

**BOROUGH OF JAMESBURG
COUNTY OF MIDDLESEX, NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2010**

BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY

TABLE OF CONTENTS

PART I

Independent Auditors' Report

FINANCIAL STATEMENTS

A	Current Fund - Comparative Balance Sheets
A-1	Current Fund - Comparative Statements of Operations and Changes in Fund Balances
A-2	Current Fund - Statement of Revenues
A-3	Current Fund - Statement of Expenditures
B	Trust Funds - Comparative Balance Sheets
C	General Capital Fund - Comparative Balance Sheets
C-1	General Capital Fund - Statement of Changes in Fund Balance
D	Sewer Utility Funds - Comparative Balance Sheets
D-1	Sewer Utility Operating Fund - Comparative Statements of Operations and Changes in Fund Balances
D-2	Sewer Utility Operating Fund - Statement of Revenues
D-3	Sewer Utility Operating Fund - Statement of Expenditures
E	General Fixed Assets Account Group- Comparative Balance Sheets

NOTES TO THE FINANCIAL STATEMENTS

PART II - SUPPLEMENTARY DATA AND SCHEDULES

Current and Grant Fund

A- 4	Schedule of Cash and Investments - Treasurer
A- 5	Schedule of Due from the State of New Jersey - Senior Citizens and Veterans Deductions per Ch. 20, P.L. 1976
A- 6	Schedule of Taxes Receivable and Analysis of Property Tax Levy
A- 7	Schedule of Property Acquired for Taxes at Assessed Valuation
A- 8	Schedule of Revenue Accounts Receivable
A-9	Schedule of Due From Former Treasurer and / or Bonding Company
A-10	Schedule of Interfunds Receivable / (Payable)
A-11	Schedule of 2009 Appropriation Reserves
A-12	Schedule of Prepaid Taxes
A-13	Schedule of Due to the State of New Jersey -- Marriage License Fees
A-14	Schedule of County Taxes Payable
A-15	Schedule of Local District School Taxes Payable
A-16	Schedule of Tax Overpayments
A-17	Schedule of Special District Taxes Payable

Current and Grant Fund (Cont'd.)

- A-18 Schedule of Reserve for Encumbrances
- A-19 Schedule of State and Federal Grants Receivable – Grant Fund
- A-20 Schedule of Reserve for State and Federal Grants – Appropriated – Grant Fund
- A-21 Schedule of Reserve for State and Federal Grants – Unappropriated – Grant Fund

Trust Fund

- B-1 Schedule of Trust Cash and Investments - Treasurer
- B-2 Schedule of Interfunds Payable – Other Trust Fund
- B-3 Schedule of Other Reserves – Other Trust Fund
- B-4 Schedule of Due to State Department of Health - Animal Control Fund
- B-5 Schedule of Reserve for Animal Control Expenditures - Animal Control Fund
- B-6 Schedule of Payroll Deductions Payable – Payroll Agency Trust Fund
- B-7 Schedule of Reserve for Unemployment – Unemployment Insurance Trust Fund
- B-8 Schedule of Investments – Length of Service Awards Program Trust Fund
- B-9 Schedule of Reserve for LOSAP – Length of Service Awards Program Trust Fund

General Capital Fund

- C-2 Schedule of General Capital Cash and Investments - Treasurer
- C-3 Analysis of General Capital Cash and Investments
- C-4 Schedule of Grants Receivable
- C-5 Schedule of Improvement Authorizations
- C-6 Schedule of Capital Improvement Fund
- C-7 Schedule of Interfund Payable
- C-8 Schedule of Reserve for Developers Contribution

Sewer Utility Fund

- D-4 Schedule of Sewer Utility Cash and Investments
- D-5 Analysis of Sewer Utility Capital - Cash and Investments
- D-6 Schedule of Interfund Receivable – Utility Capital Fund
- D-7 Schedule of Consumer Accounts Receivable
- D-8 Schedule of Due from Former Treasurer and / or Bonding Company
- D-9 Schedule of 2009 Appropriation Reserves
- D-10 Schedule of Grants Receivable
- D-11 Schedule of Improvement Authorizations
- D-12 Schedule of Fixed Capital
- D-13 Schedule of Fixed Capital Authorized and Uncompleted
- D-14 Schedule of Reserve for Amortization
- D-15 Schedule of Deferred Reserve for Amortization
- D-16 Schedule of Capital Improvement Fund

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

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*

Schedule A - Schedule of Expenditures of Federal Awards
Schedule B - Schedule of Expenditures of State Financial Assistance

Notes to the Schedules of Expenditures of Federal Awards and
State Financial Assistance

SUPPLEMENTARY DATA

Comparative Schedule of Tax Rate Information
Comparison of Tax Levies and Collections
Delinquent Taxes and Tax Title Liens
Property Acquired for Tax Title Lien Liquidation
Comparison of Sewer Utility Levies and Collections
Comparative Schedule of Fund Balances
Officials in Office and Surety Bonds

General Comments
Comments and Recommendations



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Jamesburg
Middlesex County, New Jersey

We have audited the accompanying regulatory-basis financial statements of the Borough of Jamesburg (the "Borough"), County of Middlesex, New Jersey, as of December 31, 2010 and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these financial statements based on our audit. The regulatory-basis financial statements of the Borough as of and for the year ended December 31, 2009 were audited by other auditors whose report thereon dated April 6, 2010, expressed a qualified opinion on those statements in accordance with accounting practices prescribed by the Division on Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; in compliance with audit requirements prescribed by 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 and requirements require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared in conformity with the accounting practices prescribed by the Division, which practices differ from accounting principles generally accepted in the United States of America. The effects of the differences from accounting principles generally accepted in the United States of America are not reasonably determinable. In addition, the financial statements of the Length of Services Award Program Trust Fund ("LOSAP") have not been audited and were not required by the Division to be audited and we were not engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough's financial statements. The LOSAP Trust Fund financial activities are included in the Borough's Trust Fund, and represent 21.58% and 13.05% of the assets and liabilities of the Borough's Trust Funds as of December 31, 2010 and 2009, respectively.

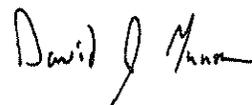
In our opinion, because of the effects of the use of prescribed accounting practices that differ from accounting principles generally accepted in the United States of America as described in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2010, or the results of its operations and changes in its fund balance for the year then ended.

