

TOWNSHIP OF BOONTON

REPORT OF AUDIT

2011

*NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
REPORT OF AUDIT
2011

TOWNSHIP OF BOONTON
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2011

<u>PART I – Financial Statements and Supplementary Data</u>	<u>Page</u>
Independent Auditors' Report	1-2
<u>Financial Statements</u>	<u>Exhibit</u>
<u>Current Fund</u>	
Comparative Balance Sheet	A
Comparative Statement of Operations and Change in Fund Balance	A-1
Statement of Revenue	A-2
Statement of Expenditures	A-3
<u>Trust Funds</u>	
Comparative Balance Sheet	B
Statement of Assessment Trust Fund Balance - Assessment Trust Fund	B-1
Statement of Revenue - Assessment Trust Fund	B-2
Statement of Expenditures - Assessment Trust Fund	B-3
<u>General Capital Fund</u>	
Comparative Balance Sheet	C
Statement of General Capital Fund Balance	C-1
<u>Water Utility Fund</u>	
Comparative Balance Sheet	D
Comparative Statement of Operations and Change in Fund Balance - Water Utility	
Operating Fund	D-1
Statement of Fund Balance - Water Utility Assessment Trust Fund	D-1A
Statement of Fund Balance - Water Utility Capital Fund	D-1B
Statement of Revenue - Water Utility Operating Fund	D-2
Statement of Revenue - Water Utility Assessment Trust Fund (Not Applicable)	D-2A
Statement of Expenditures - Water Utility Operating Fund	D-3
Statement of Expenditures - Water Utility Assessment Trust Fund (Not Applicable)	D-3A
<u>Sewer Utility Fund</u>	
Comparative Balance Sheet	E
Comparative Statement of Operations and Change in Fund Balance - Sewer Utility	
Operating Fund	E-1
Statement of Sewer Assessment Fund Balance - Sewer Utility Assessment Trust Fund	E-1A
Statement of Sewer Capital Fund Balance - Sewer Utility Capital Fund	E-1B
Statement of Revenue - Sewer Utility Operating Fund	E-2
Statement of Revenue - Sewer Utility Assessment Trust Fund	E-2A
Statement of Expenditures - Sewer Utility Operating Fund	E-3
Statement of Expenditures - Sewer Utility Assessment Trust Fund	E-3A
<u>Public Assistance Fund</u>	
Comparative Balance Sheet	F
<u>General Fixed Assets Account Group</u>	
Comparative Balance Sheet	H
<u>Notes to Financial Statements</u>	<u>Page</u>
	1-19
<u>Supplementary Data</u>	<u>Schedule</u>
Officials in Office and Surety Bonds	1
<u>Current Fund</u>	
Schedule of Cash-Treasurer	A-4
Schedule of Cash - Collector	A-5

TOWNSHIP OF BOONTON
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

PART I (Cont'd)

Supplementary Data (Cont'd)

Schedule

Current Fund (Cont'd)

Schedule of Cash - Grant Fund (Not Applicable)	A-6
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-7
Schedule of Tax Title Liens	A-8
Schedule of Revenue Accounts Receivable	A-9
Schedule of Consumer Accounts Receivable (Not Applicable)	A-10
Schedule of 2010 Appropriation Reserves	A-11
Schedule of Local School District Taxes Payable	A-12
Schedule of Grants Receivable – Federal and State Grant Fund	A-13
Schedule of Appropriated Reserves – Federal and State Grant Fund	A-14
Schedule of Unappropriated Reserves – Federal and State Grant Fund	A-15

Trust Funds

Schedule of Cash - Treasurer	B-4
Schedule of Animal Control Fund Cash – Collector	B-4A
Analysis of Assessment Trust Cash - Assessment Trust Fund	B-5
Schedule of Reserve for Animal Control Fund Expenditures - Animal Control Fund	B-6
Schedule of Assessments Receivable – Assessment Trust Fund	B-7
Schedule of Prospective Assessments Funded – Assessment Trust Fund (Not Applicable)	B-8
Analysis of Bond Anticipation Notes Payable- Assessment Trust Fund (Not Applicable)	B-9
Schedule of Serial Bonds Payable – Assessment Trust Fund	B-10
Schedule of Reserve for Assessments- Assessment Trust Fund	B-11

General Capital Fund

Schedule of Cash - Treasurer	C-2
Analysis of Cash	C-3
Schedule of Deferred Charges to Future Taxation - Unfunded	C-4
Schedule of Improvement Authorizations	C-5
Schedule of Capital Improvement Fund	C-6
Schedule of Bond Anticipation Notes Payable	C-7
Schedule of Serial Bonds Payable	C-8
Schedule of Green Trust Loan Payable	C-9
Schedule of Bonds and Notes Authorized But Not Issued	C-10

Water Utility Fund

Schedule of Cash - Treasurer - Water Utility Fund	D-4
Schedule of Cash - Collector - Water Utility Operating Fund (Not Applicable)	D-4A
Analysis of Cash - Water Utility Assessment Trust Fund	D-5
Analysis of Cash - Water Utility Capital Fund	D-5A
Schedule of Consumer Accounts Receivable – Water Utility Operating Fund	D-6
Schedule of Assessments Receivable – Water Utility Assessment Trust Fund	D-7
Schedule of Fixed Capital - Water Utility Capital Fund	D-8
Schedule of Fixed Capital Authorized and Uncompleted – Water Utility Capital Fund	D-9
Schedule of 2010 Appropriation Reserves - Water Utility Operating Fund	D-10
Schedule of Improvement Authorizations - Water Utility Capital Fund	D-11
Schedule of Capital Improvement Fund - Water Utility Capital Fund	D-12
Schedule of Deferred Reserve for Amortization - Water Utility Capital Fund	D-13
Schedule of Bond Anticipation Notes Payable - Water Utility Capital Fund (Not Applicable)	D-14
Schedule of Serial Bonds Payable - Water Utility Capital Fund	D-15

TOWNSHIP OF BOONTON
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

PART I (Cont'd)

Supplementary Data (Cont'd)

Schedule

Water Utility Fund (Cont'd)

Schedule of Bond Anticipation Notes Payable - Water Utility Assessment Trust Fund (Not Applicable)	D-16
Schedule of Reserve for Assessments and Reserve for Assessment Liens – Water Utility Assessment Trust Fund	D-17
Schedule of Reserve for Amortization - Water Utility Capital Fund	D-18
Schedule of Bonds and Notes Authorized but not Issued – Water Utility Capital Fund (Not Applicable)	D-19

Sewer Utility Fund

Schedule of Cash - Treasurer - Sewer Utility Fund	E-4
Schedule of Cash - Collector - Sewer Utility Operating Fund (Not Applicable)	E-4A
Analysis of Cash - Sewer Utility Assessment Trust Fund	E-5
Analysis of Cash - Sewer Utility Capital Fund	E-5A
Schedule of Consumer Accounts Receivable – Sewer Utility Operating Fund	E-6
Schedule of Assessments Receivable – Sewer Utility Assessment Trust Fund	E-7
Schedule of Fixed Capital - Sewer Utility Capital Fund	E-8
Schedule of Fixed Capital Authorized and Uncompleted - Sewer Utility Capital Fund (Not Applicable)	E-9
Schedule of 2010 Appropriation Reserves - Sewer Utility Operating Fund	E-10
Schedule of Reserve for Assessments – Sewer Utility Assessment Trust Fund	E-11
Schedule of Improvement Authorizations - Sewer Utility Capital Fund (Not Applicable)	E-12
Schedule of Capital Improvement Fund - Sewer Utility Capital Fund	E-13
Schedule of Reserve for Amortization - Sewer Utility Capital Fund	E-14
Schedule of Deferred Reserve for Amortization - Sewer Utility Capital Fund (Not Applicable)	E-14A
Schedule of Bond Anticipation Notes Payable - Sewer Utility Assessment Trust Fund (Not Applicable)	E-15
Schedule of Bond Anticipation Notes Payable - Sewer Utility Capital Fund (Not Applicable)	E-15A
Schedule of Serial Bonds Payable - Sewer Utility Assessment Fund	E-16
Schedule of Wastewater Treatment Trust Loan Payable – Sewer Utility Capital Fund (Not Applicable)	E-17
Schedule of Bonds and Notes Authorized but not Issued – Sewer Utility Capital Fund	E-18

Public Assistance Fund

Schedule of Cash	F-1
------------------	-----

PART II – Single Audit

Page

Schedule of Expenditures of Federal Awards	1
Schedule of Expenditures of State Awards	2-3
Notes to Schedules of Expenditures of Federal and State Awards	4
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	5-6
Schedule of Findings and Responses	7
Summary Schedule of Prior Audit Findings	8

PART III – Comments and Recommendations

Comments and Recommendations	9-13
Summary of Recommendations	14

TOWNSHIP OF BOONTON

PART I

INDEPENDENT AUDITORS' REPORT

AND FINANCIAL STATEMENTS

AND SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2011



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax

Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report

The Honorable Mayor and Members
 of the Township Committee
 Township of Boonton
 Boonton, New Jersey

We have audited the financial statements – regulatory basis of the various funds of the Township of Boonton in the County of Morris (the "Township") as of and for the years ended December 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 the disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

As described in Note 1, these financial statements have been prepared in conformity with accounting principles prescribed by the Division that demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the statutory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because the Township prepares its financial statements on the basis of accounting discussed in the third paragraph, the financial statements referred to in the first paragraph, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2011 and 2010, and the results of its operations for the years then ended.

However, in our opinion, the financial statements – regulatory basis referred to above, present fairly, in all material respects, the financial position of the various funds of the Township of Boonton at December 31, 2011 and 2010, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended, in conformity with accounting principles prescribed by the Division, as described in Note 1.

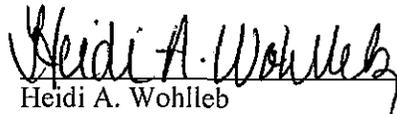
The Honorable Mayor and Members
of the Township Committee
Township of Boonton
Page 2

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2012, on our consideration of the Township of Boonton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's financial statements as a whole. The information included in the supplementary data schedules listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedules of expenditures of federal and state awards are also presented for purposes of additional analysis and are required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*; and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are not a required part of the financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole on the basis of accounting described in Note 1 to the financial statements and Note B to the schedules of expenditures of federal and state awards.

Mount Arlington, New Jersey
June 22, 2012

NISIVOCIA LLP



Heidi A. Wohlleb
Registered Municipal Accountant No. 481
Certified Public Accountant

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
CURRENT FUND

TOWNSHIP OF BOONTON
CURRENT FUND
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		2011	2010
<u>ASSETS</u>			
Cash and Cash Equivalents:			
Treasurer	A-4	\$ 1,159,623.39	\$ 1,047,397.08
Change Fund		150.00	150.00
		<u>1,159,773.39</u>	<u>1,047,547.08</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	343,262.76	317,413.74
Tax Title Liens Receivable	A-8	13,616.09	10,956.79
Property Acquired for Taxes at Assessed Valuation		341,000.00	341,000.00
Revenue Accounts Receivable	A-9	2,434.32	1,751.68
Due from:			
Federal and State Grant Fund	A	12,382.87	38,122.73
Assessment Trust Fund	B	434.85	37.59
Animal Control Fund	B	0.02	0.08
Other Trust Funds	B	6.04	14,863.40
General Capital Fund	C		60.66
Public Assistance Fund	F	5,000.00	
Payroll Accounts		1.55	6.67
Total Receivables and Other Assets With Full Reserves		<u>718,138.50</u>	<u>724,213.34</u>
Total Regular Fund		<u>1,877,911.89</u>	<u>1,771,760.42</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	A-13	<u>47,528.16</u>	<u>81,796.34</u>
Total Federal and State Grant Fund		<u>47,528.16</u>	<u>81,796.34</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,925,440.05</u>	<u>\$ 1,853,556.76</u>

TOWNSHIP OF BOONTON
CURRENT FUND
COMPARATIVE BALANCE SHEET
(Continued)

	Ref.	December 31,	
		2011	2010
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves:			
Encumbered	A-3;A-11	\$ 129,055.25	\$ 73,197.46
Unencumbered	A-3;A-11	176,816.38	245,854.71
		<u>305,871.63</u>	<u>319,052.17</u>
Prepaid Taxes		73,621.13	111,863.11
Accounts Payable - Vendors		56.00	
Due to State of New Jersey:			
Marriage License Fees		100.00	100.00
DCA Training Fees		1,772.00	924.00
Veterans and Senior Citizens' Deductions		5,432.03	5,182.03
Due To Township of Denville		617.98	
Due To Town of Boonton		321.25	
Tax Overpayments		61,988.81	42,448.01
Reserve for:			
Third Party Liens Payable		11,149.26	
Pending Tax Appeals		125,000.00	
		<u>585,930.09</u>	<u>479,569.32</u>
Reserve for Receivables and Other Assets	A	718,138.50	724,213.34
Fund Balance	A-1	573,843.30	567,977.76
		<u>1,877,911.89</u>	<u>1,771,760.42</u>
Total Regular Fund			
Federal and State Grant Fund:			
Due To Current Fund	A	12,382.87	38,122.73
Reserve for Encumbrances	A-14	4,847.00	
Appropriated Reserves	A-14	18,353.77	34,092.03
Unappropriated Reserves	A-15	11,944.52	9,581.58
		<u>47,528.16</u>	<u>81,796.34</u>
Total Federal and State Grant Fund			
		<u>47,528.16</u>	<u>81,796.34</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 1,925,440.05</u>	<u>\$ 1,853,556.76</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

	Ref.	Year Ended December 31,	
		2011	2010
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 500,000.00	\$ 543,435.00
Miscellaneous Revenue Anticipated		894,419.64	749,541.95
Receipts from:			
Delinquent Taxes		280,821.70	338,082.20
Current Taxes		17,329,300.41	16,871,776.93
Nonbudget Revenue		148,036.73	84,264.61
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		177,945.25	179,727.84
Interfunds Returned		53,091.13	1,445.46
Cancellation of Federal and State Grant Fund Appropriated Reserves		15,782.43	502.04
Cancellation of Tax Overpayments		2,896.06	
Canceled Due State of New Jersey - Marriage License Fees			75.00
Canceled Due State of New Jersey - DCA Training Fees			118.00
Total Income		<u>19,402,293.35</u>	<u>18,768,969.03</u>
<u>Expenditures</u>			
Municipal Purposes		4,355,717.30	4,198,204.85
Local School District Taxes		11,673,973.00	11,238,266.00
County Taxes		2,403,476.96	2,450,740.28
Municipal Open Space		290,083.87	290,291.46
Refund of Prior Year Taxes		14,571.00	26,346.66
Interfunds Advanced		17,825.33	24,311.11
Prior Year Senior Citizens and Veterans Deductions Disallowed		500.00	
Refund of Revenue		833.26	
Reserve for Pending Tax Appeals		125,000.00	
Canceled Federal and State Grant Fund Receivable		14,447.09	9,000.00
Total Expenditures		<u>18,896,427.81</u>	<u>18,237,160.36</u>
Excess in Revenue		505,865.54	531,808.67
<u>Fund Balance</u>			
Balance January 1		<u>567,977.76</u>	<u>579,604.09</u>
		1,073,843.30	1,111,412.76
Decreased by:			
Utilized as Anticipated Revenue		<u>500,000.00</u>	<u>543,435.00</u>
Balance December 31	A	<u>\$ 573,843.30</u>	<u>\$ 567,977.76</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Anticipated	\$ 500,000.00		\$ 500,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	4,800.00		4,800.00	
Fines and Costs:				
Municipal Court	35,000.00		31,048.02	\$ 3,951.98 *
Interest and Costs on Taxes	40,000.00		73,567.84	33,567.84
Consolidated Municipal Property Tax Relief Aid	21,124.00		21,124.00	
Energy Receipts Tax	219,747.00		219,747.00	
Construction Code Official	70,000.00		110,854.00	40,854.00
Shared Services Of A Chief Financial Officer Between the Township of Boonton and the Borough of Kinnelon	7,308.75		29,820.00	22,511.25
Public and Private Revenues Offset with Appropriations:				
Clean Communities Program	9,481.58		9,481.58	
Municipal Alliance Against Substance Abuse	7,533.00		7,533.00	
Over the Limit, Under Arrest		\$ 4,400.00	4,400.00	
CTC Assisted Living Agreement	134,110.68		134,110.68	
Reserve for Open Space Trust to Offset Debt Service	180,875.00		180,875.00	
General Capital Fund Balance	21,357.63		21,357.63	
Trust Assessmernt Fund Balance	1,484.89		1,484.89	
Field Usage Revenue	10,000.00		15,785.00	5,785.00
Cell Tower Rental	28,431.00		28,431.00	

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011
(Continued)

