Status

Corrective action has been implemented.

Finding No. 02-6

Condition

Fiscal monitoring reports for the Neighborhood Preservation Program were not filed on a timely basis.

Current Status

Corrective action has been implemented.

SCHEDULE 4
(Continued)

BOROUGH OF COLLINGSWOOD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2003

Finding No. 02-7

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.

Planned Action

The Borough has an inventory of all vehicles and properties owned by the Borough and will start to enter these items in the fixed asset computer program.

Finding No. 02-8

Condition

There were overexpenditures of current year appropriations.

Current Status

Corrective action has not been implemented.

Planned Action

The finance officer will review budget reports on a monthly basis.

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:

Reconstruction of East Homestead Avenue
Paving with Hot Mix Asphalt Surface

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.

A resolution confirming the purchase of gasoline and a vehicle under state contract was 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 January 6, 2003 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 2003 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 2003, 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 18, 2003 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
2003	3
2002	9
2001	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

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.

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.

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

There were some noncompliance issues and weaknesses in procedures that should be corrected.

1. 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 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.

2. There was an overexpenditure of an appropriation reserve.

3. Purchase orders were found to be paid without acknowledgement of receipt as required by NJSA40A:5-16.

4. Statements have not been sent to escrow applicants showing an accounting of funds, listing all deposits, interest earnings (if any), disbursements, and the cumulative balance of the account as required by Chapter 54, P.L. 1995.

5. There were not any procedures in place to follow-up on outstanding receivables for the off-duty police billings. This is has been addressed in 2004.

6. An individual was paid in excess of the salary ordinance due to a change in position during the year. This has been corrected in 2004.

Tax Collector
The records maintained by the Tax Collector were found to be in good condition.

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 2002 with the Division of Local Government Services. Corrective action was not fully implemented.

FINDINGS AND RECOMMENDATIONS

COMPLIANCE

*03-1 Finding: A resolution confirming the purchase of gasoline and a vehicle under state contract was 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.

03-2 Finding: Purchase orders were found to be paid without acknowledgement of receipt as required by NJSA40A:5-16.

Recommendation: All purchase orders contain the required signatures prior to payment of bills.

REPORTABLE CONDITION

03-3 Finding: Statements have not been sent to escrow applicants showing an accounting of funds, listing all deposits, interest earnings (if any), disbursements, and the cumulative balance of the account as required by Chapter 54, P.L. 1995.

Recommendation: Escrow applicants be sent statements of activity as required by Chapter 54, P.L. 1995.

MATERIAL WEAKNESS

*03-4 Finding: A fixed asset register is not maintained.

Recommendation: A fixed asset register be maintained.

*03-5 Finding: There was an overexpenditure of an appropriation reserve.

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