Also, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Trust Fund financial statements been audited, the financial statements referred to above present fairly, in all material respects, the financial position of the Borough as of December 31, 2010, and the results of its operations and changes in its fund balance for the year then ended, in conformity with the accounting practices prescribed by the Division of Local Government Services as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2011 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the regulatory-basis financial statements taken as a whole. The accompanying supplementary data and schedules and general comments section are presented for purposes of additional analysis as required by the Division, and are not a required part of the regulatory-basis financial statements of the Borough. Such supplementary information has been subjected to the auditing procedures applied in the audit of the 2010 regulatory-basis financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2010 regulatory-basis financial statements taken as a whole.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by New Jersey's OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and is not a required part of the regulatory-basis financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 2010 financial statements and, in our opinion, is fairly stated in all material respect in relation to the 2010 financial statements taken as a whole.



David J. Gannon
Registered Municipal Accountant
No. 520



WISS & COMPANY, LLP

FINANCIAL STATEMENTS

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

<u>REVENUE AND OTHER INCOME</u>	<u>REF.</u>	<u>YEAR 2010</u>	<u>YEAR 2009</u>
Fund Balance Utilized	A-2	\$ 730,000.00	\$ 800,000.00
Miscellaneous Revenues Anticipated	A-2	882,737.07	1,244,532.28
Receipts from Delinquent Taxes	A-2	232,856.38	257,347.03
Receipts from Current Taxes	A-2	12,255,403.47	12,184,625.47
Non-Budget Revenue	A-2	166,989.15	166,955.84
Other Credits to Income:			
Unexpnd. Balances of Approp. Reserves	A-11	206,813.82	267,073.55
Former Treasurer's Reimbursement	A-9	624.00	624.00
Prior Year Refunds	A-4	200.00	
Interfund Loans Returned	A	244.85	21,593.41
		<hr/>	<hr/>
Total Revenues and Other income		14,475,868.74	14,942,751.58
		<hr/>	<hr/>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages	A-3	2,350,463.00	2,316,108.00
Other Expenses	A-3	1,958,738.24	2,277,007.13
Capital Improvements	A-3	186,000.00	186,000.00
Municipal Debt Service	A-3		154,607.01
Def. Charges and Statutory Expend.	A-3	548,831.34	518,381.00
County Tax	A-14	1,480,195.40	1,509,980.98
County Open Space Taxes	A-14	106,607.40	171,257.84
Cty. Share of Added and Omitted Taxes	A-14	1,502.09	2,508.27
Local District School Tax	A-15	6,864,413.00	6,752,799.50
Special District Taxes	A-17	394,900.00	394,900.00
Interfunds Established	A	43.85	244.85
		<hr/>	<hr/>
Total Expenditures		13,891,694.32	14,283,794.58
		<hr/>	<hr/>

BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

<u>REVENUE AND OTHER INCOME</u>	<u>REF.</u>	<u>YEAR 2010</u>	<u>YEAR 2009</u>
Excess in Revenues		\$ <u>584,174.42</u>	\$ <u>658,957.00</u>
Statutory Excess to Fund Balance		584,174.42	658,957.00
 <u>FUND BALANCE</u> 			
Balance - January 1	A	<u>738,073.77</u>	<u>879,116.77</u>
		1,322,248.19	1,538,073.77
Decreased by:			
Utilization as Anticipated Revenue	A-2	<u>730,000.00</u>	<u>800,000.00</u>
Balance - December 31	A	<u>\$ <u>592,248.19</u></u>	<u>\$ <u>738,073.77</u></u>

See independent auditors' report and accompanying notes to the basic financial statements

BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2010

REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
	2010 BUDGET	N.J.S.A. 40A:4-87		
Surplus Anticipated	A-1	\$ 730,000.00	\$ 730,000.00	
Total Surplus Anticipated		730,000.00	730,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-8	13,000.00	12,876.00	\$ (124.00)
Other	A-8	7,100.00	8,090.00	990.00
Fees and Permits:				
Other	A-8	4,000.00	4,230.00	230.00
Fines and Costs:				
Municipal Court	A-8	137,000.00	129,535.19	(7,464.81)
Interest and Costs on Taxes	A-8	62,000.00	56,939.47	(5,060.53)
Interest on Investments and Deposits	A-2	14,000.00	4,320.27	(9,679.73)
Cable TV Franchise Fee	A-8	19,604.00	25,477.83	5,873.83
Cell Tower Lease	A-8	33,516.00	35,191.91	1,675.91
Energy Receipts Tax	A-8	345,585.00	345,585.00	
Consolidated Municipal Property Tax Relief Aid	A-8	68,320.00	68,120.30	(199.70)
Milltown Interlocal Dispatch	A-8	19,560.00	20,250.00	690.00
Third Party Billing	A-8	83,274.00	40,577.61	(42,696.39)
Public and Private Revenues Offset with Approp:				
Recycling Tonnage Grant	A-19	7,131.73	7,131.73	
Clean Communities Program	A-19	8,174.35	8,174.35	
Alcohol Education and Rehabilitation Fund	A-19	1,055.73	1,055.73	
Body Armor Replacement Fund	A-19	817.43	817.43	
COPS Technology Police Equipment	A-19		\$ 95,000.00	95,000.00
Other Special items:				
Uniform Fire Safety Act - Life Hazard				
Use Fees	A-8	20,110.00	19,364.25	(745.75)
Total Miscellaneous Revenues	A-1	844,248.24	882,737.07	(56,511.17)
Receipts from Delinquent Taxes	A-1, A-2	232,000.00	232,856.38	856.38
Subtotal General Revenues		1,806,248.24	1,845,593.45	(55,654.79)
Amount to be Raised by Taxation for				
Support of Municipal Budget:				
Local Tax for Mun. Purposes	A-2, A-6	3,459,406.15	3,538,407.39	79,001.24
Total Budget Revenues		5,265,654.39	5,384,000.84	23,346.45
Non-Budget Revenues	A-1		166,989.15	166,989.15
GRAND TOTALS	A-3	\$ 5,265,654.39	\$ 5,550,989.99	\$ 190,335.60