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Miscellaneous Revenues (Cont'd):				
Total Miscellaneous Revenue	\$ 791,253.53	\$ 4,400.00	\$ 894,419.64	\$ 98,766.11
Receipts from Delinquent Taxes	220,000.00		280,821.70	60,821.70
Amount to be Raised for Support of Municipal Budget:				
Local Tax for Municipal Purposes	3,348,074.58		3,469,777.39	121,702.81
Budget Totals	4,859,328.11	4,400.00	5,145,018.73	281,290.62
Nonbudget Revenue			148,036.73	148,036.73
	<u>\$ 4,859,328.11</u>	<u>\$ 4,400.00</u>	<u>\$ 5,293,055.46</u>	<u>\$ 429,327.35</u>

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011
(continued)

Allocation of Current Tax Collections:		
Revenue from Collection of Current Taxes		\$ 17,329,300.41
Allocated to:		
Local School District Taxes	\$ 11,673,973.00	
County Taxes	2,403,476.96	
Municipal Open Space Taxes	<u>290,083.87</u>	
		<u>14,367,533.83</u>
Balance for Support of Municipal Budget		2,961,766.58
		<u>508,010.81</u>
Add: Appropriation "Reserve for Uncollected Taxes"		<u>508,010.81</u>
Realized for Support of Municipal Budget		<u>\$ 3,469,777.39</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections		<u>\$ 280,821.70</u>

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011
(continued)

Analysis of Nonbudget Revenue:

Treasurer:

Interest Earned on Investments and Deposits	\$ 1,727.12
--	-------------

Miscellaneous Revenue Not Anticipated

FEMA Reimbursements	\$ 43,224.06
Uniform Fire Safety Act - LEA	25,813.72
Interest on Assessments	20,462.41
Cable TV Franchise Fees	16,835.00
Planning Board Fees	4,495.00
Sanitary Fees	2,957.00
Registrar Fees	2,510.00
Smoke Detectors	2,455.00
Gas Reimbursements	2,293.02
Borough of Mountain Lakes:	
Chief Financial Officer Shared Services Agreement	2,112.00
Prior Year Reimbursements	8,869.37
Police Fees	1,687.55
DMV Fines	1,350.00
Food Licenses	1,325.00
Room Rental	1,053.00
Cable Technology Payment	1,000.00
Police Outside Duty Administrative Fees	900.00
Health Insurance Reimbursements	869.80
Duplicate Bills	864.00
Senior Citizens and Veterans Deductions 2% Administrative Fee	860.00
Library Aid	806.00
Miscellaneous Tax Sale Costs	708.62
Verizon Franchise Fee	614.00
Bid Specifications	550.00
Tax Collector Reimbursements	252.60
Storm Reimbursements	243.00
Insurance Payments	207.00
Well Permits	200.00
Building and Grounds Reimbursements	180.00
200 Foot Listings	170.00

145,867.15

Received in Current Fund

147,594.27

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011
(continued)

Analysis of Nonbudget Revenue (Cont'd):

Interest on Investments:			
Due from Assessment Trust Fund	\$	434.85	
Due from Animal Control Fund		0.02	
Due from Payroll Account		1.55	
Due from Other Trust Funds		6.04	
		<hr/>	
			\$ 442.46
			<hr/>
			\$ 148,036.73
			<hr/> <hr/>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
GENERAL GOVERNMENT:					
General Administration:					
Salaries & Wages	\$ 22,300.00	\$ 22,300.00	\$ 22,234.62	\$ 65.38	
Other Expenses	4,000.00	4,000.00	2,151.10	1,848.90	
Human Resources:					
Other Expenses	5,000.00	5,000.00	4,037.50	962.50	
Mayor & Council:					
Other Expenses	4,000.00	4,000.00	3,787.18	212.82	
Municipal Clerk:					
Salaries & Wages	47,300.00	47,300.00	47,300.00		
Other Expenses	8,150.00	8,150.00	7,332.55	817.45	
Codification	5,000.00	5,000.00	4,145.03	854.97	
Financial Administration:					
Salaries & Wages	33,025.00	33,025.00	33,025.00		
Other Expenses	2,650.00	2,650.00	2,633.56	16.44	
Audit	13,500.00	13,500.00	13,500.00		
Tax Assessment Administration:					
Salaries & Wages	21,950.00	21,950.00	21,950.00		
Other Expenses	8,000.00	10,000.00	3,623.71	6,376.29	
Revenue Administration (Tax Collection):					
Salaries & Wages	31,800.00	31,800.00	31,800.00		
Other Expenses	4,700.00	4,700.00	4,664.63	35.37	
Computer:					
Salaries & Wages	10,500.00	10,500.00	10,500.00		
Other Expenses	10,000.00	10,000.00	9,902.00	98.00	

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
GENERAL GOVERNMENT (continued):					
Legal Services and Costs:					
Other Expenses - Fees	\$ 76,900.00	\$ 71,900.00	\$ 57,746.16	\$ 14,153.84	
Municipal Prosecutor:					
Other Expenses	6,500.00	6,500.00	6,500.00		
Engineering Services:					
Other Expenses	35,000.00	38,000.00	37,455.00	545.00	
Environmental Committee:					
Other Expenses	500.00	500.00	340.00	160.00	
Historical Committee:					
Other Expenses	2,000.00	2,000.00	2,000.00		
Building and Grounds:					
Salaries & Wages	18,000.00	18,000.00	16,670.00	1,330.00	
Other Expenses	27,000.00	27,000.00	26,948.38	51.62	
Municipal Land Use Law (N.J.S.A. 40A:55D-1):					
Planning Board:					
Salaries and Wages	36,150.00	36,150.00	36,149.23	0.77	
Other Expenses	25,400.00	25,400.00	8,669.95	16,730.05	
Insurance (P.L. 2003, C.92):					
General Liability Insurance	74,600.00	74,600.00	73,818.29	781.71	
Workers' Compensation	35,430.00	35,430.00	35,430.00		
Group Insurance Plan	223,980.00	223,980.00	223,980.00		
Health Benefit Waiver	19,020.00	19,020.00	19,002.00	18.00	
PUBLIC SAFETY :					
Fire:					
Other Expenses	36,720.00	36,720.00	36,720.00		

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
PUBLIC SAFETY (continued):					
Police:					
Salaries & Wages	\$ 1,260,166.98	\$ 1,260,166.98	\$ 1,242,434.82	\$ 17,732.16	
Other Expenses	80,114.00	80,114.00	79,437.91	676.09	
First Aid Organization Contribution (R.S. 40:5-2)	15,000.00	15,000.00	15,000.00		
Dispatch	15,600.00	15,600.00	15,600.00		
Uniform Fire Safety Act (P.L. 1983, Ch. 383):					
Fire Prevention Bureau:					
Salaries & Wages	3,850.00	5,350.00	4,835.00	515.00	
Other Expenses	3,325.00	1,825.00	1,637.80	187.20	
Office of Emergency Management:					
Salaries & Wages	3,000.00	3,000.00	3,000.00		
Other Expenses	2,850.00	2,850.00	2,803.00	47.00	
STREETS AND ROADS:					
Road Repair and Maintenance:					
Salaries & Wages	5,300.00	5,300.00	5,300.00		
Other Expenses	110,000.00	160,000.00	149,464.66	10,535.34	
Other Public Works Function:					
Snow Plowing and Sanding - Other Expense	400,000.00	350,000.00	307,271.58	42,728.42	
Vehicle Maintenance:					
Other Expenses	32,300.00	32,300.00	27,680.79	4,619.21	
HEALTH AND WELFARE:					
Board of Health:					
Salaries & Wages	20,100.00	20,100.00	20,100.00		
Other Expenses	4,400.00	5,400.00	5,104.41	295.59	
Contractual	25,000.00	21,000.00	21,000.00		

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
HEALTH AND WELFARE (Cont'd):					
Administration of Public Assistance:					
Salaries & Wages	\$ 2,450.00	\$ 2,450.00	\$ 1,198.23	\$ 1,251.77	
Other Expenses	100.00	100.00		100.00	
Animal Control:					
Other Expenses	15,000.00	15,000.00	11,941.23	3,058.77	
RECREATION AND EDUCATION:					
Recreation:					
Salaries & Wages	6,750.00	6,750.00	6,750.00		
Other Expenses	1,000.00	1,000.00	161.00	839.00	
Celebration of Public Events:					
Other Expenses	500.00	500.00	161.00	339.00	
SANITATION:					
Solid Waste Collection:					
Recycling:					
Salaries & Wages	7,400.00	7,400.00	7,400.00		
Other Expenses	57,950.00	57,950.00	57,235.05	714.95	
MUNICIPAL COURT:					
Municipal Court:					
Salaries & Wages	32,400.00	32,400.00	29,651.26	2,748.74	
Other Expenses	4,500.00	4,500.00	2,915.92	1,584.08	
Public Defender (P.L. 1997 C.256):					
Other Expenses	3,000.00	3,000.00	3,000.00		
Public Employees Occupational Safety & Hazards Act	3,000.00	3,000.00	312.00	2,688.00	

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
UNIFORM CONSTRUCTION CODE:					
Construction Code Official:					
Salaries & Wages	\$ 82,000.00	\$ 82,000.00	\$ 78,240.51	\$ 3,759.49	
Other Expenses	7,500.00	7,500.00	5,421.27	2,078.73	
UNCLASSIFIED:					
Utilities:					
Electricity	18,300.00	18,300.00	14,984.67	3,315.33	
Telephone	33,150.00	33,150.00	31,508.52	1,641.48	
Water	1,200.00	1,200.00	699.22	500.78	
Gas	20,000.00	20,000.00	6,761.12	13,238.88	
Fuel Oil	7,000.00	7,000.00	3,677.90	3,322.10	
Sewerage Processing	400.00	400.00	311.25	88.75	
Gasoline	52,000.00	52,000.00	51,946.07	53.93	
Total Operations Within "CAPS"	3,185,680.98	3,182,680.98	3,018,962.08	163,718.90	
Contingent	6,000.00	6,000.00	6,000.00		
Total Operations Including Contingent Within "CAPS"	3,191,680.98	3,188,680.98	3,024,962.08	163,718.90	
Detail:					
Salaries & Wages	1,644,441.98	1,645,941.98	1,618,538.67	27,403.31	
Other Expenses	1,547,239.00	1,542,739.00	1,406,423.41	136,315.59	

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS":					
Statutory Expenditures:					
Social Security System (O.A.S.I.)	\$ 134,466.25	\$ 137,466.25	\$ 125,712.21	\$ 11,754.04	
Contribution to Public Employees Retirement System	44,940.00	44,940.00	44,940.00		
Contribution to Police and Fireman's Retirement System	338,663.00	338,663.00	338,663.00		
Contribution to Unemployment Insurance	100.00	100.00		100.00	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>518,169.25</u>	<u>521,169.25</u>	<u>509,315.21</u>	<u>11,854.04</u>	
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>3,709,850.23</u>	<u>3,709,850.23</u>	<u>3,534,277.29</u>	<u>175,572.94</u>	
Operations Excluded from "CAPS":					
911 Communication System - Other Expenses	82,900.00	82,900.00	82,852.05	47.95	
Stormwater Tier A General Permit (N.J.S.A 40A:4-45.3(cc))	14,000.00	14,000.00	12,804.51	1,195.49	
Shared Services Agreements:					
Chief Financial Officer Between Boonton Township & Kinnelon	7,308.75	7,308.75	7,308.75		
State and Federal Programs Offset by Revenues:					
Municipal Alliance Program :					
State	7,533.00	7,533.00	7,533.00		
Township	1,883.25	1,883.25	1,883.25		
Clean Communities Grant	9,481.58	9,481.58	9,481.58		
Over The Limit, Under Arrest (N.J.S.A 40A:4-87, + \$4,400.00)		4,400.00	4,400.00		
Total Operations Excluded from "CAPS"	<u>123,106.58</u>	<u>127,506.58</u>	<u>126,263.14</u>	<u>1,243.44</u>	

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations Excluded from "CAPS" (Cont'd):					
Detail:					
Other Expenses	\$ 123,106.58	\$ 127,506.58	\$ 126,263.14	\$ 1,243.44	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	170,000.00	170,000.00	170,000.00		
Total Capital Improvements - Excluded from "CAPS"	170,000.00	170,000.00	170,000.00		
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	200,000.00	200,000.00	200,000.00		
Payment of Bond Anticipation Notes	69,000.00	69,000.00	69,000.00		
Interest on Bonds	72,805.00	72,805.00	72,805.00		
Interest on Notes	5,350.00	5,350.00	5,350.00		
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	1,205.49	1,205.49	1,205.49		
Total Municipal Debt Service - Excluded from "CAPS"	348,360.49	348,360.49	348,360.49		
Total General Appropriations - Excluded from "CAPS"	641,467.07	645,867.07	644,623.63	1,243.44	
Subtotal General Appropriations	4,351,317.30	4,355,717.30	4,178,900.92	176,816.38	
Reserve for Uncollected Taxes	508,010.81	508,010.81	508,010.81		
Total General Appropriations	<u>\$ 4,859,328.11</u>	<u>\$ 4,863,728.11</u>	<u>\$ 4,686,911.73</u>	<u>\$ 176,816.38</u>	<u>\$ -0-</u>

Ref.

A

TOWNSHIP OF BOONTON
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011
(Continued)

	<u>Ref.</u>	<u>Analysis of</u>	
		<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget		\$ 4,859,328.11	
Added by N.J.S.A. 40A:4-87		<u>4,400.00</u>	
		<u>\$ 4,863,728.11</u>	
Reserve for Uncollected Taxes			\$ 508,010.81
Reserve for Encumbrances	A		129,055.25
Transfer to Appropriated Reserve			
Due to Federal and State Grant Fund			21,414.58
Local Matching Funds			1,883.25
Cash Disbursed			<u>4,043,579.03</u>
			4,703,942.92
Less: Appropriation Refunds			<u>17,031.19</u>
			<u>\$ 4,686,911.73</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
TRUST FUNDS

TOWNSHIP OF BOONTON
COMPARATIVE BALANCE SHEET - TRUST FUNDS

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2011</u>	<u>2010</u>
<u>ASSETS</u>			
Assessment Trust Fund:			
Cash and Cash Equivalents	B-4	\$ 114,178.83	\$ 111,472.64
Assessments Receivable	B-7	661,827.60	740,621.42
		<u>776,006.43</u>	<u>852,094.06</u>
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	308.75	143.14
Collector	B-4A	12.00	
		<u>320.75</u>	<u>143.14</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	1,231,746.74	1,319,867.48
Change Fund		100.00	100.00
		<u>1,231,846.74</u>	<u>1,319,967.48</u>
<u>TOTAL ASSETS</u>		<u>\$ 2,008,173.92</u>	<u>\$ 2,172,204.68</u>

TOWNSHIP OF BOONTON
COMPARATIVE BALANCE SHEET - TRUST FUNDS

	Ref.	December 31,	
		2011	2010
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Trust Fund:			
Assessment Serial Bonds	B-10	\$ 675,000.00	\$ 750,000.00
Reserve for Assessments and Liens	B-11	99,726.08	100,571.58
Due to Current Fund	A	434.85	37.59
Fund Balance	B-1	845.50	1,484.89
		<u>776,006.43</u>	<u>852,094.06</u>
Animal Control Fund:			
Due to State of New Jersey		1.20	
Due to Current Fund	A	0.02	0.08
Reserve for Animal Control Expenditures	B-6	319.53	143.06
		<u>320.75</u>	<u>143.14</u>
Other Trust Funds:			
Due to Current Fund	A	6.04	14,863.40
Escrow Deposits		26,302.13	199,017.47
Reserve for Encumbrances - Open Space		9,936.72	
Reserve for:			
Recreation		57,617.63	49,909.68
Tax Sale Premiums		34,900.00	11,300.00
Unemployment Insurance		36,449.88	42,205.78
Recycling		17,714.23	8,631.75
Law Enforcement Trust		4,661.63	4,232.65
Police Outside Duty		12,938.20	14,362.57
Housing Rehabilitation		25,729.16	25,699.22
Affordable Housing		259.70	259.41
Open Space Trust		998,860.06	944,112.10
Public Defender		1,620.78	1,370.78
Cash Bonds		3,796.48	3,792.06
Parking Offense Adjudication Act		2.76	210.61
High School Students Law Enforcement Training Program Donations		1,051.34	
		<u>1,231,846.74</u>	<u>1,319,967.48</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 2,008,173.92</u>	<u>\$ 2,172,204.68</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE

	<u>Ref.</u>		
Balance December 31, 2010	B	\$	1,484.89
Increased by:			
Collection of Unpledged Assessments			845.50
			2,330.39
Decreased by:			
Realized as Anticipated Revenue in the Operating Fund Budget			1,484.89
			1,484.89
Balance December 31, 2011	B	\$	845.50

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011

	<u>Budget Revenue</u>	<u>Realized</u>
Assessment Cash	\$ 75,000.00	\$ 75,000.00
	<u>\$ 75,000.00</u>	<u>\$ 75,000.00</u>

TOWNSHIP OF BOONTON
ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011

	<u>Budget</u>	<u>Paid or Charged</u>
Payment of Bond Principal	\$ 75,000.00	\$ 75,000.00
	<u>\$ 75,000.00</u>	<u>\$ 75,000.00</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
GENERAL CAPITAL FUND