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2010**

		ANTICIPATED			
REF.	2010 BUDGET	N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)	
<u>ANALYSIS OF REALIZED REVENUES</u>					
Allocation of Current Tax Collections:					
FY 2010 Cash Collections	A-6		\$ 12,157,648.85		
Prepaid Taxes Applied	A-6		61,610.10		
State Share for Senior Citizen and Veteran Deductions	A-6		36,144.52		
	A-1		12,255,403.47		
Allocated to:					
School, County, Open Space and Special District Taxes	A-14, A-15, A-17		8,972,617.89		
			3,282,785.58		
Add: Reserve For Uncollected Taxes	A-3		255,621.81		
	A-2		\$ 3,538,407.39		
<u>Analysis of Interest Earned on Investments</u>					
Due from General Capital Fund	A-10		\$ 1,058.39		
Due from Trust - Other Fund	A-10		408.57		
Cash Receipts	A-8		2,853.31		
	A-2		\$ 4,320.27		
<u>Analysis of Miscellaneous Revenue Anticipated</u>					
Revenue Accounts Receivable	A-4 , A-8		\$ 769,090.87		
State and Federal Grants Receivable	A-19		112,179.24		
Due from Trust - Other Fund	A-10		408.57		
Due from General Capital Fund	A-10		1,058.39		
	A-2		\$ 882,737.07		
<u>Analysis of MRNA</u>					
Library			\$ 25,725.23		
Police Work			27,645.00		
Serv PILOT			6,476.43		
Barclay Village			30,240.00		
Recycling			4,583.00		
Reimbursements			4,242.26		
Dental Reimbursements			13,529.76		
Property Maintenance Registration			17,380.00		
Motor Vehicle Inspection Fees			2,805.00		
State Housing Application Fees			2,866.20		
Forfeited Tax Title Premium			10,000.00		
Sale of Municipal Assets			12,778.18		
Miscellaneous			8,718.09		
			\$ 166,989.15		
Cash Receipts	A-4		\$ 166,858.05		
Due from Trust - Other Fund	A-10		131.10		
	A-2		\$ 166,989.15		

See independent auditors' report and accompanying notes to the basic financial statements

BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010

	2010 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED			
OPERATIONS WITHIN "CAPS"							
GENERAL GOVERNMENT							
General Administration							
Salaries and Wages	\$ 16,850.00	\$ 16,850.00	\$ 16,812.29		\$ 37.71		
Other Expenses	25,100.00	25,100.00	23,192.86	\$ 89.00	1,818.14		
Mayor and Council							
Salaries and Wages	34,600.00	34,600.00	34,599.96		0.04		
Other Expenses	2,200.00	2,200.00	989.13		1,210.87		
Municipal Clerk							
Salaries and Wages	19,000.00	19,000.00	16,460.60		2,539.40		
Other Expenses	3,500.00	3,500.00	2,477.71		1,022.29		
Financial Administration (Treasury)							
Salaries and Wages	94,690.00	94,690.00	91,761.81		2,928.19		
Other Expenses	5,280.00	5,280.00	2,186.91	242.50	2,850.59		
Audit Services							
Other Expenses	21,850.00	21,850.00	21,850.00				
Revenue Administration (Tax Collection)							
Salaries and Wages	16,250.00	16,250.00	16,233.79		16.21		
Other Expenses	2,700.00	2,700.00	2,559.52		140.48		
Tax Assessment Administration							
Salaries and Wages	16,850.00	16,850.00	16,831.96		18.04		
Other Expenses	5,750.00	5,750.00	4,492.93		1,257.07		
Legal Services (Legal Department)							
Other Expenses	17,000.00	8,000.00	7,526.75		473.25		
Office of Aging							
Other Expenses	1,800.00	1,800.00	1,350.00		450.00		
Engineering							
Other Expenses	17,000.00	10,000.00	2,129.00		7,871.00		
Planning Board							
Salaries and Wages	4,400.00	4,400.00	4,351.29		48.71		
Other Expenses	6,766.00	6,766.00	5,634.88	20.00	1,111.12		
Zoning Board							
Salaries and Wages	50,560.00	50,560.00	49,312.06		1,247.94		
Other Expenses	1,700.00	1,700.00	360.00		1,340.00		
Computerized Data Processing							
Other Expenses	16,000.00	13,000.00	12,039.00		961.00		
Insurance							
Workers Compensation	82,415.00	82,415.00	81,806.00		609.00		
Employee Group Insurance	377,520.00	377,520.00	321,626.09		55,893.91		
General Liability	52,000.00	52,000.00	52,000.00				
Other Expenses	33,100.00	33,100.00	33,100.00				

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	2010 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED			
OPERATIONS WITHIN "CAPS"							
PUBLIC SAFETY							
Police Department							
Salaries and Wages	\$ 1,581,000.00	\$ 1,581,000.00	\$ 1,552,046.05	\$ 8,535.07	\$	\$ 28,953.95	
Other Expenses	67,400.00	67,400.00	53,639.00			5,225.93	
Office of Emergency Management							
Other Expenses	500.00	500.00				500.00	
Fire Prevention							
Salaries and Wages	16,000.00	16,000.00	15,886.44			113.56	
Other Expenses	4,110.00	4,110.00	3,614.91			495.09	
Municipal Prosecutors Office							
Salaries and Wages	10,022.00	10,022.00	9,216.00			806.00	
STREETS AND ROADS							
Streets and Roads Maintenance							
Salaries and Wages	143,000.00	143,000.00	142,891.05			108.95	
Other Expenses	23,700.00	23,700.00	21,812.90			1,887.10	
Building and Grounds							
Other Expenses	28,000.00	23,000.00	20,540.80			2,459.20	
SANITATION							
Solid Waste Collection							
Other Expenses	102,000.00	102,000.00	100,722.50			1,277.50	
Community Services Act (Condominium Costs)	61,000.00	61,000.00				61,000.00	
Landlord Trash Reimbursement	27,000.00	27,000.00	12,435.84			14,564.16	
HEALTH AND WELFARE							
Public Health Services (Board of Health)							
Salaries and Wages	15,352.00	15,352.00	15,186.45			165.55	
Other Expenses	24,711.00	24,711.00	24,140.00			571.00	
Animal Control Services							
Salaries and Wages	15,529.00	15,529.00	15,506.29			22.71	
MUNICIPAL COURT							
Salaries and Wages	80,960.00	80,960.00	75,582.35			5,377.65	
Salaries and Wages - Public Defender	1,500.00	1,500.00	1,500.00				
Other Expenses	6,150.00	6,150.00	4,697.91	59.00		1,393.09	

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	2010 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
OPERATIONS WITHIN "CAPS"						
Utilities	\$ 42,000.00	\$ 42,000.00	\$ 33,911.55		\$ 8,088.45	
Electricity	67,000.00	67,000.00	57,775.62		9,224.38	
Street Lighting	20,000.00	20,000.00	19,287.18		712.82	
Telephone	17,000.00	17,000.00	8,171.54		8,828.46	
Gas (natural or propane)	5,000.00	5,000.00	4,287.91		712.09	
Sewerage Disposal						
Total Operations Within "CAPS"	3,285,815.00	3,259,815.00	3,014,536.83	8,945.57	236,332.60	
DETAIL:						
Salaries and Wages	2,116,563.00	2,116,563.00	2,074,178.39		42,384.61	
Other Expenses	1,169,252.00	1,143,252.00	940,358.44	8,945.57	193,947.99	
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
MUNICIPAL WITHIN "CAPS"						
Deferred Charges:						
Overexpenditure of Appropriation	256.34	256.34	256.34			
Statutory Expenditures:						
Contribution to:						
Public Employee's Retirement System	74,179.00	74,179.00	74,179.00			
Social Security System (O.A.S.L)	164,000.00	171,000.00	165,618.21		5,381.79	
Police and Firemen's Retirement System of NJ	286,396.00	286,396.00	286,396.00			
Unemployment Insurance	5,000.00	17,000.00	4,200.84		12,799.16	
Total Deferred Charges and Statutory Expenditures	529,831.34	548,831.34	530,650.39		18,180.95	
Total General Appropriations for Municipal Purposes Within "CAPS"	3,815,646.34	3,808,646.34	3,545,187.22	8,945.57	254,513.55	

BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010

	2010 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
OTHER OPERATIONS EXCLUDED FROM "CAPS"						
Police Dispatch / 911						
Salaries and Wages	\$ 216,200.00	\$ 216,200.00	\$ 194,892.91		\$ 21,307.09	
Other Expenses	109,200.00	109,200.00	91,328.24		17,871.76	
Length of Service Award Program (LOSAP)						
Other Expenses	9,000.00	9,000.00			9,000.00	
Recycling Tax	6,600.00	6,600.00	4,693.92		1,906.08	
Employee Group Health	35,480.00	35,480.00	35,480.00			
PERS Pension	1,919.00	1,919.00	1,919.00			
PERS Pension	9,070.00	9,070.00	9,070.00			
SFSP Fire District Payment	1,876.00	1,876.00	1,876.00			
Public Library						
Other Expenses	178,888.00	178,888.00	177,153.57		1,734.43	
Public Works						
Salaries and Wages	17,700.00	17,700.00	17,700.00			
Interlocal Municipal Services Agreement						
Middlesex County						
Gasoline						
SFCA Radios	25,000.00	32,000.00	27,370.43		4,629.57	
Monroe Township MUA - Contractual	9,000.00	9,000.00	9,000.00			
MCUA Solid Waste	111,000.00	111,000.00	50,000.00			\$ 61,000.00
MCIA Recycling	107,000.00	107,000.00	96,614.28		10,385.72	
	70,000.00	70,000.00	61,989.31		8,010.69	
Total Other Operations Excluded from "CAPS"	907,933.00	914,933.00	779,087.66		74,845.34	61,000.00
ADDITIONAL APPROPRIATIONS, OFFSET BY REVENUES						
First Aid Third Party Billing	83,274.00	83,274.00	82,940.84		333.16	
Total Additional Appropriations Offset by Revenues	83,274.00	83,274.00	82,940.84		333.16	
OTHER OPERATIONS EXCLUDED FROM "CAPS"						
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES						
Alcohol Education and Rehabilitation Fund	1,055.73	1,055.73	1,055.73			
Clean Communities Program	8,174.35	8,174.35	8,174.35			
Recycling Tonnage Grant	7,131.73	7,131.73	7,131.73			
Body Armor Replacement Fund	817.43	817.43	817.43			
COPS Technology Police Equipment	-	95,000.00	95,000.00			
Total Public and Private Revenues Offset by Revenues	17,179.24	112,179.24	112,179.24			
Total Operations Excluded from "CAPS"	1,008,386.24	1,110,386.24	974,207.74		75,178.50	61,000.00
DETAIL:						
Salaries and Wages	233,900.00	233,900.00	212,592.91		21,307.09	
Other Expenses	774,486.24	876,486.24	761,614.83		53,871.41	61,000.00

BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010

	2010 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS"						
Capital Improvement Fund	\$ 186,000.00	\$ 186,000.00	\$ 186,000.00			
Total Capital Improv. - Excl. from "CAPS"	186,000.00	186,000.00	186,000.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,194,386.24	1,295,386.24	1,160,207.74		\$ 75,178.50	\$ 61,000.00
Subtotal General Appropriations Reserve for Uncollected Taxes	5,010,032.58	5,105,032.58	4,705,394.96	\$ 8,945.57	329,692.05	61,000.00
Total General Appropriations	\$ 5,265,654.39	\$ 5,260,654.39	\$ 4,961,016.77	\$ 8,945.57	\$ 329,692.05	\$ 61,000.00
	Below	Below	Below	A, A-18	A	
Adopted Budget		\$ 5,265,654.39				
Approp. By N.J.S.A. 40A:4-87		95,000.00				
	Above	\$ 5,360,654.39				
Disbursed Refunds			\$ 4,675,258.22			
	A-4		(82,042.50)			
	A-4		4,593,215.72			
Reserve for Uncollected Taxes			255,621.81			
Reserve for State and Federal Grants Appropriated			112,179.24			
	Above		\$ 4,961,016.77			
	A-20					
	Above					

See independent auditors' report and accompanying notes to the basic financial statements

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**TRUST FUNDS
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2010 AND 2009**