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		2011	2010
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 315,099.00	\$ 242,996.55
Grants Receivable:			
New Jersey Department of Transportation:			
Improvement of North Main Street		49,311.37	126,906.25
Resurfacing of Rockaway Valley Road		104,459.50	
Deferred Charges to Future Taxation:			
Funded		1,959,000.00	2,160,193.54
Unfunded	C-4	387,000.00	428,000.00
<u>TOTAL ASSETS</u>		<u>\$ 2,814,869.87</u>	<u>\$ 2,958,096.34</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-7	\$ 387,000.00	\$ 428,000.00
Serial Bonds Payable	C-8	1,959,000.00	2,159,000.00
Green Trust Loan Payable	C-9		1,193.54
Improvement Authorizations -			
Funded	C-5	88,345.04	59,853.53
Due to Current Fund	A		60.66
Capital Improvement Fund	C-6	193,633.60	180,517.79
Reserve for Encumbrances		66,348.13	88,303.19
Reserve for Preliminary Expenses - Powerville Dam		2,695.00	5,085.00
Reserve for Preliminary Expenses - Rockaway Valley Road			14,725.00
Reserve for Griffith Pond		117,848.10	
Fund Balance	C-1		21,357.63
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 2,814,869.87</u>	<u>\$ 2,958,096.34</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 21,357.63
Decreased by:		
Realized as Anticipated Revenue in Current Fund Budget		<u>\$ 21,357.63</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
WATER UTILITY FUND

TOWNSHIP OF BOONTON
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		2011	2010
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	D-4	\$ 210,115.92	\$ 183,289.16
Due from Water Utility Assessment Trust Fund	D		0.40
Due from Water Utility Capital Fund	D		8.79
		<u>210,115.92</u>	<u>183,298.35</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-6	24,528.64	46,566.99
Total Operating Fund		<u>234,644.56</u>	<u>229,865.34</u>
Assessment Trust Fund:			
Cash and Cash Equivalents	D-4	699.41	682.65
Assessments Receivable	D-7	10,059.80	10,759.21
Total Assessment Trust Fund		<u>10,759.21</u>	<u>11,441.86</u>
Capital Fund:			
Cash and Cash Equivalents	D-4	22,750.00	41,401.26
Fixed Capital	D-8	143,209.23	119,459.23
Total Capital Fund		<u>165,959.23</u>	<u>160,860.49</u>
<u>TOTAL ASSETS</u>		<u>\$ 411,363.00</u>	<u>\$ 402,167.69</u>

TOWNSHIP OF BOONTON
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET
(Continued)

	Ref.	December 31,	
		2011	2010
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	D-3;D-10	\$ 13,184.01	\$ 1,399.97
Encumbered	D-3;D-10	45,897.15	58,615.35
		<u>59,081.16</u>	<u>60,015.32</u>
Accrued Interest on Bonds		914.38	978.54
Prepaid Rents		12.91	0.07
		<u>60,008.45</u>	<u>60,993.93</u>
Reserve for Receivables	D	24,528.64	46,566.99
Fund Balance	D-1	150,107.47	122,304.42
		<u>234,644.56</u>	<u>229,865.34</u>
Total Operating Fund			
Assessment Trust Fund:			
Due to Water Utility Operating Fund	D		0.40
Reserve for Assessments and Liens	D-17	10,059.80	10,759.21
Fund Balance	D-1A	699.41	682.25
		<u>10,759.21</u>	<u>11,441.86</u>
Total Assessment Trust Fund			
Capital Fund:			
Serial Bonds Payable	D-15	74,000.00	81,000.00
Due to Water Utility Operating Fund	D		8.79
Capital Improvement Fund	D-12	22,750.00	40,500.00
Reserve for Amortization	D-18	69,209.23	38,459.23
Fund Balance	D-1B		892.47
		<u>165,959.23</u>	<u>160,860.49</u>
Total Capital Fund			
		<u>401,603.79</u>	<u>390,726.80</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 411,363.00</u>	<u>\$ 402,167.69</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

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

	Ref.	Year Ended December 31,	
		2011	2010
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 70,000.00	\$ 113,701.76
Rents		334,474.42	238,529.82
Miscellaneous Revenue		4,234.88	2,531.46
Water Capital Fund Balance		892.47	379.51
Water Assessment Trust Fund Balance		682.25	
Additional Rents With Increased Rates		25,280.14	
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		3,839.73	23,621.21
Total Income		<u>439,403.89</u>	<u>378,763.76</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		302,200.00	270,400.00
Capital Improvements		6,000.00	4,500.00
Debt Service		9,000.84	2,683.69
Deferred Charges		20,000.00	11,441.46
Statutory Expenditures:		4,400.00	4,500.00
Total Expenditures		<u>341,600.84</u>	<u>293,525.15</u>
Statutory Excess to Fund Balance		97,803.05	85,238.61
<u>Fund Balance</u>			
Balance January 1		122,304.42	150,767.57
		<u>220,107.47</u>	<u>236,006.18</u>
Decreased by:			
Utilized as Anticipated Revenue		70,000.00	113,701.76
Balance December 31	D	<u>\$ 150,107.47</u>	<u>\$ 122,304.42</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
WATER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE

	<u>Ref.</u>	
Balance December 31, 2010		\$ 682.25
Increased by:		
Collection of Unpledged Assessments		699.41
		1,381.66
Decreased by:		
Realized as Anticipated Revenue in the Operating Fund Budget		682.25
		682.25
Balance December 31, 2011	D	\$ 699.41

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance December 31, 2010		\$ 892.47
Decreased by:		
Realized as Anticipated Revenue in the Operating Fund Budget		<u>\$ 892.47</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
WATER UTILITY OPERATING FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Operating Fund Balance Anticipated	\$ 70,000.00	\$ 70,000.00	
Water Rents	242,345.14	242,345.14	
Miscellaneous Revenue	2,500.00	4,234.88	\$ 1,734.88
Water Capital Fund Balance	892.47	892.47	
Water Assessment Trust Fund Balance	682.25	682.25	
Additional Rents With Increased Rates	25,280.14	117,409.42	92,129.28
	<u>\$ 341,700.00</u>	<u>\$ 435,564.16</u>	<u>\$ 93,864.16</u>

Analysis of Realized Revenue

Rents:

Water Rents	\$ 242,345.07
Prepaid Rents Applied	<u>0.07</u>
	<u>\$ 242,345.14</u>

Miscellaneous Revenue:

Interest on Investments	\$ 295.14
Interest on Delinquencies	3,248.02
Interest on Assessments	291.72
New Water Meters	<u>400.00</u>
	<u>\$ 4,234.88</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
WATER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Appropriations</u>		<u>Expended by</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modi- fication</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operating:					
Salaries and Wages	\$ 29,200.00	\$ 29,200.00	\$ 28,445.09	\$ 754.91	
Other Expenses	273,000.00	273,000.00	260,694.84	12,305.16	
Capital Improvements:					
Capital Improvement Fund	2,250.00	2,250.00	2,250.00		
Capital Outlay	3,750.00	3,750.00	3,750.00		
Debt Service:					
Payment of Bond Principal	7,000.00	7,000.00	7,000.00		
Interest on Bonds	2,100.00	2,100.00	2,000.84		\$ 99.16
Deferred Charges:					
Prior Year Bill - Town of Boonton Charges	20,000.00	20,000.00	20,000.00		
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	2,100.00	2,100.00	2,100.00		
Social Security System (O.A.S.I.)	2,300.00	2,300.00	2,176.06	123.94	
	<u>\$ 341,700.00</u>	<u>\$ 341,700.00</u>	<u>\$ 328,416.83</u>	<u>\$ 13,184.01</u>	<u>\$ 99.16</u>

Ref.

D

Analysis of Paid or Charged

Cash Disbursed	\$ 280,518.84
Accrued Interest on Bonds	2,000.84
Encumbered	45,897.15
	<u>\$ 328,416.83</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
WATER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
SEWER UTILITY FUND

TOWNSHIP OF BOONTON
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2011</u>	<u>2010</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-4	\$ 166,521.87	\$ 155,086.35
Due from Sewer Utility Assessment Fund	E		12.91
Due from Sewer Utility Capital Fund	E		5,157.50
		<u>166,521.87</u>	<u>160,256.76</u>
Receivables with Full Reserve:			
Consumer Accounts Receivable	E-6	<u>21,323.69</u>	<u>21,898.03</u>
Total Operating Fund		<u>187,845.56</u>	<u>182,154.79</u>
Assessment Fund:			
Cash and Cash Equivalents	E-4	21,560.78	25,579.52
Assessment Receivable	E-7	<u>183,404.09</u>	<u>201,563.96</u>
Total Assessment Fund		<u>204,964.87</u>	<u>227,143.48</u>
Capital Fund:			
Cash and Cash Equivalents	E-4	53,989.69	49,359.70
Fixed Capital	E-8	<u>324,406.74</u>	<u>324,406.74</u>
Total Capital Fund		<u>378,396.43</u>	<u>373,766.44</u>
<u>TOTAL ASSETS</u>		<u>\$ 771,206.86</u>	<u>\$ 783,064.71</u>

TOWNSHIP OF BOONTON
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		2011	2010
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Encumbered	E-3;E-10	\$ 5,064.17	\$ 5,476.80
Unencumbered	E-3;E-10	30,670.92	69,573.62
		<u>35,735.09</u>	<u>75,050.42</u>
Prepaid Rents		10.45	387.90
Accrued Interest on Bonds		1,959.38	2,124.38
Reserve for Contingency		35,000.00	
		<u>72,704.92</u>	<u>77,562.70</u>
Reserve for Receivables	E	21,323.69	21,898.03
Fund Balance	E-1	93,816.95	82,694.06
		<u>187,845.56</u>	<u>182,154.79</u>
Total Operating Fund			
Assessment Fund:			
Serial Bonds Payable	E-16	162,000.00	180,000.00
Due to Sewer Utility Operating Fund	E		12.91
Reserve for Assessments Receivable	E-11	40,978.29	42,964.87
Fund Balance	E-1A	1,986.58	4,165.70
		<u>204,964.87</u>	<u>227,143.48</u>
Total Assessment Fund			
Capital Fund:			
Due to Sewer Utility Operating Fund	E		5,157.50
Capital Improvement Fund	E-13	53,989.69	47,989.69
Reserve for Amortization	E-14	324,406.74	318,635.98
Fund Balance	E-1B		1,983.27
		<u>378,396.43</u>	<u>373,766.44</u>
Total Capital Fund			
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 771,206.86</u>	<u>\$ 783,064.71</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

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

	Ref.	Year Ended December 31,	
		2011	2010
<u>Revenue and Other Income Realized</u>			
Fund Balance Anticipated		\$ 37,451.03	\$ 40,716.84
Sewer Service Charges		174,317.31	162,494.71
Miscellaneous Revenue		5,892.14	7,944.54
Sewer Utility Assessment Trust Surplus		4,165.70	907.51
Sewer Utility Capital Surplus		1,983.27	18,475.65
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		33,254.47	31,596.37
Total Income		257,063.92	262,135.62
<u>Expenditures</u>			
Budget Expenditures:			
Operating		184,329.24	202,200.00
Capital Improvements		10,000.00	10,000.00
Debt Service		4,290.00	4,677.60
Deferred Charges and Statutory Expenditures		9,870.76	4,300.00
Total Expenditures		208,490.00	221,177.60
Excess in Revenue		48,573.92	40,958.02
<u>Fund Balance</u>			
Balance January 1		82,694.06	82,452.88
		131,267.98	123,410.90
Decreased by:			
Utilized as Anticipated Revenue		37,451.03	40,716.84
Balance December 31	E	\$ 93,816.95	\$ 82,694.06

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
SEWER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF ASSESSMENT FUND BALANCE

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 4,165.70
Increased by:		
Collection of Unpledged Assessments		1,986.58
		<u>6,152.28</u>
Decreased by:		
Anticipated as Revenue in Sewer Utility Operating Fund		4,165.70
		<u>4,165.70</u>
Balance December 31, 2011	E	<u>\$ 1,986.58</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
STATEMENT OF SEWER CAPITAL FUND BALANCE
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 1,983.27
Decreased by:		
Realized as Anticipated Revenue in Operating Fund		<u>\$ 1,983.27</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Anticipated	\$ 37,451.03	\$ 37,451.03	
Sewer Service Charges	161,500.00	174,317.31	\$ 12,817.31
Miscellaneous Revenue	3,500.00	5,892.14	2,392.14
Sewer Utility Assessment Trust Surplus	4,165.70	4,165.70	
Sewer Utility Capital Surplus	1,983.27	1,983.27	
	<u>\$ 208,600.00</u>	<u>\$ 223,809.45</u>	<u>\$ 15,209.45</u>

Analysis of Realized Revenue:

Rents:

Collections	\$ 173,929.41
Prepaid Rents Applied	<u>387.90</u>
	<u>\$ 174,317.31</u>

Miscellaneous:

Treasurer:

Interest on Investments	\$ 216.89
Interest on Delinquencies	1,762.41
Interest on Assessments	<u>3,912.84</u>
	<u>\$ 5,892.14</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
SEWER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2011

	<u>Budget Revenue</u>	<u>Realized</u>	<u>Excess/ Deficit*</u>
Assessment Cash	<u>\$ 18,000.00</u>	<u>\$ 18,000.00</u>	
	<u>\$ 18,000.00</u>	<u>\$ 18,000.00</u>	<u>\$ -0-</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operating:					
Salaries and Wages	\$ 25,450.00	\$ 25,450.00	\$ 25,245.09	\$ 204.91	
Other Expenses	158,879.24	158,879.24	132,481.97	26,397.27	
Capital Improvements:					
Capital Improvement Fund	6,000.00	6,000.00	6,000.00		
Capital Outlay	4,000.00	4,000.00		4,000.00	
Debt Service:					
Interest on Bonds	4,400.00	4,700.00	4,290.00		\$ 410.00
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Bonds and Notes Authorized but Not Issued	5,770.76	5,770.76	5,770.76		
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	2,100.00	2,100.00	2,100.00		
Social Security System (O.A.S.I.)	2,000.00	2,000.00	1,931.26	68.74	
	<u>\$ 208,600.00</u>	<u>\$ 208,900.00</u>	<u>\$ 177,819.08</u>	<u>\$ 30,670.92</u>	<u>\$ 410.00</u>

Ref.

E

Analysis of Paid or Charged

Cash Disbursed	\$ 168,464.91
Accrued Interest on Bonds	4,290.00
Encumbered	5,064.17
	<u>\$ 177,819.08</u>

E

TOWNSHIP OF BOONTON
SEWER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2011

	<u>Budget</u>	<u>Paid or Charged</u>	<u>Unexpended Balance Cancelled</u>
Payment of Bond Principal	\$ 18,000.00	\$ 18,000.00	
	<u>\$ 18,000.00</u>	<u>\$ 18,000.00</u>	<u>\$ -0-</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
PUBLIC ASSISTANCE FUND

BOONTON TOWNSHIP
PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		<u>2011</u>	<u>2010</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	F-1	\$ 26,484.76	\$ 26,070.65
<u>TOTAL ASSETS</u>		<u>\$ 26,484.76</u>	<u>\$ 26,070.65</u>
<u>RESERVES</u>			
Due to Current Fund	A	\$ 5,000.00	
Reserve for:			
Public Assistance Trust Fund I		18,958.74	\$ 21,927.97
Public Assistance Trust Fund II		<u>2,526.02</u>	<u>4,142.68</u>
<u>TOTAL RESERVES</u>		<u>\$ 26,484.76</u>	<u>\$ 26,070.65</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF BOONTON
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	December 31,	
	2011	2010 (Restated)
Land	\$ 6,709,966.00	\$ 6,705,801.00
Buildings and Improvements	1,035,396.88	1,035,396.88
Equipment and Vehicles	1,778,909.67	1,706,212.97
<u>TOTAL ASSETS</u>	<u>\$ 9,524,272.55</u>	<u>\$ 9,447,410.85</u>
<u>RESERVES</u>		
Reserve for Fixed Assets	\$ 9,524,272.55	\$ 9,447,410.85
<u>TOTAL RESERVES</u>	<u>\$ 9,524,272.55</u>	<u>\$ 9,447,410.85</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of Boonton include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Boonton, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of Boonton do not include the operations of the volunteer fire and first aid squads.

Governmental Accounting Standards Board publication Codification of Government Accounting and Financial Reporting Standards, Section 2100 "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate tax-exempt entities that meet specific criteria (i.e., benefit of economic resources, access/entitlement to resources and significance) should be included in the financial reporting entities. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of Government Accounting Standards Board's Codification, Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Township of Boonton conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Boonton accounts for its financial transactions through the following separate funds:

Current Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

Assessment Trust Fund - Resources and expenditures for the payment of Assessment Trust Fund debt.

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

Water Utility Operating, Assessment Trust and Capital Funds - Account for the operations, resources and expenditures for payment of assessment debt and acquisition of capital facilities of the municipally owned water utility.

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

Sewer Utility Operating, Assessment Trust and Capital Funds - Account for the operations, resources and expenditures for payment of assessment debt and acquisition of capital facilities of the municipally owned sewer utility.