ASSETS	REF.	BALANCE DEC. 31, 2010	BALANCE DEC. 31, 2009	LIABILITIES AND RESERVES	REF.	BALANCE DEC. 31, 2010	BALANCE DEC. 31, 2009
Animal Control Fund:				Animal Control Fund:			
Cash and Investments - Treasurer	B-1	\$ 872.25	\$ 654.25	Due to State of New Jersey	B-4	\$ 5.40	\$ 4.20
				Reserve for Animal Control Expenditures	B-5	866.85	650.05
Total Animal Control Fund		<u>872.25</u>	<u>654.25</u>	Total Animal Control Fund		<u>872.25</u>	<u>654.25</u>
Trust - Other Fund:				Trust - Other Fund:			
Cash and Investments - Treasurer	B-1	172,638.09	256,421.45	Interfund Payable - Current Fund	B-2	13.42	62.69
				Other Reserves	B-3	172,624.67	256,358.76
Total Other Trust Fund		<u>172,638.09</u>	<u>256,421.45</u>	Total Other Trust Fund		<u>172,638.09</u>	<u>256,421.45</u>
Payroll Agency Trust Fund:				Payroll Agency Trust Fund:			
Cash and Investments - Treasurer	B-1	510.50	149.66	Payroll Deductions Payable	B-6	510.50	149.66
Total Payroll Agency Trust Fund		<u>510.50</u>	<u>149.66</u>	Total Payroll Agency Trust Fund		<u>510.50</u>	<u>149.66</u>
Unemployment Insurance Trust Fund:				Unemployment Insurance Trust Fund:			
Cash and Investments - Treasurer	B-1	2,463.94	7,912.39	Reserve for Unemployment	B-7	2,463.94	7,912.39
Total Unemployment Insurance Trust Fund		<u>2,463.94</u>	<u>7,912.39</u>	Total Unemployment Insurance Trust Fund		<u>2,463.94</u>	<u>7,912.39</u>
Length of Service Award Program (LOSAP) - Unaudited:				Length of Service Award Program (LOSAP) - Unaudited:			
Investments	B-8	48,576.71	39,803.78	Reserve for LOSAP	B-9	48,576.71	39,803.78
Total LOSAP		<u>48,576.71</u>	<u>39,803.78</u>	Total LOSAP		<u>48,576.71</u>	<u>39,803.78</u>
		<u>\$ 225,061.49</u>	<u>\$ 304,941.53</u>			<u>\$ 225,061.49</u>	<u>\$ 304,941.53</u>

See independent auditors' report and accompanying notes to the basic financial statements

**BOROUGH OF JAMESBURG
COUNTY OF MIDDLESEX, NEW JERSEY**

**GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2010 AND 2009**

	Ref	December 31,	
		2010	2009
Assets			
Cash and Investments - Treasurer	C-2 , C-3	\$ 305,311.92	\$ 633,353.54
Grants Receivable	C-4	121,296.48	104,173.80
		<u>\$ 426,608.40</u>	<u>\$ 737,527.34</u>
Liabilities, Reserves and Fund Balance			
Improvement authorizations:			
Funded	C-5	\$ 176,217.77	\$ 685,429.02
Interfund Payable - Current Fund	C-7	30.43	182.16
Reserve for Encumbrances	C-5	167,444.04	
Reserve for:			
Capital Improvement Fund	C-6	32,768.68	1,768.68
Developers Contribution	C-8	50,000.00	50,000.00
Fund Balance	C-1	147.48	147.48
		<u>\$ 426,608.40</u>	<u>\$ 737,527.34</u>

There were no Bonds and Notes Authorized but Not Issued at December 31, 2010 and 2009.

See independent auditors' report and accompanying notes to the basic financial statements

**BOROUGH OF JAMESBURG
COUNTY OF MIDDLESEX, NEW JERSEY**

**GENERAL CAPITAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2010 and 2009**

	<u>Ref.</u>	
Balance, December 31, 2010 and 2009	C	<u>\$ 147.48</u>

See independent auditors' report and accompanying notes to the basic financial statements

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY FUNDS
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2010 AND 2009**

	December 31		Reference	December 31	
	2010	2009		2010	2009
Assets					
Operating Fund:					
Cash and Investments	\$ 44,739.79	\$ 54,531.00	D-4, D-9	\$ 10,333.16	\$ 18,049.16
Interfund Receivable - Utility Capital Fund	14.14	8.11	D-3	1,694.00	18,049.16
	44,753.93	54,539.11		12,027.16	
Receivables with Offsetting Reserves				98,571.07	78,073.23
Consumer Accounts Receivable	90,504.56	70,006.72	D-1	32,726.77	36,489.95
Due from Former Treasurer and / or Bonding Company	8,066.51	8,066.51		131,297.84	114,563.18
Total Operating Fund	143,325.00	132,612.34		143,325.00	132,612.34
Capital Fund:					
Cash and Investments	60,731.14	35,008.11	D-4, D-5	206,172.00	35,000.00
Fixed Capital	637,898.00	628,615.00	D-12	637,898.00	628,615.00
Fixed Capital - Authorized and Uncompleted	206,172.00	35,000.00	D-13	206,172.00	35,000.00
EPA Grants Receivable	146,000.00		D-10	545.00	
				14.14	8.11
Total Capital Fund	1,050,801.14	698,623.11		1,050,801.14	698,623.11
Total Assets	\$ 1,194,126.14	\$ 831,235.45		\$ 1,194,126.14	\$ 831,235.45
There were no Sewer Utility Bonds and Notes Authorized but not Issued at December 31, 2010 and 2009.					
See independent auditors' report and accompanying notes to the basic financial statements					

Liabilities, Reserves and Fund Balance

Operating Fund:

Appropriation Reserves

Reserved for Encumbrances

Reserve for Receivables

Fund Balance

Total Operating Fund

Capital Fund:

Improvement Authorizations

Funded

Reserve for Amortization

Deferred Reserve for Amortization

Capital Improvement Fund

Interfund Payable - Utility Operating Fund

Total Capital Fund

Total Liabilities, Reserves and Fund Balance

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

		Year ended December 31	
		2010	2009
Revenue and other income:			
Fund Balance Utilized	D-2	\$ 36,000.00	\$ 30,000.00
Sewer Rents	D-2	777,830.94	761,712.66
Other credits to income:			
Miscellaneous Revenue Not Anticipated	D-2	10,356.72	11,764.28
Unexpend. Balance of Appropriation Reserves	D-9	4,049.16	72.67
Total revenues and other income		828,236.82	803,549.61
Expenditures:			
Budget Appropriations:			
Operations	D-3	761,000.00	735,000.00
Capital Improvement Fund	D-3	35,000.00	35,000.00
Total expenditures		796,000.00	770,000.00
Excess in revenues over appropriations		32,236.82	33,549.61
Balance - January 1	D	36,489.95	32,940.34
		68,726.77	66,489.95
Decreased by:			
Utilized as anticipated revenue	D-1	36,000.00	30,000.00
Balance - December 31	D	\$ 32,726.77	\$ 36,489.95

See independent auditors' report and accompanying notes to the basic financial statements