Public Assistance Fund - Receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes. The operations of the State funded General Assistance Program were transferred to the County of Morris effective July 1, 2011.

General Fixed Assets Account Group- These accounts were established with estimated values of land, building and certain fixed assets of the Township as discussed in Note 1E.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounting policies of the Township of Boonton conform to the accounting principles applicable to municipalities which have been prescribed by the Division which differ in certain respects from accounting principles generally accepted in the United States of America applicable to local governmental units. The more significant policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Grant revenue is realized in the Operating Funds when budgeted, in the Trust Funds when received, and in the capital funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting (Continued)

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the 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 cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Had the Township's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; federal and state grants and assistance would be recognized when earned, not when awarded or budgeted; inventories would not be reflected as expenditures at the time of purchase; and fixed assets purchased by the Utility Capital Funds would be depreciated.

The cash basis of accounting is followed in the Trust Funds except for the Reserve for Open Space.

D. Deferred Charges to Future Taxation

The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means the debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, or collecting a grant. The unfunded deferred charge may also be funded by selling bonds, by loans or by capital lease purchase agreements.

E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

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

Grants Receivable – Grants receivable represent total grants awarded less amounts collected to date. Because the amount of grant funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amounts awarded.

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include (Cont'd):

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

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

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

Inventories of Supplies - The cost of inventories of supplies are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets.

General Fixed Assets Account Group- General fixed assets are recorded at historical cost or estimated historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current Fund, General Capital Fund, Water Utility Fund and Sewer Utility Fund. The values recorded in the General Fixed Assets Account Group and the Current, General Capital, Water Utility and Sewer Utility Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Capital assets are reviewed for impairment.

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

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

F. Budget/Budgetary Controls

Annual appropriated budgets are prepared in the 1st quarter for the Current, Assessment Trust, Open Space Utility Operating and Sewer Assessment Trust Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bond to finance general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	December 31,		
	2011	2010	2009
<u>Issued</u>			
General:			
Bonds and Notes	\$ 2,346,000.00	\$ 2,587,000.00	\$ 2,848,019.90
Green Trust Loan		1,193.54	3,545.30
Assessment:			
Bonds and Notes	675,000.00	750,000.00	805,067.00
Water Utility:			
Bonds and Notes - Capital	74,000.00	81,000.00	81,397.84
Bonds and Notes - Assessment			11,990.52
Sewer Utility:			
Bonds and Notes - Assessment	162,000.00	180,000.00	192,862.74
Total Issued	<u>3,257,000.00</u>	<u>3,599,193.54</u>	<u>3,942,883.30</u>
<u>Authorized but not Issued:</u>			
Sewer Utility - Bonds and Notes		5,770.76	5,770.76
Total Authorized but not Issued		<u>5,770.76</u>	<u>5,770.76</u>
Less:			
Funds Temporarily Held to Pay			
Bonds & Notes:			
Open Space Trust Fund	1,372,000.00	1,515,000.00	
Assessment Trust Cash	112,898.48	109,950.16	90,965.77
Sewer Assessment Trust Cash	19,574.20	21,400.91	25,321.41
Total Deductions	<u>1,504,472.68</u>	<u>1,646,351.07</u>	<u>1,608,071.77</u>
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 1,752,527.32</u>	<u>\$ 1,958,613.23</u>	<u>\$ 2,340,582.29</u>

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
 (Continued)

Note 2: Long-Term Debt (Cont'd)

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 .149%.

	Gross Debt	Deductions	Net Debt
School Debt	\$ 2,008,000.00	\$ 2,008,000.00	
Water Utility Debt	74,000.00	74,000.00	
Sewer Utility Debt	162,000.00	162,000.00	
General Debt	3,021,000.00	1,484,898.48	\$ 1,536,101.52
	\$ 5,265,000.00	\$ 3,728,898.48	\$ 1,536,101.52

Net Debt \$1,536,101.52 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$1,024,795,008 = .149%.

Borrowing Power Under N.J.S. 40A:2-6 As Amended

3-1/2% Average Equalized Valuation of Real Property	\$ 35,867,825.28
Net Debt	1,536,101.52
Remaining Borrowing Power	\$ 34,331,723.76

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 435,564.16
Deductions:	
Operating and Maintenance Costs	\$ 306,600.00
Debt Service	9,000.84
	315,600.84
Excess in Revenue	\$ 119,963.32

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 2: Long-Term Debt (Cont'd)

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 223,809.45
Deductions:		
Operating and Maintenance Costs	\$ 188,429.24	
Debt Service	<u>4,290.00</u>	
		<u>192,719.24</u>
Excess in Revenue		<u>\$ 31,090.21</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

Summary of Municipal Debt Issued and Outstanding - Prior Year

Fund	Balance 12/31/09	Additions	Retirements	Balance 12/31/10
Serial Bonds:				
General Capital	\$ 150,000.00	\$2,159,000.00	\$ 150,000.00	\$2,159,000.00
Assessment Trust		750,000.00		750,000.00
Water Utility Capital		81,000.00		81,000.00
Sewer Utility Assessment Trust		180,000.00		180,000.00
Bond Anticipation Notes:				
General Capital	2,698,019.90	523,000.00	2,793,019.90	428,000.00
Assessment Trust	805,067.00		805,067.00	
Water Utility:				
Assessment Trust	11,990.52		11,990.52	
Capital Fund	81,397.84		81,397.84	
Sewer Utility:				
Assessment Trust	192,862.74		192,862.74	
Loans Payable:				
General Capital:				
Green Trust Loan Payable	<u>3,545.30</u>		<u>2,351.76</u>	<u>1,193.54</u>
	<u>\$3,942,883.30</u>	<u>\$3,693,000.00</u>	<u>\$4,036,689.76</u>	<u>\$3,599,193.54</u>

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding - Current Year

<u>Fund</u>	<u>Balance 12/31/10</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/11</u>
Serial Bonds:				
General Capital	\$2,159,000.00		\$ 200,000.00	\$1,959,000.00
Assessment Trust	750,000.00		75,000.00	675,000.00
Water Utility Capital	81,000.00		7,000.00	74,000.00
Sewer Utility Assessment Trust	180,000.00		18,000.00	162,000.00
Bond Anticipation Notes:				
General Capital	428,000.00	\$ 387,000.00	428,000.00	387,000.00
Loans Payable:				
General Capital Green Trust Loan Payable	1,193.54		1,193.54	
	<u>\$3,599,193.54</u>	<u>\$ 387,000.00</u>	<u>\$ 729,193.54</u>	<u>\$3,257,000.00</u>

The Township's debt issued and outstanding on December 31, 2011, is described as follows:

<u>General Capital Bond Anticipation Notes</u>		
<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
09/26/12	1.45%	<u>\$ 387,000.00</u>
<u>General Capital Serial Bonds</u>		
<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
01/15/20	2.00%- 3.50%	<u>\$ 1,959,000.00</u>
<u>Assessment Trust Serial Bonds</u>		
<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
01/15/20	2.00%- 3.50%	<u>\$ 675,000.00</u>
<u>Water Utility Capital Serial Bonds</u>		
<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
01/15/20	2.00%- 3.50%	<u>\$ 74,000.00</u>

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 2: Long-Term Debt (Cont'd)

Sewer Utility Assessment Trust Serial Bonds

<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
01/15/20	2.00%- 3.50%	\$ 162,000.00
Total Debt Issued and Outstanding		<u>\$ 3,257,000.00</u>

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years
And Thereafter for Bonded Debt Issued and Outstanding

Year	General			Open Space Trust			Assessment Trust Fund		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 57,000	\$ 15,228	\$ 72,228	\$ 143,000	\$ 35,015	\$ 178,015	\$ 75,000	\$ 17,063	\$ 92,063
2013	58,000	14,078	72,078	147,000	32,115	179,115	75,000	15,563	90,563
2014	60,000	12,898	72,898	149,000	29,155	178,155	75,000	14,063	89,063
2015	63,000	11,668	74,668	151,000	26,155	177,155	75,000	12,563	87,563
2016	65,000	10,144	75,144	154,000	22,528	176,528	75,000	10,781	85,781
2017-2020	284,000	19,535	303,535	628,000	42,281	670,281	300,000	20,251	320,251
	<u>\$ 587,000</u>	<u>\$ 83,551</u>	<u>\$ 670,551</u>	<u>\$ 1,372,000</u>	<u>\$ 187,249</u>	<u>\$ 1,559,249</u>	<u>\$ 675,000</u>	<u>\$ 90,284</u>	<u>\$ 765,284</u>

Year	Water Utility Capital			Sewer Utility Assessment			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 7,000	\$ 1,925	\$ 8,925	\$ 18,000	\$ 4,095	\$ 22,095	\$ 300,000	\$ 38,311	\$ 338,311
2013	7,000	1,785	8,785	18,000	3,735	21,735	305,000	35,161	340,161
2014	8,000	1,635	9,635	18,000	3,375	21,375	310,000	31,971	341,971
2015	8,000	1,475	9,475	18,000	3,015	21,015	315,000	28,721	343,721
2016	8,000	1,285	9,285	18,000	2,588	20,588	320,000	24,798	344,798
2017-2020	36,000	2,538	38,538	72,000	4,860	76,860	1,320,000	47,184	1,367,184
	<u>\$ 74,000</u>	<u>\$ 10,643</u>	<u>\$ 84,643</u>	<u>\$ 162,000</u>	<u>\$ 21,668</u>	<u>\$ 183,668</u>	<u>\$ 2,870,000</u>	<u>\$ 206,146</u>	<u>\$ 3,076,146</u>

The Open Space debt service is expected to be paid by the Open Space Trust Fund. The principal due on the Assessment Trust and Sewer Utility Assessment Funds debt service is expected to be paid with Assessment Cash from the respective funds.

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 3: Fund Balances Appropriated

The amount of fund balances at December 31, 2011, which are included in the Current Fund, Water Utility Fund and Sewer Utility Fund budgets for the year ending December 31, 2012, are as follows:

Current Fund	\$ 500,000.00
Water Utility Fund	70,000.00
Sewer Utility Fund	37,000.00

Note 4: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Township of Boonton has not elected to defer school taxes.

Note 5: Pension Plans

Township employees are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS) of New Jersey. The State of New Jersey sponsors and administers these two plans which cover substantially all Township employees. As a general rule, all full-time employees are eligible to join one of these two public employees' retirement systems.

Employees who are members of PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of credible service. Vesting occurs after 8 to 10 years of service. Enrolled PFRS members may retire at age 55 with a minimum of 10 years of service required for vesting.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above system funds and trust. The financial reports may be obtained by writing to the State of New Jersey, Department of Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295.

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Effective with the first payroll to be paid on or after October 1, 2011 the employee contribution for PERS went from 5.5% to 6.5% while the employee contributions for PFRS increased to 10.0% from 8.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in the two Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits for PERS and PFRS. In the PERS, the employer contribution includes funding for post-retirement medical premiums.

The Township's contributions to the plans amounted to \$49,140, \$41,828, and \$35,656, for 2011, 2010 and 2009, respectively, for PERS and \$338,663, \$257,167, and \$253,591 for 2011, 2010 and 2009, respectively, for PFRS.

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 6: Accrued Vacation and Compensatory Time Benefits

The Township of Boonton has permitted certain employees to accrue unused vacation, sick, personal and compensatory time, which may be taken as time off or paid at a later date at an agreed-upon rate. This amount is not reported as an expenditure or a liability. The estimated current cost of such unpaid compensation is \$324,074. The cost of such unpaid compensation would be included in the Township of Boonton's budget operating expenditures in the year in which it is used.

Note 7: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31.

Comparative Schedule of Tax Rate Information

	2011	2010	2009
<u>Tax Rate</u>	\$ 1.834	\$ 1.776	\$ 1.459
<u>Apportionment of Tax Rate</u>			
Municipal (Includes			
Open Space)	0.376	0.360	0.285
County	0.250	0.254	0.220
Local School	1.208	1.162	0.954
<u>Assessed Valuations</u>			
2011	\$ 966,092,599.00		
2010		\$ 967,601,335.00	
2009			\$ 1,137,315,582.00

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 7: Selected Tax Information (Cont'd)

Comparison of Tax Levies and Collections 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.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2011	\$ 17,733,793.32	\$ 17,329,300.41	97.71%
2010	17,185,253.82	16,871,776.93	98.17%
2009	16,597,101.38	16,110,715.19	97.06%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding creases in budgeted expenditures.

Note 8: Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed on the following pages.

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 8: Cash and Cash Equivalents and Investments (Cont'd)

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

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

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit; and

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, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 8: Cash and Cash Equivalents and Investments (Cont'd)

Investments (Cont'd):

- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) 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 the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund; and
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2011, cash and cash equivalents of the Township of Boonton consisted of the following:

Fund	Cash on Hand	Checking Accounts	N.J. Cash Management Fund	Total
Current Fund	\$ 150.00	\$ 1,159,322.60	\$ 300.79	\$ 1,159,773.39
Animal Control Fund		320.75		320.75
Other Trust Funds	100.00	1,225,398.78	6,347.96	1,231,846.74
Assessment Trust Fund		114,178.83		114,178.83
General Capital Fund		315,099.00		315,099.00
Water Utility Operating Fund		210,115.92		210,115.92
Water Utility Assessment Fund		699.41		699.41
Water Utility Capital Fund		22,750.00		22,750.00
Sewer Utility Operating Fund		166,521.87		166,521.87
Sewer Utility Assessment Fund		21,560.78		21,560.78
Sewer Utility Capital Fund		53,989.69		53,989.69
Public Assistance Fund		26,484.76		26,484.76
	<u>\$ 250.00</u>	<u>\$ 3,316,442.39</u>	<u>\$ 6,648.75</u>	<u>\$ 3,323,341.14</u>

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 8: Cash and Cash Equivalents and Investments (Cont'd)

During the period ended December 31, 2011, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2011, was \$3,323,341.14, and the bank balance was \$3,221,343.34. The \$6,648.75 in the New Jersey Cash Management Fund is uninsured and unregistered.

During the period ended December 31, 2010, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2010, was \$3,203,596.18, and the bank balance was \$3,210,117.99. The \$76,636.66 in the New Jersey Cash Management Fund is uninsured and unregistered.

Note 9: Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health benefits are provided to employees through the State of New Jersey health benefits plan.

The Township of Boonton is a member of the Morris County Municipal Joint Insurance Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum.

The following coverages are offered by the fund to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) Liability Other Than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicle
- e.) Environmental

As a member of this Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Funds were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

This Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Government Auditing Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 9: Risk Management (Cont'd)

Summarized selected financial information of this Fund as of December 31, 2011 is as follows:

	Morris County Municipal Joint Insurance Fund
Total Assets	\$ 25,146,526
Net Assets	\$ 11,920,742
Total Revenue	\$ 17,214,724
Total Expenses	\$ 16,582,186
Change in Net Assets	\$ 632,538
Net Assets Distribution to Participating Members	\$ -0-

Financial statements for the Fund are available at the offices of the Fund's Executive Director:

PERMA Risk Management Services
9 Campus Drive, Suite 16
Parsippany, NJ 07054-4412
(201) 881-7632

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township and employee contributions, interest earned and reimbursements to the State for benefits paid and the ending balance of the Township's expendable trust fund for the current and previous years:

Year	Township Contributions	Interest Earned	Employee Contributions	Amount Reimbursed	Ending Balance
2011	\$ -0-	\$ 44.44	\$ 2,090.88	\$ 7,891.22	\$ 36,449.88
2010	-0-	121.79	2,241.43	1,320.00	42,205.78
2009	-0-	462.08	2,183.49	6,628.00	41,162.56

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 10: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2011:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 17,823.78	
Federal and State Grant Fund		\$ 12,382.87
Other Trust Funds		6.04
Assessment Trust Fund		434.85
Animal Control Fund		0.02
Public Assistance Fund		5,000.00
	<u>\$ 17,823.78</u>	<u>\$ 17,823.78</u>

The interfund between the Current Fund and the Federal and State Grant Fund is the net of the prior year interfund as well as the current year unappropriated grants and grants receivable collections and appropriated grant expenditures in the Current Fund. The interfund between the Current Fund and the Animal Control Fund, Other Trust Funds and Assessment Trust Fund represents current year interest earnings not turned over to the Current Fund. The interfund between the Current Fund and the Public Assistance Trust Fund represents an interfund advanced to the Public Assistance Fund due to the Current Fund.

Note 11: Contingent Liabilities

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township vigorously contests these lawsuits and believes the ultimate resolution will not have a material adverse effect on their financial position.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

Various tax appeals have been filed against the Township. The ultimate outcome and effect of such appeals have not been determined; however, the Township Tax Assessor will aggressively defend the Township's assessments. Potential refunds on tax appeals could be as much as \$200,000. The Township established a Reserve for Pending Tax Appeals at December 31, 2011 in the amount of \$125,000. Also, there is a 2012 budget appropriation in the Current Fund in the amount of \$75,000 in a line item for Pending Tax Appeals.