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Ref.	Anticipated		Excess or (Deficit)
		2010 Budget	Realized	
Surplus Anticipated	D-1	\$ 36,000.00	\$ 36,000.00	
Sewer Rents	D-1 , D-7	760,000.00	777,830.94	\$ 17,830.94
Miscellaneous Revenue	D-1 , Below	-	10,356.72	10,356.72
	D-3	<u>\$ 796,000.00</u>	<u>\$ 824,187.66</u>	<u>\$ 28,187.66</u>
Interest on Rents			\$ 9,269.16	
Interest on Investments			172.36	
Other			<u>915.20</u>	
Total Miscellaneous Revenue	Above		<u>\$ 10,356.72</u>	
Cash	D-4		\$ 10,279.37	
Due from Sewer Utility Capital Fund	D-6		<u>77.35</u>	
	Above		<u>\$ 10,356.72</u>	

See independent auditors' report and accompanying notes to the basic financial statements

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	2010 Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
Operations:					
Salaries and Wages	\$ 120,900.00	\$ 120,900.00	\$ 119,512.67		\$ 1,387.33
Other Expenses	640,100.00	640,100.00	629,460.17	\$ 1,694.00	8,945.83
Total Operations	761,000.00	761,000.00	748,972.84	1,694.00	10,333.16
Capital Improvements:					
Capital Improvement Fund	35,000.00	35,000.00	35,000.00	-	-
Total Capital Improvements	35,000.00	35,000.00	35,000.00	-	-
	<u>\$ 796,000.00</u>	<u>\$ 796,000.00</u>	<u>\$ 783,972.84</u>	<u>\$ 1,694.00</u>	<u>\$ 10,333.16</u>
<u>Ref.</u>	D-1, D-2	D-1	D-4	D	D

See independent auditors' report and accompanying notes to the basic financial statements

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2010 AND 2009**

<u>ASSETS</u>	<u>BALANCE DEC. 31, 2010</u>	<u>BALANCE DEC. 31, 2009</u>
Land	\$ 216,400.00	\$ 242,500.00
Buildings	987,700.00	987,700.00
Equipment	480,292.11	385,297.71
Improvements	<u>82,320.00</u>	<u>82,320.00</u>
	<u>\$ 1,766,712.11</u>	<u>\$ 1,697,817.71</u>
 <u>RESERVE</u>		
Investment in General Fixed Assets	<u>\$ 1,766,712.11</u>	<u>\$ 1,697,817.71</u>

See independent auditors' report and notes to the basic financial statements

FINANCIAL STATEMENTS

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories as appropriate for the accounting and reporting of the financial position and results of operations in accordance with generally accepted accounting principles (GAAP) to provide detailed information about the governmental unit. This structure of funds differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the Borough. The resultant presentation of financial position and results of operations in the form of basic financial statements is not intended to present the basic financial statements required by GAAP.

The Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") requires the financial statements of the Borough of Jamesburg ("Borough") to be reported separately.

The Borough is an instrumentality of the State of New Jersey, established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough.

The financial statements of the Borough of Jamesburg, County of Middlesex, New Jersey ("Borough") include every board, body officer or commission maintained wholly or in part by funds appropriated by the Borough, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit and are considered component units under GAAP. Included within the financial statements are taxes levied, collected and turned over to School Boards and appropriations for contributions to Volunteer Fire Departments and First Aid Squads. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Funds

The accounting policies of the Borough of Jamesburg conform to the accounting principles applicable to municipalities, which have been prescribed by 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 Borough of Jamesburg accounts for its financial transactions through the following separate funds and an account group:

Current Fund – records resources and expenditures for governmental operations of a general nature, including State and Federal grant funds, except as otherwise noted.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trust Fund – records receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. In addition, the financial transactions of the following funds and accounts are also reported within the Trust Fund:

- Animal Control Trust Fund
- Trust Other Fund
- Payroll Agency Fund
- Unemployment Insurance Trust Fund
- LOSAP Trust Fund - Unaudited

General Capital Fund – records resources and expenditures for the acquisition of general capital facilities, other than those acquired through the Current and Utility Funds, including the status of bonds and notes authorized for said purposes. General bonds, notes and loans payable are recorded in this fund offset by deferred charges to future taxation.

Sewer Utility Fund – records resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. Donated fixed assets are valued at their estimated fair value at the date of donation. No depreciation is recorded on general fixed assets.

C. Regulatory-Basis Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the basic financial statements to be in accordance with GAAP. The Borough presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

D. Basis of Accounting

Basis of Accounting and Measurement Focus - The basis of accounting, as prescribed by the Division for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The most significant is the reporting of entity-wide financial statements, which are not presented under the accounting principles prescribed by the Division. The other more significant differences are as follows:

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues - Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and Federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Borough budget. Receivables for property taxes and consumer charges are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the Borough which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of utility consumer charges, which should be recognized in the period they are earned and become measurable.

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves." Paid or charged refers to the Borough's "budgetary" basis of accounting. Generally, these expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refer to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, 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 and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP. Expenditures for compensated absences, i.e., accumulations of earned but unused vacations and sick leave, are recorded in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Sewer Utility) fund on a full accrual basis.

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Borough requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the various balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based upon the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or the revaluation of assessable real property, would represent the designation of fund balance.

The Local Budget Law (N.J.S.A. 40A:4-1 et seq.) requires that certain operating transfers between funds, such as transfers of anticipated operating surpluses among the Current Fund, transfers from utility operating fund to utility capital fund (i.e., finance capital projects) and transfers from the Current Fund to the Trust Funds or General Capital Fund are required to be included in the Borough's annual budgets as budget appropriations. Expenditures are recorded upon the adoption of the budget for legally required transfers, and upon the determination of availability of funds for any discretionary transfers. Under GAAP, transfers are not recognized as expenditures.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Jersey statutes require municipalities to provide annual funding to Free Public Libraries through the Current Fund Budget. Amounts paid on behalf of the Free Public Library or transferred to the custody of the Library's management are recorded as budgetary expenditures of the Borough, notwithstanding the fact that the Library is recognized as a separate entity for financial reporting purposes. Under GAAP, the Library would be recognized, as a "component unit" of the Borough, and discrete reporting of the Library's financial position and operating results would be incorporated in the Borough's financial statements.

Property Acquired for Taxes - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the governmental fixed assets at the lower of cost or fair market value.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the accounting period the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

Compensated Absences - The Borough has adopted written policies via employee contracts and municipal ordinances which set forth the terms under which an employee may accumulate earned, but unused, vacation and sick leave, establishes the limits on such accumulations and specifies the conditions under which the right to receive payment for such accumulations vests with the employee. The Borough records expenditures for payments of earned and unused vacation and sick leave in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Utility Fund) fund on a full accrual basis.

Grants Receivable - Federal and State Grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough's Budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Fixed Assets - Property and equipment acquired by the Current and Sewer Utility Fund are recorded in the General Fixed Asset Account Group and the Utility capital account, respectively, at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization represent charges to operations for the costs of acquisitions of property, equipment and improvements plus any costs funded from sources other than bonded debt of the utility. The utility does not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets, but does require the recognition of depreciation of these assets as an operating expense of the utility.

The Borough has developed a general fixed asset accounting and reporting system that utilizes multiple dollar thresholds for the inclusion of certain assets and also utilizes estimated insurable values, which are updated annually to reflect current appraisal values, for inventoried structures. Accordingly, a statement of general fixed assets, developed using recognized valuation methods and uniform capitalization rules, which is required pursuant to accounting practices prescribed for municipalities by the State of New Jersey, is included in the financial statements.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Comparative data

Comparative data for the prior year has been presented in order to provide an understanding of changes in the Borough's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

F. Reclassification

Certain prior year amounts have been reclassified to conform with the 2010 year-end presentation.

G. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred from December 31, 2010 through May 4, 2011, the date that the financial statements were issued, and the effects of those that provided additional pertinent information about conditions that existed at the balance sheet date, have been recognized in the accompanying financial statements.

NOTE 2: DEFERRED COMPENSATION PLAN

The Borough has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The Borough has engaged a private contractor to administer the Plan.

The plan's assets are not the property of the Borough and therefore are not presented in the financial statements. As of December 31, 2010 and 2009 the amounts held in trust amounted to \$711,135.33 and \$578,265.38, respectively.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

The Local Bond Law, N.J.S.A. 40A:2 et seq, governs the issuance of bonds and notes to finance municipal capital expenditures. The Borough had no outstanding municipal debt as of December 31, 2010 and 2009.

A. Summary of Statutory Debt Condition - Annual Debt Statement - 2010

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the Annual Debt Statement and indicates a statutory net debt of:

	Gross Debt	Deductions	Net Debt
Local school district debt	\$ 4,140,000.00	\$ 4,140,000.00	\$ -
Self-Liquidating debt	-	-	-
General debt	-	-	-
	\$ 4,140,000.00	\$ 4,140,000.00	\$ -

Net Debt Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$540,266,010 equals 0.00%.

EQUALIZED VALUATION BASIS

2010 Equalized Valuation Basis of Real Property	\$ 520,533,728.00
2009 Equalized Valuation Basis of Real Property	535,516,071.00
2008 Equalized Valuation Basis of Real Property	564,748,230.00

Average Equalized Valuation \$ 540,266,009.67

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

3 1/2% of Average Equalized Valuation Basis	\$ 18,909,310.34
Net Debt	-

Remaining Borrowing Power \$ 18,909,310.34

The Borough of Jamesburg Board of Education is a Type II School District. As such, the members of the Board of Education are elected by the citizens of the Borough and school appropriations are set by the Board of Education. Bonds and notes authorized by voter referendum to finance capital expenditures are general obligations of the Board of Education and, as such, are reported on the balance sheet of the Board of Education.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 4: LOCAL DISTRICT SCHOOL TAXES

Regulations provide for 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 Borough has elected to defer school taxes as follows:

	2010	2009
Balance of tax	\$ 3,356,168.00	\$ 3,312,856.00
Deferred	3,355,000.00	3,230,000.00
 Tax Payable	 \$ 1,168.00	 \$ 82,856.00

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2010 and 2009 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending December 31, 2011 and 2010 as follows:

	2011	2010
Current fund	\$ 590,000.00	\$ 730,000.00
Sewer utility fund	32,000.00	36,000.00

As of the date of this report, the 2011 Municipal Budget has been introduced, but has not yet been adopted. The figures reported above as anticipated in 2011 are subject to change upon adoption of the 2011 Annual Municipal Budget.

NOTE 6: DEPOSITS AND INVESTMENTS

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 insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

Cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based on GASB criteria, the Borough considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts, short-term investments and cash management money market mutual funds such as Pillar Funds, and are either direct and general obligation of the United States of America and its agencies or certificates of deposit issued by any bank, savings and loan association or national banking association if qualified to serve as a depository for public funds under the provisions of the Government Unit Depository Protection Act. Cash and cash equivalents have original maturities of three months or less. Investments are stated at cost, which approximates fair value.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 6: DEPOSITS AND INVESTMENTS (CONTINUED)

At December 31, 2010, the carrying amount of the Borough's cash and cash equivalents was \$1,599,797.59 and the bank balance was \$1,525,773.25. Of the bank balances, \$250,000 was covered by federal depository insurance and the remaining \$1,275,773.25 was covered under the unit certificate of eligibility as required by New Jersey statutes.

GASB Statement No. 40 requires that the Borough disclose whether its deposits are exposed to custodial credit risk (risk that in the event of failure of the counterparty, the Borough would not be able to recover the value of its deposit or investment). Deposits are considered to be exposed to custodial credit risk if they are: uncollateralized (securities are not pledged to the depositor), collateralized with the securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the name of the Borough.

The Borough does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the Borough's deposits were fully collateralized by funds held by the financial institution, but not in the name of the Borough. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

Investments

New Jersey Statutes establish the following securities as eligible for the investment of Borough funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
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 such obligation bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Borough or bonds or other obligations of school districts of which the Borough is a part and within which the school district is located.
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section I of P.L. 1997, c. 281 (C.52:IXA-90G4);
8. Deposits with the New Jersey Arbitrage Rebate Management Fund ("NJ ARM"); or
9. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody collateralized is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days; and
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.199-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

As of December 31, 2010 and 2009, the Borough did not have any investments in the above permissible investment options.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 7: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

A taxable valuation of real property is prepared by the Tax Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. The County Board of Taxation establishes tax rates to reflect the levy necessary for municipal, local school district, special district, and county taxes.