The City of Jersey City is currently a member of the Rockaway Valley Regional Sewerage Authority, as is the Township. Jersey City has filed a lawsuit to discontinue its membership in the Authority. If the lawsuit is successful and Jersey City is no longer a member, future contributions by the Township to the RVRSA could be materially impacted. The Township has established a Reserve for Contingency of \$35,000 in the Sewer Utility Operating Fund to offset the costs of litigation related to this matter.

TOWNSHIP OF BOONTON
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(Continued)

Note 12: Economic Dependency

The Township receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Township's programs and activities.

Note 13: Deferred Compensation Plans

The Township of Boonton offers its employees a deferred compensation plan (the "Plan") created in accordance with Section 457 of the Internal Revenue Code. The Plan, which is administered by VALIC, is available to all Township of Boonton employees and permits participants to defer a portion of their salary. The deferred compensation is not available until termination, retirement, unforeseeable emergency, or upon death to their beneficiaries.

Note 14: Open Space Tax

The Township of Boonton created an Open Space Trust Fund with a Tax Levy of \$.020 per \$100 of assessed valuation in 1998. The funds collected are used to acquire and maintain open space property in the Township. As of December 31, 2011, the balance in the Open Space Trust Fund was \$998,860.06.

Note 15: Fixed Assets

The following schedule is a summarization of general fixed assets for the year ended December 31, 2011:

	Balance Dec. 31, 2010 <u>Restated</u>	<u>Additions</u>	Balance Dec. 31, 2011
Land	\$ 6,705,801.00	\$ 4,165.00	\$ 6,709,966.00
Buildings and Building Improvements	1,035,396.88		1,035,396.88
Equipment	<u>1,706,212.97</u>	<u>72,696.70</u>	<u>1,778,909.67</u>
	<u>\$ 9,447,410.85</u>	<u>\$ 76,861.70</u>	<u>\$ 9,524,272.55</u>

SUPPLEMENTARY DATA

TOWNSHIP OF BOONTON
OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2011

Name	Title	Amount of Bond	Name of Corporate Surety
Michele Rankin	Township Committeeman and Chairperson		
Paul Allieri	Township Committeeman		
Thomas R. Donadio	Township Committeeman		
William Klingener	Township Committeeman		
Robert Rizzo	Township Committeeman		
Barbara Shepard	Township Clerk	(A)	
	Township Administrator		
	Personnel Director		
	Assessment Search Officer		
	Purchasing Agent		
	Registrar		
Norman Eckstein	Chief Financial Officer/Treasurer; Tax Collector	\$ 1,000,000	Municipal Excess Liability JIF
	Tax Search Officer		
	Water and Sewer Billing Collector		
Maureen D. Como	Deputy Municipal Clerk		
	Deputy Tax Collector		
	Planning Board Secretary		
	Water and Sewer Billing Clerk	1,000,000	Municipal Excess Liability JIF
Edward Bucceri	Construction Code Official	(A)	
	Building Inspector		
	Zoning Officer		
	Plumbing Sub-Code Official		
John J. Jansen	Attorney		
Mark Burek	Tax Assessor	(A)	
Arnold Miniman	Magistrate	(A)	
Joan Egan	Court Administrator	(A)	
Patricia Fichtner	Deputy Court Administrator; Violations Clerk	(A)	

All bonds were examined and were properly executed.

(A) - All employees, who are not specifically bonded, are covered under a \$950,000 and \$50,000 Faithful Performance Blanket Bond with the Municipal Excess Liability Joint Insurance Fund and Morris County Municipal Joint Insurance Fund, respectively.

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
CURRENT FUND

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 1,047,397.08
Increased by Receipts:		
Tax Collector		\$ 17,774,003.89
Petty Cash		100.00
Revenue Accounts Receivable		799,437.22
Miscellaneous Revenue Not Anticipated		147,594.27
Accounts Payable		56.00
Due Animal Control Trust Fund:		
Prior Year Interfund Returned		0.08
Due Other Trust Fund :		
Prior Year Interfund Returned		14,863.40
Due from Assessment Trust Fund:		
Prior Year Interfund Returned		37.59
Due General Capital Fund		
Prior Year Interfund Returned		60.66
Due Payroll Account		
Prior Year Interfund Returned		6.67
Appropriation Refunds		17,031.19
Due State of New Jersey:		
Marriage License Fees		250.00
DCA Training Fees		5,778.00
Veterans and Senior Citizens' Deductions		43,000.00
Due To Township of Denville		617.98
Due To Town of Boonton		321.25
Due to Federal and State Grant Fund:		
Grants Receivable		31,754.09
Unappropriated Grant Reserves		11,844.52
		18,846,756.81
		19,894,153.89

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Decreased by Disbursements		
2011 Appropriation Expenditures	\$ 4,043,579.03	
2010 Appropriation Reserves	141,106.92	
Petty Cash	100.00	
Local School Taxes	11,673,973.00	
County Taxes	2,403,476.96	
Due Other Trust Funds:		
Open Space Tax Levy	290,083.87	
Due from Federal and State Grant Fund:		
Appropriated Grant Reserves	18,406.66	
Due from Public Assistance Fund:		
Interfund Advanced	5,000.00	
Due State of New Jersey:		
DCA Training Fees	4,930.00	
Marriage License Fees	250.00	
Refund of Third Party Liens	118,598.08	
Refund of Prior Year Taxes	14,571.00	
Refund of Revenue	833.26	
Tax Overpayments	19,621.72	
	\$ 18,734,530.50	
Balance December 31, 2011	A	\$ 1,159,623.39

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2011

Increased by Receipts:

Taxes Receivable	\$ 17,455,009.00
Redemption of Third Party Liens	129,747.34
Interest and Costs on Taxes	73,567.84
2012 Prepaid Taxes	73,621.13
Tax Overpayments	<u>42,058.58</u>

\$ 17,774,003.89

Paid to Treasurer

\$ 17,774,003.89

TOWNSHIP OF BOONTON
SCHEDULE OF CASH - GRANT FUND
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	2011 Levy	Added Taxes	Collections		State of NJ Veterans' and Senior Citizens' Deductions	Cancelled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2010			2010	2011				Dec. 31, 2011
2009	\$ 35,808.23						\$ 35,808.23		
2010	281,605.51		\$ 843.01		\$ 280,821.70	\$ (500.00)	2,126.82		
	317,413.74		843.01		280,821.70	(500.00)	37,935.05		
2011		\$ 17,733,793.32		\$ 111,863.11	17,174,187.30	43,250.00	58,570.85	\$ 2,659.30	\$ 343,262.76
	\$ 317,413.74	\$ 17,733,793.32	\$ 843.01	\$ 111,863.11	\$ 17,455,009.00	\$ 42,750.00	\$ 96,505.90	\$ 2,659.30	\$ 343,262.76

Ref. A

A

Analysis of 2011 Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 17,701,371.87
Business Personal Property Taxes	16,766.41
Added and Omitted Taxes	15,655.04
	<u>\$ 17,733,793.32</u>

Tax Levy:

Local School District Taxes	\$ 11,673,973.00
County Taxes	\$ 2,223,045.32
County Open Space Tax	178,297.63
County Added and Omitted Taxes	2,134.01
	<u>2,403,476.96</u>
Municipal Open Space Taxes	290,083.87
	<u>14,367,533.83</u>
Local Tax for Municipal Purposes Levied	3,348,074.58
Add: Additional Tax Levied	18,184.91
	<u>3,366,259.49</u>
	<u>\$ 17,733,793.32</u>

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 10,956.79
Increased by:		
Transfer from Taxes Receivable		<u>2,659.30</u>
Balance December 31, 2011	A	<u>\$ 13,616.09</u>

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2010	Accrued In 2011	Collected by Treasurer	Balance Dec. 31, 2011
Municipal Clerk:				
Alcoholic Beverage Licenses		\$ 4,800.00	\$ 4,800.00	
Municipal Court:				
Fines and Costs	\$ 1,751.68	31,730.66	31,048.02	\$ 2,434.32
Construction Code Official		110,854.00	110,854.00	
Energy Receipts Tax		219,747.00	219,747.00	
Consolidated Municipal Property Tax Relief Aid		21,124.00	21,124.00	
Shared Services of A Chief Financial Officer Between The Township of Boonton and the Borough of Kinnelon		29,820.00	29,820.00	
CTC Assisted Living Agreement		134,110.68	134,110.68	
Reserve for Open Space Trust to Offset Debt Service		180,875.00	180,875.00	
General Capital Fund Balance		21,357.63	21,357.63	
Trust Assessment Fund Balance		1,484.89	1,484.89	
Field Usage Revenue		15,785.00	15,785.00	
Cell Tower Rental		28,431.00	28,431.00	
	\$ 1,751.68	\$ 800,119.86	\$ 799,437.22	\$ 2,434.32
<u>Ref.</u>	A			A

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
GENERAL GOVERNMENT FUNCTIONS:				
General Administration:				
Salaries & Wages	\$ 4,367.94	\$ 4,367.94		\$ 4,367.94
Other Expenses	555.23	555.23	\$ 179.98	375.25
Human Resources:				
Other Expenses	1,075.00	1,075.00		1,075.00
Mayor & Council:				
Other Expenses	1,270.00	1,270.00	446.25	823.75
Municipal Clerk:				
Other Expenses	735.13	735.13	479.88	255.25
Codification	280.14	280.14		280.14
Financial Administration:				
Other Expenses	661.62	661.62	515.62	146.00
Annual Audit	13,500.00	13,500.00	13,500.00	
Tax Assessment Administration:				
Other Expenses	1,736.90	1,736.90	754.60	982.30
Revenue Administration (Tax Collection):				
Salaries & Wages	7.56	7.56		7.56
Other Expenses	2,000.44	2,000.44	140.63	1,859.81
Computer:				
Other Expense	2,272.98	2,272.98	1,762.50	510.48
Legal Services and Costs:				
Other Expenses	6,344.74	6,344.74	3,090.84	3,253.90

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
GENERAL GOVERNMENT FUNCTIONS (Cont'd):				
Environmental Committee:				
Other Expenses	\$ 320.00	\$ 320.00		\$ 320.00
Engineering Services:				
Other Expenses	17,125.00	17,125.00	\$ 1,485.00	15,640.00
Buildings and Grounds:				
Salaries & Wages	6,672.52	6,672.52	54.00	6,618.52
Other Expenses	4,037.49	4,037.49	4,020.62	16.87
Municipal Land Use Law (N.J.S.A. 40:55D-1):				
Planning Board:				
Salaries & Wages	97.95	97.95		97.95
Other Expenses	5,411.40	5,411.40	3,335.69	2,075.71
Insurance (P.L. 2003, C.92)				
Employee Group Insurance	16,619.00	16,619.00		16,619.00
General Liability Insurance	375.59	375.59		375.59
PUBLIC SAFETY:				
Aid to Volunteer Fire Companies:				
Other Expenses	3,034.30	3,034.30	2,734.18	300.12
Dispatch	311.71	311.71		311.71
Uniform Fire Safety Act (P.L. 1983, C.383)				
Fire Prevention Bureau:				
Salaries & Wages	905.17	905.17	374.00	531.17
Other Expenses	2,638.00	2,638.00	1,456.00	1,182.00

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010	Balance After Modification	Paid or Charged	Balance Lapsed
PUBLIC SAFETY (Cont'd):				
Police:				
Salaries & Wages	\$ 20,760.90	\$ 20,760.90	\$ 1,291.09	\$ 19,469.81
Other Expenses	19,782.28	19,782.28	18,998.89	783.39
Office of Emergency Management:				
Salaries & Wages	104.32	104.32		104.32
Municipal Court:				
Salaries & Wages	2,972.40	2,972.40	158.03	2,814.37
Other Expenses	1,017.71	1,017.71	293.53	724.18
Public Employees Occupational Safety & Hazards Act	3,000.00	3,000.00		3,000.00
STREETS AND ROADS:				
Road Repair and Maintenance:				
Other Expenses	7,064.90	17,064.90	11,341.10	5,723.80
Snow Removal	95,294.37	85,294.37	59,653.14	25,641.23
Vehicle Maintenance:				
Other Expenses	5,709.84	5,709.84	3,122.47	2,587.37
HEALTH AND WELFARE:				
Animal Control:				
Other Expenses	3,771.34	3,771.34	79.79	3,691.55
Board of Health:				
Other Expenses	414.83	414.83	240.00	174.83
Contractual	1,232.79	1,232.79		1,232.79
Administration of Public Assistance:				
Salaries & Wages	505.00	505.00		505.00
Other Expenses	100.00	100.00		100.00

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
RECREATION AND EDUCATION:				
Parks and Playgrounds:				
Other Expenses	\$ 687.49	\$ 687.49	\$ 51.64	\$ 635.85
Celebration of Public Events:				
Other Expenses	348.00	348.00		348.00
UNIFORM CONSTRUCTION CODE:				
Construction Code Official:				
Salaries & Wages	3,273.81	3,273.81	10.88	3,262.93
Other Expenses	5,082.92	5,082.92	3,567.16	1,515.76
Unclassified:				
Utilities:				
Electricity	1,604.74	1,604.74	1,467.77	136.97
Telephone	2,105.81	2,105.81	1,207.95	897.86
Water	248.72	248.72		248.72
Gas	15,585.93	15,585.93	3,079.78	12,506.15
Fuel Oil	5,475.70	5,475.70	1,706.10	3,769.60
Sewerage Processing	265.81	265.81	77.50	188.31
Gasoline	3,022.68	3,022.68	326.58	2,696.10
Contingent	6,000.00	6,000.00		6,000.00
STATUTORY EXPENDITURES:				
Contributions to Social Security System (O.A.S.I.)	15,871.07	15,871.07	103.73	15,767.34
Unemployment Insurance	100.00	100.00		100.00

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010	Balance After Modification	Paid or Charged	Balance Lapsed
OPERATIONS EXCLUDED FROM "CAPS":				
Stormwater Tier A General Permit (N.J.S.A. 40A:4-45.3(cc))	\$ 5,293.00	\$ 5,293.00		\$ 5,293.00
TOTAL GENERAL APPROPRIATIONS	<u>\$ 319,052.17</u>	<u>\$ 319,052.17</u>	<u>\$ 141,106.92</u>	<u>\$ 177,945.25</u>

Analysis of Balance at December 31, 2010:

	Ref	
Unencumbered	A	\$ 245,854.71
Encumbered	A	<u>73,197.46</u>
		<u>\$ 319,052.17</u>

TOWNSHIP OF BOONTON
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2011

Increased by:

Levy - Calendar Year 2011

\$ 11,673,973.00

Decreased by:

Payments to Local School District

\$ 11,673,973.00

TOWNSHIP OF BOONTON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

	Balance Dec. 31, 2010	2011 Budget Revenue Realized	Received	Transfer From Unappropriated Reserves	Cancelled	Balance Dec. 31, 2011
Alcohol Education and Rehabilitation Fund	\$ 678.55				\$ 678.55	
Body Armor Replacement Fund	1,244.13				1,244.13	
Municipal Alliance Against Substance Abuse:						
2010	14,514.92		\$ 2,849.25		11,665.67	
2011		\$ 7,533.00	6,949.84			\$ 583.16
Highlands - Initial Assessment	15,000.00					15,000.00
Highlands - Plan Conformance	50,000.00		18,055.00			31,945.00
Division of Highway Safety - Click It or Ticket - 2009	308.74				308.74	
Division of Highway Safety - Over the Limit, Under Arrest Grant:						
2010	50.00				50.00	
2011		4,400.00	3,900.00		500.00	
Clean Communities Grant		9,481.58		\$ 9,481.58		
	<u>\$ 81,796.34</u>	<u>\$ 21,414.58</u>	<u>\$ 31,754.09</u>	<u>\$ 9,481.58</u>	<u>\$ 14,447.09</u>	<u>\$ 47,528.16</u>

Ref. A

A

TOWNSHIP OF BOONTON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2010	Transferred from 2011 Budget Appropriations	Cash Disbursed	Encumbrances Payable	Cancelled	Balance Dec. 31, 2011
Clean Communities Program:						
2010	\$ 4,577.18				\$ 4,577.18	
2011		\$ 9,481.58	\$ 3,815.00	\$ 1,375.00		\$ 4,291.58
Drunk Driving Enforcement Fund:						
2009	579.87			142.00		437.87
2010	1,308.04					1,308.04
Alcohol Education and Rehabilitation Fund	1,452.30					1,452.30
Federal Emergency Management Agency	668.97		668.97			
Body Armor Replacement Fund:						
2009	1,369.23		854.70	514.53		
2010	2,342.44			265.47		2,076.97
Municipal Alliance Against Substance Abuse Grant:						
State Share - 2010	1,807.71				1,807.71	
State Share - 2011		7,533.00	4,660.64	1,566.00		1,306.36
Township Share - 2010	3,290.09				3,290.09	
Township Share - 2011		1,883.25	1,849.25	34.00		
Recycling Tonnage Grant	4,257.45				4,257.45	
Domestic Violence Training	1,300.00				1,300.00	
Highlands - Initial Assessment	40.00					40.00
Highlands - Plan Conformance	10,698.75		2,658.10	950.00		7,090.65
Over The Limit, Under Arrest 2010 Program	50.00				50.00	
Over The Limit, Under Arrest 2011 Program		4,400.00	3,900.00		500.00	
Police Donations	350.00					350.00
	<u>\$ 34,092.03</u>	<u>\$ 23,297.83</u>	<u>\$ 18,406.66</u>	<u>\$ 4,847.00</u>	<u>\$ 15,782.43</u>	<u>\$ 18,353.77</u>
Ref.	A			A		A
Federal, State and Local Grants		\$ 21,414.58				
Local Matching Funds		<u>1,883.25</u>				
		<u>\$ 23,297.83</u>				

TOWNSHIP OF BOONTON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Transferred to</u> <u>2011 Budget</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Clean Communities Grant	\$ 9,481.58	\$ 9,378.73	\$ 9,481.58	\$ 9,378.73
Police Donations	100.00			100.00
Alcohol Education and Rehabilitation Fund		377.54		377.54
Drunk Driving Enforcement Fund		565.76		565.76
Body Armor Grant		1,522.49		1,522.49
	<u>\$ 9,581.58</u>	<u>\$ 11,844.52</u>	<u>\$ 9,481.58</u>	<u>\$ 11,944.52</u>
<u>Ref.</u>	A			A

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
TRUST FUNDS

TOWNSHIP OF BOONTON
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

<u>Ref.</u>	<u>Assessment Trust Fund</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2010	B \$ 111,472.64	\$ 143.14	\$ 1,319,867.48
Increased by Receipts:			
Due Current Fund:			
Interest on Investments	\$ 434.85	\$ 0.02	\$ 6.04
Assessment Receivable	78,793.82		
Animal Control Collector		7,205.30	
Escrow Deposits			28,226.13
Recreation Deposits			67,341.69
Tax Sale Premiums			34,200.00
Unemployment Insurance			2,135.32
Public Defender			250.00
Recycling			19,830.39
Law Enforcement Trust			428.98
Police Outside Duty			12,402.12
Housing Rehabilitation			29.94
Affordable Housing			0.29
Open Space Tax Levy			340,098.11
Interest Earned on Open Space Trust			854.44
High School Law Enforcement Training Program Donations			1,286.34
Cash Bonds			4.42
Parking Offense Adjudication Act			2.15
	<u>79,228.67</u>	<u>7,205.32</u>	<u>507,096.36</u>
	190,701.31	7,348.46	1,826,963.84

TOWNSHIP OF BOONTON
TRUST FUNDS
SCHEDULE OF CASH - TREASURER
(Continued)

<u>Ref.</u>	<u>Assessment Trust Fund</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Decreased by Disbursements:			
Due Current Fund:			
Assessment Trust Surplus	\$ 1,484.89		
Prior Year Interfund Returned	37.59	\$ 0.08	\$ 14,863.40
Serial Bonds	75,000.00		
Expenditures Under R.S. 4:19-15.11		7,039.63	
Escrow Expenditures			200,941.47
Tax Sale Premiums			10,600.00
Recreation Expenditures			59,633.74
Unemployment Insurance			7,891.22
Recycling			10,747.91
High School Law Enforcement Training Program Donations			235.00
Parking Offense Adjudication Act			210.00
Police Outside Duty			13,826.49
Open Space Trust			276,267.87
	<u>\$ 76,522.48</u>	<u>\$ 7,039.71</u>	<u>\$ 595,217.10</u>
Balance December 31, 2011	B <u>\$ 114,178.83</u>	<u>\$ 308.75</u>	<u>\$ 1,231,746.74</u>

TOWNSHIP OF BOONTON
ANIMAL CONTROL TRUST FUND
SCHEDULE OF ANIMAL CONTROL FUND CASH - COLLECTOR

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ -0-
Increased by:		
Animal Control License Fees:		
Municipal		\$ 6,015.60
State		860.40
Impounding, Boarding, Late Fees and Penalties		<u>1,200.50</u>
		<u>8,076.50</u>
		8,076.50
Decreased by:		
Disbursed to:		
Treasurer - Animal Control Fund		7,205.30
State of New Jersey		<u>859.20</u>
		<u>8,064.50</u>
Balance December 31, 2011	B	<u><u>\$ 12.00</u></u>

TOWNSHIP OF BOONTON
TRUST FUND
ANALYSIS OF ASSESSMENT CASH

<u>Improvement Description</u>	Balance	<u>Receipts</u>		<u>Disbursements</u>	Balance
	Dec. 31, 2010	<u>Assessments</u> Receivable	<u>Miscellaneous</u>	<u>Miscellaneous</u>	Dec. 31, 2011
Due to Current Fund	\$ 37.59		\$ 434.85	\$ 37.59	\$ 434.85
Fund Balance	1,484.89	\$ 845.50		1,484.89	845.50
 Assessments Receivable:					
Sanitary Sewerage and Water System:					
Elcock Avenue / Grove Street	94,249.08	55,665.74		59,298.92	90,615.90
 Sanitary Sewerage System:					
Kent Avenue / Janet Road	15,701.08	22,282.58		15,701.08	22,282.58
	<u>\$ 111,472.64</u>	<u>\$ 78,793.82</u>	<u>\$ 434.85</u>	<u>\$ 76,522.48</u>	<u>\$ 114,178.83</u>

TOWNSHIP OF BOONTON
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 143.06
Increased by:		
Dog License Fees:		
Collected in Current Year		\$ 6,015.60
Miscellaneous Fees		1,200.50
		7,216.10
		7,359.16
Decreased by:		
Expenditures Under R.S. 4:19-15.11		7,039.63
		7,039.63
Balance December 31, 2011	B	\$ 319.53

<u>License Fees Collected</u>	<u>Amount</u>
<u>Year</u>	
2009	\$ 3,395.00
2010	5,756.40
	9,151.40
Maximum Allowable Reserve	\$ 9,151.40

TOWNSHIP OF BOONTON
ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE

Ord Number	Improvement Description	Balance	Collected	Balance	Balance Pledged to	
		Dec. 31, 2010		Dec. 31, 2011	Serial Bonds	Reserve
593	Sanitary Sewerage and Water System: Elcock Avenue / Grove Street	\$ 564,841.66	\$ 55,665.74	\$ 509,175.92	\$ 425,085.18	\$ 84,090.74
638	Sanitary Sewerage System: Kent Avenue / Janet Road	159,298.92	22,282.58	137,016.34	137,016.34	
645	Sanitary Sewerage and Water System: Elcock Avenue / Grove Street #2	16,480.84	845.50	15,635.34		15,635.34
		<u>\$ 740,621.42</u>	<u>\$ 78,793.82</u>	<u>\$ 661,827.60</u>	<u>\$ 562,101.52</u>	<u>\$ 99,726.08</u>

Ref.

B

B

TOWNSHIP OF BOONTON
ASSESSMENT TRUST FUND
SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
ASSESSMENT TRUST FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
ASSESSMENT TRUST FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose of Issue	Date of Issue	Amount of Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2010	Matured	Balance Dec. 31, 2011
			Date	Amount				
Trust Assessment Bonds of 2010	01/15/10	\$ 750,000.00	01/15/12	\$ 75,000.00	2.00%			
			01/15/13	75,000.00	2.00%			
			01/15/14	75,000.00	2.00%			
			01/15/15	75,000.00	2.00%			
			01/15/16	75,000.00	2.75%			
			01/15/17	75,000.00	3.00%			
			01/15/18	75,000.00	3.00%			
			01/15/19	75,000.00	3.50%			
			01/15/20	75,000.00	3.50%			
					<u>\$ 750,000.00</u>	<u>\$ 75,000.00</u>	<u>\$ 675,000.00</u>	
				<u>Ref.</u>	B		B	

TOWNSHIP OF BOONTON
ASSESSMENT TRUST FUND
SCHEDULE OF RESERVE FOR ASSESSMENTS

<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>Transfer To To Trust Surplus</u>	<u>Balance Dec. 31, 2011</u>
Assessments Receivable:			
Sanitary Sewerage and Water System:			
Elcock Avenue / Grove Street	\$ 84,090.74		\$ 84,090.74
Sanitary Sewerage and Water System:			
Elcock Avenue / Grove Street #2	<u>16,480.84</u>	<u>\$ 845.50</u>	<u>15,635.34</u>
	<u>\$ 100,571.58</u>	<u>\$ 845.50</u>	<u>\$ 99,726.08</u>
<u>Ref.</u>	B		B

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
GENERAL CAPITAL FUND

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 242,996.55
Increased by Receipts:		
New Jersey Department of Transportation Grant Receivables:		
Improvement and Repair of North Main Street	\$ 77,594.88	
Resurfacing Rockaway Valley Road	145,540.50	
Grant Proceeds - Funding of Ordinance No. 788:		
New Jersey Green Acres Program Local Unit Planning Incentive	50,000.00	
Reserve for Payment of Debt Service	200,000.00	
Reserve for Griffith Pond	117,848.10	
Open Space Trust Fund - Funding of Ordinance No. 788	7,500.00	
Bond Anticipation Notes	387,000.00	
2011 Budget Appropriation:		
Deferred Charges to Future Taxation - Unfunded	69,000.00	
Capital Improvement Fund	<u>170,000.00</u>	
		<u>1,224,483.48</u>
		1,467,480.03
Decreased by Disbursements:		
Due To Current Fund:		
Realization of Fund Balance as Anticipated Revenue	21,357.63	
Settlement of Prior Year Interfund	60.66	
Reserve for Encumbrances	72,960.33	
Reserve for Preliminary Expenses:		
Powerville Dam	2,390.00	
Rockaway Valley Road	14,725.00	
Bond Anticipation Notes	428,000.00	
Improvement Authorizations	<u>612,887.41</u>	
		<u>1,152,381.03</u>
Balance December 31, 2011	C	<u>\$ 315,099.00</u>

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2010	Receipts			Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2011
		Budget Appropriations	Miscellaneous	Bond Anticipation Notes	Miscellaneous	Bond Anticipation Notes	Improvement Authorizations	To	From	
Fund Balance	\$ 21,357.63				\$ 21,357.63					
Capital Improvement Fund	180,517.79	\$ 170,000.00						\$ 156,884.19		\$ 193,633.60
Reserve for Payment of Debt Service			\$ 200,000.00					200,000.00		
Due To Current Fund	60.66				60.66					
Reserve for Encumbrances	88,303.19				72,960.33			\$ 66,348.13	15,342.86	66,348.13
Reserve for Preliminary Expenses - Powerville Dam	5,085.00				2,390.00					2,695.00
Reserve for Preliminary Expenses - Rockaway Valley Road	14,725.00				14,725.00					
Reserve for Griffith Pond			117,848.10							117,848.10
Morris County Park Commission Grant							150,000.00	150,000.00		
Morris County Open Space Trust Grant							850,000.00	850,000.00		
The Trust for Public Land Grant							150,000.00	150,000.00		
New Jersey Green Acres Program:										
Local Unit Planning Incentive Grant Receivable			50,000.00						50,000.00	
New Jersey Department of Transportation Grants Receivable:										
Improvement and Repair of North Main Street	(126,906.25)		77,594.88							(49,311.37)
Resurfacing Rockaway Valley Road			145,540.50						250,000.00	(104,459.50)
Due From Open Space Trust			7,500.00						7,500.00	
<u>Improvement Authorizations</u>										
Ord. No. 667 Acquisition of New and Additional Fire Equipment		32,000.00		\$ 63,000.00		\$ 95,000.00				
Ord. No. 767 Various Improvements		37,000.00		96,000.00		333,000.00		200,000.00		
Ord. No. 778 Animal Shelter & Fire Department Equipment	417.12						\$ 917.12	500.00		
Ord. No. 779 & 799 North Main Street Improvement / Repair	24,687.18						10,260.00	49,727.05	14,842.86	49,311.37
Ord. No. 782 Salt Storage Facility & Parking Lot Improvements	2,046.69						2,046.69			
Ord. No. 787 Energy Efficient Lighting, Air Conditioning & Boilers at the Municipal Building	32,702.54						6,610.00			26,092.54
Ord. No. 788 Acquisition of Real Property Block 30601 Lots 2-4							50,000.00	1,200,000.00	1,150,000.00	
Ord. No. 791 Police and Fire Department Equipment							38,815.43	60,000.00	16,583.91	4,600.66
Ord. No. 793 Improvements of Various Roads				228,000.00			240,000.00	12,000.00		
Ord. No. 796 Resurfacing Rockaway Valley Road							257,499.84	300,000.00	34,913.36	7,586.80
Ord. No. 801 Acquisition of Property Block 40307 Lot 21							6,738.33	7,500.00	8.00	753.67
	<u>\$ 242,996.55</u>	<u>\$ 239,000.00</u>	<u>\$ 598,483.48</u>	<u>\$ 387,000.00</u>	<u>\$ 111,493.62</u>	<u>\$ 428,000.00</u>	<u>\$ 612,887.41</u>	<u>\$ 3,046,075.18</u>	<u>\$ 3,046,075.18</u>	<u>\$ 315,099.00</u>

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Funded by Budget Appropriation	Funded by Reserve for Payment of Debt Service	Balance Dec. 31, 2011	Analysis of
							Balance Dec. 31, 2011 Financed by Bond Anticipation Notes
667	Acquisition of New and Additional Fire Equipment	\$ 95,000.00		\$ 32,000.00		\$ 63,000.00	\$ 63,000.00
767	Various Improvements	333,000.00		37,000.00	\$ 200,000.00	96,000.00	96,000.00
793	Improvements of Various Roads		\$ 228,000.00			228,000.00	228,000.00
		<u>\$ 428,000.00</u>	<u>\$ 228,000.00</u>	<u>\$ 69,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 387,000.00</u>	<u>\$ 387,000.00</u>
	<u>Ref.</u>	C				C	

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Date	Amount	2011 Authorizations			Expended	Encumbered	Encumbrances Canceled	Balance Dec. 31, 2011 Funded
				Balance Dec. 31, 2010 Funded	Other Financing Sources	Deferred Charges to Future Taxation - Unfunded				
778	Animal Shelter & Fire Department Equipment	06/14/10	\$ 43,675.00	\$ 417.12			\$ 917.12		\$ 500.00	
779, 799	Improvement and Repair of North Main Street	06/14/10	240,000.00	24,687.18	\$ 34,884.19		10,260.00	\$ 14,842.86	14,842.86	\$ 49,311.37
782	Salt Storage Facility & Parking Lot Improvements	07/12/10	20,000.00	2,046.69			2,046.69			
787	Energy Efficient Lighting, Air Conditioning & Boilers at the Municipal Building	12/13/10	33,000.00	32,702.54			6,610.00			26,092.54
788	Acquisition of Property, Block 30601, Lots 2, 3 and 4	03/14/11	1,200,000.00		1,200,000.00		1,200,000.00			
791	Police and Fire Department Equipment	05/09/11	60,000.00		60,000.00		38,815.43	16,583.91		4,600.66
793	Improvements of Various Roads	05/09/11	240,000.00		12,000.00	\$ 228,000.00	240,000.00			
796	Resurfacing Rockaway Valley Road	06/13/11	300,000.00		300,000.00		257,499.84	34,913.36		7,586.80
801	Acquisition of Property, Block 40307 Lot 21	10/11/11	7,500.00		7,500.00		6,738.33	8.00		753.67
				<u>\$ 59,853.53</u>	<u>\$ 1,614,384.19</u>	<u>\$ 228,000.00</u>	<u>\$ 1,762,887.41</u>	<u>\$ 66,348.13</u>	<u>\$ 15,342.86</u>	<u>\$ 88,345.04</u>
				Ref.	C		\$ 612,887.41			C
							<u>1,150,000.00</u>			
				Capital Improvement Fund	\$ 156,884.19		<u>\$1,762,887.41</u>			
				Due from Open Space Trust Fund	7,500.00					
				The Trust for Public Land Grant	150,000.00					
				Morris County Open Space Grant	850,000.00					
				Local Unit Planning Incentive Grant, Green Acres Program	50,000.00					
				Morris County Park Commission	150,000.00					
				New Jersey Department of Transportation Grant	250,000.00					
					<u>\$ 1,614,384.19</u>					

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 180,517.79
Increased by:		
2011 Budget Appropriation		<u>170,000.00</u>
		350,517.79
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>156,884.19</u>
Balance December 31, 2011	C	<u><u>\$ 193,633.60</u></u>

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Purpose of Issue	Date of Original Issue	Original Amount Issued	Issue Date	Maturity Date	Interest Rate	Balance Dec. 31, 2010	Issued	Matured	Balance Dec. 31, 2011
667	Acquisition of New and Additional Fire Equipment	01/28/04	\$ 310,000.00	09/27/10 09/26/11	09/27/11 09/26/12	1.25% 1.45%	\$ 95,000.00	\$ 63,000.00	\$ 95,000.00	\$ 63,000.00
767	Various Improvements	10/02/09	333,000.00	09/27/10 09/26/11	09/27/11 09/26/12	1.25% 1.45%	333,000.00	96,000.00	\$333,000.00	96,000.00
793	Improvements of Various Roads	09/29/11	228,000.00	09/26/11	09/26/12	1.45%		228,000.00		228,000.00
							<u>\$ 428,000.00</u>	<u>\$ 387,000.00</u>	<u>\$ 428,000.00</u>	<u>\$ 387,000.00</u>

Ref.

C

C

Renewed	\$ 159,000.00	\$ 159,000.00
New Issues	228,000.00	
Reserve for Payment of Debt Service		200,000.00
Budget Appropriation		69,000.00
	<u>\$ 387,000.00</u>	<u>\$ 428,000.00</u>

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose of Issue	Date of Issue	Amount of Issue	Maturities Of Bonds Outstanding December 31, 2011		Interest Rate	Balance	Matured	Balance
			Date	Amount		Dec. 31, 2010		Dec. 31, 2011
General Bonds Payable of 2010	01/15/10	\$ 644,000.00	01/15/12	\$ 57,000.00	2.00%	\$ 644,000.00	\$ 57,000.00	\$ 587,000.00
			01/15/13	58,000.00	2.00%			
			01/15/14	60,000.00	2.00%			
			01/15/15	63,000.00	2.00%			
			01/15/16	65,000.00	2.75%			
			01/15/17	68,000.00	3.00%			
			01/15/18	70,000.00	3.00%			
			01/15/19	72,000.00	3.50%			
			01/15/20	74,000.00	3.50%			
Open Space Bonds Payable of 2010	01/15/10	1,515,000.00	01/15/12	143,000.00	2.00%	1,515,000.00	143,000.00	1,372,000.00
			01/15/13	147,000.00	2.00%			
			01/15/14	149,000.00	2.00%			
			01/15/15	151,000.00	2.00%			
			01/15/16	154,000.00	2.75%			
			01/15/17	156,000.00	3.00%			
			01/15/18	158,000.00	3.00%			
			01/15/19	161,000.00	3.50%			
			01/15/20	153,000.00	3.50%			
						\$ 2,159,000.00	\$ 200,000.00	\$ 1,959,000.00
Ref.						C		C

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 1,193.54
Decreased by:		
Paid by Budget Appropriation		<u>\$ 1,193.54</u>

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2011

Ord. Number	Ord. Date	Improvement Description	2011 Authorizations	Funded by Budget Appropriation	Funded by Reserve for Payment of Debt Service	Bond Anticipation Notes Issued	Bond Anticipation Notes Redeemed
667	09/22/03	Acquisition of New and Additional Fire Equipment		\$ 32,000.00		\$ 63,000.00	\$ 95,000.00
767	06/08/09	Various Improvements		37,000.00	\$ 200,000.00	96,000.00	333,000.00
793	05/19/11	Improvements of Various Roads	\$ 228,000.00			228,000.00	
			<u>\$ 228,000.00</u>	<u>\$ 69,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 387,000.00</u>	<u>\$ 428,000.00</u>

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
WATER UTILITY FUND

TOWNSHIP OF BOONTON
WATER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Assessment</u>	<u>Capital</u>
Balance December 31, 2010	D	\$ 183,289.16	\$ 682.65	\$ 41,401.26
Increased by Receipts:				
Consumer Accounts Receivable		\$ 359,754.49		
Interest on Investments		295.14		
Interest on Assessments		291.72		
Interest on Delinquencies		3,248.02		
New Water Meters		400.00		
Capital Fund Surplus Anticipated as Revenue		892.47		
Assessment Trust Fund Surplus Anticipated as Revenue		682.25		
Due from Water Utility Assessment Trust Fund:				
Prior Year Interfund Returned		0.40		
Due from Water Utility Capital Fund:				
Prior Year Interfund Returned		8.79		
Prepaid Rents		12.91		
Assessments Receivable			\$ 699.41	
Capital Improvement Fund:				
2011 Budget Appropriation				\$ 2,250.00
		<u>365,586.19</u>	<u>699.41</u>	<u>2,250.00</u>
		548,875.35	1,382.06	43,651.26
Decreased by Disbursements:				
2011 Appopriation Expenditures		280,518.84		
2010 Appropriation Reserves		56,175.59		
Accrued Interest on Bonds		2,065.00		
Improvement Authorizations				20,000.00
Due to Water Utility Operating Fund:				
Fund Balance Anticipated			682.25	892.47
Prior Year Interfund Returned			0.40	8.79
		<u>338,759.43</u>	<u>682.65</u>	<u>20,901.26</u>
Balance December 31, 2011	D	<u>\$ 210,115.92</u>	<u>\$ 699.41</u>	<u>\$ 22,750.00</u>

TOWNSHIP OF BOONTON
WATER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
WATER UTILITY ASSESSMENT TRUST FUND
ANALYSIS OF CASH

	Balance	Receipts	Disbursements	Transfers		Balance
	Dec. 31, 2010	Assessments Receivable	Miscellaneous	To	From	Dec. 31, 2011
Due to Water Utility Operating Fund	\$ 0.40		\$ 0.40			
Fund Balance	682.25		682.25	\$ 699.41		\$ 699.41
<u>Assessment Receivable:</u>						
Ord. No.	Improvement Description					
653	Water Supply and Distribution System: McCaffrey Lane					
		\$ 699.41			\$ 699.41	
	\$ 682.65	699.41	\$ 682.65	699.41	699.41	\$ 699.41

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
ANALYSIS OF WATER CAPITAL CASH

	Balance	Receipts	Disbursements		Transfers		Balance
	Dec. 31, 2010	Budget Appropriation	Improvement Authorizations	Miscellaneous	From	To	Dec. 31, 2011
Fund Balance	\$ 892.47			\$ 892.47			
Capital Improvement Fund	40,500.00	\$ 2,250.00			\$ 20,000.00		\$ 22,750.00
Due to Water Utility Operating Fund	8.79			8.79			
Ord. No.	<u>General Improvements</u>						
792; 800	Installation of New Water Valve; Repairs of Water Meters & Fire Hydrants						
			\$ 20,000.00			\$ 20,000.00	
	<u>\$ 41,401.26</u>	<u>\$ 2,250.00</u>	<u>\$ 20,000.00</u>	<u>\$ 901.26</u>	<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>	<u>\$ 22,750.00</u>

TOWNSHIP OF BOONTON
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 46,566.99
Increased by:		
Water Rents Levied		<u>337,716.21</u>
		384,283.20
Decreased by:		
Water Collections	\$ 359,754.49	
Prepaid Rents Applied	<u>0.07</u>	
		<u>359,754.56</u>
Balance December 31, 2011	D	<u>\$ 24,528.64</u>

TOWNSHIP OF BOONTON
WATER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Balance Dec. 31, 2010</u>	<u>Collections</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Pledged To Reseve</u>
Water Supply and Distribution System: McCaffrey Lane	653	<u>\$ 10,759.21</u>	<u>\$ 699.41</u>	<u>\$ 10,059.80</u>	<u>\$ 10,059.80</u>
	<u>Ref.</u>	D		D	

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Transferred from</u> <u>Fixed Capital</u> <u>Authorized and</u> <u>Uncompleted</u>	<u>Additions by</u> <u>Capital Outlay</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Fire Hydrants	\$ 1,741.39		\$ 3,750.00	\$ 5,491.39
Water Meters	8,820.00			8,820.00
McCaffrey Lane Water Supply and Distribution System	108,897.84			108,897.84
Installation of New Water Valve; Repairs of Water Meters & Fire Hydrants		\$ 20,000.00		20,000.00
	<u>\$ 119,459.23</u>	<u>\$ 20,000.00</u>	<u>\$ 3,750.00</u>	<u>\$ 143,209.23</u>
<u>Ref.</u>	D	D	D	D

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2011

<u>Improvement Description</u>	<u>Ord. No.</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>2011 Authorizations</u>	<u>Transferred to Fixed Capital</u>
Installation of New Water	792;	5/9/2011;	\$ 10,000.00		
Valve; Repairs of Water	800	10/11/2011	10,000.00		
Meters & Fire Hydrants				\$ 20,000.00	\$ 20,000.00
				<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>

TOWNSHIP OF BOONTON
WATER UTILITY OPERATING FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 1,262.29	\$ 1,262.29		\$ 1,262.29
Other Expenses	56,332.05	56,332.05	\$ 56,175.59	156.46
Capital Improvement:				
Capital Outlay	2,250.00	2,250.00		2,250.00
Statutory Expenditures:				
Contribution to:				
Social Security System	170.98	170.98		170.98
	<u>\$ 60,015.32</u>	<u>\$ 60,015.32</u>	<u>\$ 56,175.59</u>	<u>\$ 3,839.73</u>

Analysis of Balance December 31, 2010

	<u>Ref.</u>	
Unencumbered	D	\$ 1,399.97
Encumbered	D	<u>58,615.35</u>
		<u>\$ 60,015.32</u>

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2011

Ord. No.	Improvement Description	Ordinance		2011 Authorizations	Paid or Charged
		Date	Amount	Capital Improve- ment Fund	
792;	Installation of New Water	5/9/2011;	\$ 10,000.00	\$ 20,000.00	\$ 20,000.00
800	Valve; Repairs of Water Meters & Fire Hydrants	10/11/2011	10,000.00		
				<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 40,500.00
Increased by:		
Budget Appropriation		2,250.00
		<hr/> 42,750.00
Decreased by:		
Appropriated to Finance		
Improvement Authorizations		20,000.00
		<hr/> 20,000.00
Balance December 31, 2011	D	<u><u>\$ 22,750.00</u></u>

BOROUGH OF CHESTER
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2011

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Ord. Date</u>	<u>2011 Authorizations</u>	<u>Transferred To Reserve for Amortization</u>
792; 800	Installation of New Water Valve; Repairs of Water Meters & Fire Hydrants	5/9/2011; 10/11/2011	\$ 20,000.00	\$ 20,000.00
			\$ 20,000.00	\$ 20,000.00

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
WATER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
WATER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF RESERVE FOR ASSESSMENTS AND RESERVE FOR ASSESSMENT LIENS

<u>Improvement Description</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Collections</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Assessment Receivable:			
Water Supply and Distribution System:			
McCaffrey Lane	\$ 10,759.21	\$ 699.41	\$ 10,059.80
	<u> </u>	<u> </u>	<u> </u>
<u>Ref.</u>	D		D

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>		
Balance December 31, 2010	D	\$	38,459.23
Increased by:			
Transferred from Deferred Reserve for Amortization		\$	20,000.00
Capital Outlay Expenditures in Operating Budget			3,750.00
Serial Bonds Paid by Operating Budget			7,000.00
			<u>30,750.00</u>
Balance December 31, 2011	D	\$	<u>69,209.23</u>

TOWNSHIP OF BOONTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
SEWER UTILITY FUND

TOWNSHIP OF BOONTON
SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Assessment</u>	<u>Capital</u>
Balance December 31, 2010	E	\$ 155,086.35	\$ 25,579.52	\$ 49,359.70
Increased by Receipts:				
Consumer Accounts Receivable		\$ 173,929.41		
Interest on Investments		216.89		
Interest on Assessments		3,912.84		
Interest on Delinquencies		1,762.41		
Assessments Receivable			\$ 18,159.87	
Prepaid Sewer Rents		10.45		
Due from Sewer Utility Assessment Fund:				
Assessment Trust Fund Surplus Anticipated		4,165.70		
Prior Year Interfund Returned		12.91		
Due from Sewer Utility Capital Fund:				
Capital Fund Surplus Anticipated		1,983.27		
Prior Year Interfund Returned		5,157.50		
2011 Budget Appropriations:				
Capital Improvement Fund				\$ 6,000.00
Bonds and Notes Authorized and Not Issued				5,770.76
		<u>191,151.38</u>	<u>18,159.87</u>	<u>11,770.76</u>
		346,237.73	43,739.39	61,130.46
Decreased by Disbursements:				
2011 Budget Appropriations		168,464.91		
2010 Appropriation Reserves		6,795.95		
Accrued Interest on Bonds		4,455.00		
Due to Sewer Utility Operating Fund:				
Anticipated as Current Year Revenue:				
Assessment Surplus			4,165.70	
Capital Surplus				1,983.27
Prior Year Interfund Returned			12.91	5,157.50
Serial Bonds Payable			18,000.00	
		<u>179,715.86</u>	<u>22,178.61</u>	<u>7,140.77</u>
Balance December 31, 2011	E	<u>\$ 166,521.87</u>	<u>\$ 21,560.78</u>	<u>\$ 53,989.69</u>

TOWNSHIP OF BOONTON
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
SEWER UTILITY ASSESSMENT TRUST FUND
ANALYSIS OF CASH

	Balance	Receipts	Disbursements		Balance
	Dec. 31, 2010	Assessments Receivable	Serial Bonds	Miscellaneous	Dec. 31, 2011
Due to Sewer Utility Operating Fund	\$ 12.91			\$ 12.91	
Fund Balance	4,165.70	\$ 1,986.58		4,165.70	\$ 1,986.58
<u>Assessment Receivable:</u>					
Ord. No.	Improvement Description				
654	Sanitary Sewerage System: McCaffrey Lane	2,695.27	12,807.92	\$ 2,695.27	12,807.92
727,745	Sanitary Sewerage System: Sylvan Lane	18,705.64	3,365.37	15,304.73	6,766.28
		<u>\$ 25,579.52</u>	<u>\$ 18,159.87</u>	<u>\$ 18,000.00</u>	<u>\$ 4,178.61</u>
				<u>\$ 4,178.61</u>	<u>\$ 21,560.78</u>

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/(Deficit) Dec. 31, 2010	Receipts Budget Appropriation	Disbursements Miscellaneous	Balance Dec. 31, 2011
Capital Improvement Fund	\$ 47,989.69	\$ 6,000.00		\$ 53,989.69
Due to Sewer Utility Operating Fund	5,157.50		\$ 5,157.50	
Fund Balance	1,983.27		1,983.27	
<u>Ord. No.</u>	<u>Improvement Description</u>			
727,745	Sanitary Sewerage System: Sylvan Lane	(5,770.76)	5,770.76	
		\$ 49,359.70	\$ 11,770.76	\$ 53,989.69

TOWNSHIP OF BOONTON
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 21,898.03
Increased by:		
Sewer Rents Levied		<u>173,742.97</u>
		195,641.00
Decreased by Collections:		
Sewer Rents	\$ 173,929.41	
Prepaid Sewer Rents Applied	<u>387.90</u>	
		<u>174,317.31</u>
Balance December 31, 2011	E	<u><u>\$ 21,323.69</u></u>

TOWNSHIP OF BOONTON
SEWER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE

Ord. No.	Improvement Description	Balance	Collected	Balance	Balance Pledged To	
		Dec. 31, 2010		Dec. 31, 2011	Reserve	Serial Bonds
654	Sanitary Sewerage System: McCaffrey Lane	\$ 81,304.73	\$ 12,807.92	\$ 68,496.81		\$ 68,496.81
680	Sanitary Sewerage System: North Main Street	42,964.87	1,986.58	40,978.29	\$ 40,978.29	
727,745	Sanitary Sewerage System: Sylvan Lane	77,294.36	3,365.37	73,928.99		73,928.99
		<u>\$ 201,563.96</u>	<u>\$ 18,159.87</u>	<u>\$ 183,404.09</u>	<u>\$ 40,978.29</u>	<u>\$ 142,425.80</u>
	Ref.	E		E		

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

Description	Balance Dec. 31, 2010	Balance Dec. 31, 2011
North Main Street Line:		
Pipe Line	\$ 10,931.62	\$ 10,931.62
Glenbourne Drive Pumping Station	3,075.00	3,075.00
McCaffrey Lane Sewer	125,000.00	125,000.00
North Main Street Sanitary Sewer	75,000.00	75,000.00
Sylvan Lane Sanitary Sewer	110,400.12	110,400.12
Total	<u>\$ 324,406.74</u>	<u>\$ 324,406.74</u>
	<u>Ref.</u>	
	E	E

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 1,399.80	\$ 1,399.80		\$ 1,399.80
Other Expenses	69,462.58	69,462.58	\$ 41,795.95	27,666.63
Capital Improvements:				
Capital Outlay	4,000.00	4,000.00		4,000.00
Statutory Expenditures:				
Social Security	188.04	188.04		188.04
	<u>\$ 75,050.42</u>	<u>\$ 75,050.42</u>	<u>\$ 41,795.95</u>	<u>\$ 33,254.47</u>

Ref.

Analysis of Balance at December 31, 2010:

Unencumbered	E \$ 69,573.62
Encumbered	E <u>5,476.80</u>
	<u>\$ 75,050.42</u>

Cash Disbursed	\$ 6,795.95
Reserve for Contingency	<u>35,000.00</u>
	<u>\$ 41,795.95</u>

TOWNSHIP OF BOONTON
SEWER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF RESERVE FOR ASSESSMENTS

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 42,964.87
Decreased by:		
Collection of Unpledged Assessments and Liens		<u>1,986.58</u>
Balance December 31, 2011	E	<u>\$ 40,978.29</u>

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 47,989.69
Increased by:		
2011 Budget Appropriation		<u>6,000.00</u>
Balance December 31, 2011	E	<u>\$ 53,989.69</u>

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 318,635.98
Increased by:		
Budget Appropriation - Sanitary Sewer System - Sylvan Lane		<u>5,770.76</u>
Balance December 31, 2011	E	<u>\$ 324,406.74</u>

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESEVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
SEWER UTILITY ASSESSMENT TRUST FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
SEWER UTILITY TRUST ASSESSMENT FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose of Issue	Date of Issue	Amount of Issue	Maturities Of Bonds Outstanding December 31, 2011		Interest Rate	Balance Dec. 31, 2010	Matured	Balance Dec. 31, 2011
			Date	Amount				
Sewer Assessment Bonds	01/15/10	\$ 180,000.00	01/15/12	\$ 18,000.00	2.00%	<u>\$ 180,000.00</u>	<u>\$ 18,000.00</u>	<u>\$ 162,000.00</u>
			01/15/13	18,000.00	2.00%			
			01/15/14	18,000.00	2.00%			
			01/15/15	18,000.00	2.00%			
			01/15/16	18,000.00	2.75%			
			01/15/17	18,000.00	3.00%			
			01/15/18	18,000.00	3.00%			
			01/15/19	18,000.00	3.50%			
			01/15/20	18,000.00	3.50%			
					<u>\$ 180,000.00</u>	<u>\$ 18,000.00</u>	<u>\$ 162,000.00</u>	
					<u>\$ 180,000.00</u>	<u>\$ 18,000.00</u>	<u>\$ 162,000.00</u>	
				Ref.	E		E	

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF WASTEWATER TREATMENT TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWNSHIP OF BOONTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2011

<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2010</u>	<u>Funded by Budget Appropriation</u>
Sanitary Sewerage System: Sylvan Lane	09/11/06	\$ 5,770.76	\$ 5,770.76
		<u>\$ 5,770.76</u>	<u>\$ 5,770.76</u>
	<u>Ref.</u>		E

TOWNSHIP OF BOONTON
COUNTY OF MORRIS
2011
PUBLIC ASSISTANCE FUND

BOONTON TOWNSHIP
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Fund Total</u>	<u>Public Assistance Trust Fund I</u>	<u>Public Assistance Trust Fund II</u>
Balance December 31, 2010	F	\$ 26,070.65	\$ 21,927.97	\$ 4,142.68
Increased by Receipts:				
State Aid		6,840.00		6,840.00
Due to Current Fund:				
Interfund Advanced		5,000.00		5,000.00
		<u>37,910.65</u>	<u>21,927.97</u>	<u>15,982.68</u>
Decreased by Disbursements:				
Public Assistance Expenditures - Emergency Assistance		8,456.66		8,456.66
Ineligible Assistance		2,969.23	2,969.23	
		<u>11,425.89</u>	<u>2,969.23</u>	<u>8,456.66</u>
Balance December 31, 2011	F	<u>\$ 26,484.76</u>	<u>\$ 18,958.74</u>	<u>\$ 7,526.02</u>

TOWNSHIP OF BOONTON

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2011

TOWNSHIP OF BOONTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2011

Name of Federal Agency or Department	Name of Program	C.F.D.A Account Number	Pass Through Entity ID	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
				From	To				
U.S. Department of Homeland Security: (Passed through New Jersey Department of Law and Public Safety)	Disaster Assistance - Severe Storm, Flooding and Mud Slides	97.017	100-066-1200-979-YEMR	Prior Years	12/31/11	\$ 3,820.04		\$ 668.97	\$ 3,820.04
				01/01/10	12/31/11	43,224.06	\$ 43,224.06	43,224.06 *	43,224.06
Total Department of Homeland Security							43,224.06	43,893.03	47,044.10
U.S. Department of Transportation (Passed through the Department of Law and Public Safety)	Over the Limit, Under Arrest	20.609	1160-116-6120	01/01/11	12/31/11	4,400.00	3,900.00	3,900.00	3,900.00
(Passed through New Jersey Department of Transportation)	North Main Street Improvements	20.205	11-480-078-6320-AK3-6010	01/01/11	12/31/12	220,000.00	77,594.88	35,212.57	170,688.63
	Resurfacing Rockaway Valley Road	20.205	10-480-078-6320-AKN-6010	01/01/11	12/31/11	250,000.00	145,540.50	205,094.04	205,094.04
Total Department of Transportation							227,035.38	244,206.61	379,682.67
Total Federal Awards							\$ 270,259.44	\$ 288,099.64	\$ 426,726.77

* - Expended in Prior Year

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF BOONTON
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2011

Name of State Agency or Department	Name of Program	State Grant Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
			From	To				
Department of Environmental Protection	Clean Communities	765-042-4900- 004-178910	01/01/10	12/31/12	\$ 9,481.58		\$ 3,815.00	\$ 3,815.00
			01/01/11	12/31/12	9,378.73	\$ 9,378.73		
	Total Clean Communities				9,378.73	3,815.00	8,368.59	
	Green Acres Trust	N/A	01/01/11	12/31/11	50,000.00	50,000.00	50,000.00	50,000.00
	Total Green Acres Trust					50,000.00	50,000.00	50,000.00
Total Department of Environmental Protection					59,378.73	53,815.00	58,368.59	
Department of Law and Public Safety	Body Armor Grant	718-066-1020- 001-6120	01/01/09	12/31/12	2,189.18		854.70	1,674.65
			01/01/11	12/31/11	1,522.49	1,522.49		
	Total Body Armor Grant				1,522.49	854.70	1,674.65	
	Drunk Driving Enforcement Fund	100-078-6400- 260-6010	01/01/11	12/31/12	565.76	565.76		
	Total Drunk Driving Enforcement					565.76		
Total Department of Law and Public Safety					2,088.25	854.70	1,674.65	
Department of Health and Senior Services	Alcohol Education Rehabilitation Fund	760-098-9735- 789-XXXX	01/01/11	12/31/12	377.54	377.54		
	Total Alcohol Education Rehabilitation Fund					377.54		
	Total Department of Health and Senior Services					377.54		

TOWNSHIP OF BOONTON
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2011

Name of State Agency or Department	Name of Program	State Grant Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
			From	To				
Department of Treasury (Passed through the County of Morris - Governor's Council on Alcoholism and Drug Abuse)	Governor's Council on Alcoholism and Drug Abuse	100-082-2000- 044-995120	01/01/11 Prior Years	12/31/12 12/31/11	\$ 7,533.00 14,514.92	\$ 6,949.84 2,849.25	\$ 4,660.64 	\$ 4,660.64 12,707.21
Total Department of Treasury						9,799.09	4,660.64	17,367.85
New Jersey Highlands Council	Plan Conformance Grant	N/A	01/01/10	12/31/12	50,000.00	18,055.00	2,658.10	41,959.35
Total Department of State						18,055.00	2,658.10	41,959.35
Department of Community Affairs	Payments to Municipalities for Cost of General Assistance (State Share)	100-054-7550- 121-158010	01/01/11	12/31/11	8,456.66	6,840.00	8,456.66	8,456.66
Total Department of Community Affairs						6,840.00	8,456.66	8,456.66
Total State Awards						\$ 96,538.61	\$ 70,445.10	\$ 127,827.10

N/A - Not Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF BOONTON
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2011

Note A. GENERAL

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

Note B. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal and state awards are presented using the cash basis of accounting. The information in these schedules is presented in accordance with the requirements of federal OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the financial statements.

Note C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax

Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report on Internal Control Over
 Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements
 Performed in Accordance with Government Auditing Standards

The Honorable Mayor and Members
 of the Township Committee
 Township of Boonton
 Boonton, New Jersey

We have audited the financial statements of the Township of Boonton, in the County of Morris (the "Township") as of, and for the years ended, December 31, 2011 and 2010 and have issued our report thereon dated June 22, 2012, which indicated that the financial statements have been prepared on an other comprehensive basis of accounting. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Responses as Finding 2011-01 that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The Honorable Mayor and Members
of the Township Committee
Township of Boonton
Boonton, New Jersey

Compliance and Other Matters

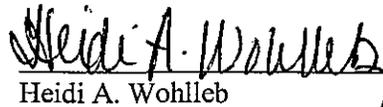
As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

The Township's response to the finding noted in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit the Township's response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Mayor and Members of the Township Committee, and to meet the requirements for filing with the Division of Local Government Services, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mount Arlington, New Jersey
June 22, 2012

NISIVOCCIA LLP



Heidi A. Wohlleb

Certified Public Accountant

Registered Municipal Accountant No. 481

TOWNSHIP OF BOONTON
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2011

Summary of Auditors' Results:

- An unqualified report was issued on the Township's financial statements prepared on an other comprehensive basis of accounting.
- The audit did not disclose any material weaknesses in the internal controls of the Township.
- The audit did not disclose any noncompliance which is material in relation to the financial statements of the Township.
- The Township was not subject to the single audit provisions of Federal OMB Circular A-133 and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grant, State Grants and State Aid* for 2011 as grant expenditures were less than the single audit thresholds of \$500,000 identified in the Circulars.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards, except as follows:

Finding 2011-1

The Township does not maintain an adequate segregation of duties with respect to the recording and treasury functions. Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time. The various departments/offices of the Township are responsible for the issuance of permits and licenses, collection of taxes, utility charges and permit and license fees and recording of collections. Also, the reconciliation of bank accounts, the preparation of the general ledger, and the recording of disbursements are performed by one person, the Chief Financial Officer. This is due, in part, to the limited number of personnel of the Township and the decentralized nature of governmental collection procedures. Accordingly, management and the Township Committee should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Management's Response

The Township made a significant effort in 2011 to evaluate where duties could be reassigned to provide for a more adequate segregation of the Finance Office duties. In 2012, additional efforts have been made to further segregate the Finance Office duties.

Findings and Questioned Costs for Federal Awards:

- Not Applicable – Grant expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- Not Applicable – Grant expenditures were below the single audit threshold.

TOWNSHIP OF BOONTON
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2011

The Township's prior year audit finding regarding segregation of duties has not been fully resolved and is included as finding 2011-1.

TOWNSHIP OF BOONTON

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2011

TOWNSHIP OF BOONTON
COMMENTS AND RECOMMENDATIONS

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

N.J.S. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A: 11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L.1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L.1971, c.198 (C.40A11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S. 40A: 11-4 states: "Every contract 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 a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective January 1, 2011 and thereafter the bid threshold in accordance with N.J.S.A. 40A:11-3 is \$17,500, and with a qualified purchasing agent the threshold may be up to \$36,000.

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

The minutes indicated that bids were requested by public advertising per N.J.S. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per N.J.S. 40A:11-5.

TOWNSHIP OF BOONTON
COMMENTS AND RECOMMENDATIONS
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4 (Cont'd)

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes and Water and Sewer Rents

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes, water and sewer rents on or before the date when they would become delinquent.

On January 3, 2011, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes and water and sewer rents as follows:

Be it resolved, by the Township Committee of the Township of Boonton, in the County of Morris, State of New Jersey, that for the year 2011, the Tax Collector be authorized and he/she is hereby directed to collect interest on delinquent taxes and water and sewer rents at the rate of eight percent (8%) per annum on the first \$1,500 for the delinquency, and eighteen percent (18%) per annum on any amount in excess of \$1,500 for non-payment of taxes in accordance with Chapter 435 of the laws of 1979, provided however, that no interest shall be charged if payment of any installment is made within ten days after the date upon which the same became payable, and that no discount be allowed on taxes paid in advance.

Delinquent Taxes and Tax Title Liens

A tax sale was held on December 28, 2011 and all eligible properties were included. Inspection of tax sale certificates revealed that tax sale certificates were available for audit.

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

Year	Number of Liens
2011	3
2010	3
2009	4

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, consisting of verification notices as follows:

Type	Number Mailed
Payments of 2012 Taxes	20
Payments of 2011 Taxes	20
Delinquent Taxes Receivable	15
Tax Title Liens Receivable	3
Payments of 2011 Water Utility Rents	10
Payments of 2011 Sewer Utility Rents	10
Delinquent Water Utility Rents	10
Delinquent Sewer Utility Rents	10

TOWNSHIP OF BOONTON
COMMENTS AND RECOMMENDATIONS
(Continued)

Verification of Delinquent Taxes and Other Charges (Cont'd)

Verification notices were mailed to confirm balances receivables as of December 31, 2011. The items that were returned were compared to, and are in agreement with, the Township's records. For receivable items not returned, alternative procedures were performed.

Tax, Utility and Assessments Records

During our review of the tax and utility collector's records, we noted that certain tax adjustments were not recorded in the computerized tax history records and outside lien collections were not posted to the computerized tax records. In addition, all water and sewer cash collections for commercial properties were not posted in the computerized records. Water and sewer billing adjustments were not always approved by an employee or official independent of the related billing and adjustment process. Finally, it was also noted that the Township's tax overpayments from older years that have not been resolved.

It is recommended that all tax adjustments and outside lien collections are posted to the computerized history records. Also, all commercial water and sewer rents collections should be recorded in the computerized water and sewer history records. A policy should be developed with respect to the formal approval of water and sewer billing adjustments by an employee or official independent of the related billing and adjustment process. It is also recommended that all older tax overpayments be investigated and resolved in a timely manner.

Management's Response:

Every effort will be made to ensure that all tax adjustments and outside lien collections are posted to the computerized history records. Also, all commercial water and sewer rents collections will be recorded in the computerized water and sewer history records. Finally, a policy will be developed with respect to the formal approval of water and sewer billing adjustments by an employee or official independent of the related billing and adjustment process. The Township will investigate all older tax overpayments and resolve them in a timely manner.

The Township does not record the assessment receivables and collections for the Trust Assessment, Water Utility Trust Assessment and Sewer Utility Trust Assessment Funds in the computerized history records but maintains the activity of these assessments on separate spreadsheets. Consideration be given to having the assessment receivables and collections for the Trust Assessment, Water Utility Trust Assessment and Sewer Utility Trust Assessment Funds maintained in the computerized history records. No formal recommendation is judged to be warranted.

Technical Accounting Directives

The Division of Local Government Services has established three (3) technical accounting directives which are prescribed by the 1987 draft "Requirements of Audit and Accounting". They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed assets accounting and reporting system.
3. General ledger accounting and recording system.

TOWNSHIP OF BOONTON
COMMENTS AND RECOMMENDATIONS
(Continued)

Technical Accounting Directives (Cont'd):

The Township is currently in compliance with all three Technical Accounting Directives. However, while we were able to locate individual fixed assets per the identifying information in the fixed assets records, these assets are not tagged. Consideration should be given to tagging the fixed assets. No formal recommendation is judged to be warranted.

Finance Department Records:

During our audit we noted that the Township's expenditure reports were not reconciled with the general ledger and cash disbursement records for the Current Fund on a monthly basis. Also, certain expenditure reclassifications were not posted in the computerized expenditure records for the Current Fund.

It is recommended that the Township's expenditure reports be reconciled with the general ledger and cash disbursement records for the Current Fund on a monthly basis. Also, all expenditure reclassifications should be posted in the computerized expenditure records for the Current Fund.

Management's Response

The Township's expenditure reports will be reconciled with the general ledger and cash disbursement records for the Current Fund on a monthly basis. Also, expenditure reclassifications will be properly posted in the computerized expenditure records for the Current Fund.

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Township's Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2011.

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
State of New Jersey	\$ 1,549.32	\$ 19,981.84	\$ 21,013.48	\$ 517.68
County of Morris	967.00	13,550.00	13,389.00	1,128.00
Municipality	1,751.68	31,730.66	31,048.02	2,434.32
Municipality - POAA		4.00	2.00	2.00
Conditional Discharge	75.00	150.00	225.00	
Restitution		175.50	175.50	
Public Defender		250.00	250.00	
Interest	0.75	6.02	6.59	0.18
	<u>\$ 4,343.75</u>	<u>\$ 65,848.02</u>	<u>\$ 66,109.59</u>	<u>\$ 4,082.18</u>

TOWNSHIP OF BOONTON
COMMENTS AND RECOMMENDATIONS
(Continued)

Corrective Action Plan:

The Township has initiated a corrective action plan to resolve comments and recommendation from the 2010 audit report. Recommendation 4 was resolved in the current year. Recommendation 1, 2 and 3 are included as current year recommendations and corrective action is in the process of being implemented with respect to those recommendations.

TOWNSHIP OF BOONTON
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. A continuing effort be made to provide for a further segregation of duties with respect to the recording and treasury functions.
2. All tax adjustments and outside lien collections are posted to the computerized history records. Also, all commercial water and sewer rents collections should be recorded in the computerized water and sewer history records. A policy should be developed with respect to the formal approval of water and sewer billing adjustments by an employee or official independent of the related billing and adjustment process. It is also recommended that all older tax overpayments be investigated and resolved in a timely manner.
3. The Township's expenditure reports be reconciled with the general ledger and cash disbursement records for the Current Fund on a monthly basis. Also, all expenditure reclassifications should be posted in the computerized expenditure records for the Current Fund.

* * * * *