Tax bills are prepared and mailed by the Collector of Taxes of the Borough annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the previous year's tax. The preliminary payments are due and payable on February 1st and May 1st. NJ Statutes allows a grace period of 10 days for each payment period and the Borough granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amounts delinquent, and if a delinquency (including interest) is in excess of \$10,000 and remains in arrears after December 31, an additional flat penalty of 6% shall be charged against the delinquency. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

NOTE 8: PENSION AND RETIREMENT PLANS

Substantially, all Borough employees participate in the Public Employees' Retirement System, Consolidated Police and Firemen's Pension Fund and Police and Firemen's Retirement System. The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost of living adjustments, and benefits to plan members and beneficiaries. The plans are cost sharing multiple-employer defined benefit plans and as such do not maintain separate records for each municipality in the state and, therefore, the actuarial data for the Borough is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, the PERS and PFRS bills the Borough annually at an actuarially determined rate for its required contribution. The current rate is 5.0%-8.5% of annual covered payroll.

The contribution requirements of plan members and the Borough are established and may be amended by the Board of Trustees of respective plans. The Borough's contributions to PERS plans for the years ended December 31, 2010, 2009 and 2008 were \$83,249, \$71,670 and \$54,434, respectively, equal to the required contributions for each year. The Borough's contributions to the PFRS plans for the years ended December 31, 2010, 2009 and 2008 were \$288,315, \$276,711 and \$245,095, respectively.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 9: POST RETIREMENT HEALTH BENEFITS

The Borough of Jamesburg provides its retirees with health benefits, which are fully funded by the Borough. These benefits are negotiated for through each bargaining unit's contract. In order to receive fully paid health benefits, retirees must have been enrolled in the Public Employees Retirement Fund or the Police and Firemen's Retirement Fund for 25 years or more active service in PFRS/PERS and fifteen years or more active service with the Borough. Retirees receive the same type of health insurance coverage that they were receiving prior to retirement.

State Health Benefits Program (SHBP)

Plan Description:

The Borough contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>.

Plan Coverage:

All Active employees, including their dependents, are eligible to participate in the SHBP, upon completion of a sixty day waiting period. Retirees with twenty five years or more active service in PFRS/PERS and fifteen years or more active service with the Borough are also eligible to participate in the SHBP.

Funding Policy:

Participating employers contractually contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Borough on a monthly basis. Plan members or beneficiaries receiving benefits do not make any contributions. Eligible employees and retirees have the option of choosing from four medical benefit plans (NJ Direct15, NJ Direct10, Aetna or CIGNA HealthCare HMO) with rates ranging from \$470 for a single participant to \$1,235 for Family coverage and \$139 for a prescription single coverage to \$349 for prescription family coverage.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 9: POST RETIREMENT HEALTH BENEFITS (CONTINUED)

The Borough's contributions to SHBP for post-retirement benefits for the years ended December 31, 2010, 2009, and 2008 were \$121,504.75, \$116,949.90 and \$112,496.02, respectively. There were approximately 10 retired participants eligible at December 31, 2010, 2009 and 2008.

NOTE 10: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error or omission, injuries to employees; and natural disasters. The Borough is a member of the Middlesex County Municipal Joint Insurance Fund ("JIF"). The JIF is a public entity risk pool currently operating as a common risk management and insurance program for municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workers' compensation. While additional assessments on premiums can be levied by the JIF to assure payment of the JIF's obligations, no such additional premiums have been necessary as of December 31, 2010. The JIF is expected to be self-sustaining through member premiums of which the Borough portion is reported as expenditure in the Borough's financial statements and liabilities of the JIF are based on the estimated ultimate cost of settling the claims. The JIF participates in the Municipal Excess Liability Program, which has a contract for excess liability insurance.

The Borough is not aware of any claims pending that have a demand in excess of coverages provided under the JIF. In addition, there were no significant reductions in insurance coverage from prior year coverage and there were no amounts settled which exceeded insurance coverage for each of the past three years.

NOTE 11: UNEMPLOYMENT COMPENSATION INSURANCE

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Borough has elected to provide a self insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. All funds collected from employees are transmitted to the state for this period. The Reserve for Unemployment Compensation Insurance at December 31, 2010 and 2009 totaled \$2,463.94 and \$7,912.39, respectively.

NOTE 12: ACCRUED SICK AND VACATION BENEFITS

As discussed in Note 1 and in accordance with accounting principles prescribed by the Division, the cash basis of accounting is followed for recording the Borough's liability related to unused sick pay. The Borough permits its Police Department employees to accumulate unused sick pay up to 500 hours at a rate of 100% of that individuals base pay. All other employees are capped at 35 days per personnel policy. This matter is being referred to the Borough's labor attorney for interpretation. The Borough estimates the current cost of such unpaid compensation to be \$373,012.56 and \$307,546.66 at December 31, 2010 and 2009, respectively, which are unaudited. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 13: TAX APPEALS

At December 31, 2010, there are tax appeals pending before the New Jersey Tax Court requesting a reduction of assessed valuation for 2010 and prior years. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from the Borough's tax levy or through the issuance of refunding bonds per N.J.S. 40A:2-51. In accordance with the National Council on Governmental Accounting Statement 4, "Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences," the Borough charges current fund operations for all State Board Judgments rendered during the year which will be paid from expendable available financial resources. The Borough's share of the County taxes paid on any successful tax appeal would result in appropriate reductions applied against the County tax levy of the following year.

NOTE 14: CONTINGENT LIABILITIES

At December 31, 2010, the Borough had no material litigation pending. Any claims that would arise would be covered through the procurement of workers' compensation and liability insurance policy coverages. As more fully described in Note 10, the Borough has participated in a joint insurance fund. Management indicates the Borough is not involved in any pending or threatened litigation nor are there any unasserted claims or assessments requiring disclosure in the financial statements.

The Borough participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2010, the Borough does not believe that any material liabilities will result from such audits.

NOTE 15: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets as of December 31, 2010:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 43.85	\$ 22,593.59
State and Federal Grant Fund	22,593.59	
General Capital Fund		30.43
Sewer Utility Operating Fund	14.14	
Sewer Utility Capital Fund		14.14
Trust - Other Fund	-	13.42
	<hr/>	<hr/>
Total	<u>\$ 22,651.58</u>	<u>\$ 22,651.58</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 16: LENGTH OF SERVICE AWARD PROGRAM (“LOSAP”)

The Borough has established a Volunteer Length of Service Award Plan (“LOSAP”) to ensure retention of the Borough’s volunteer First Aid squads. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a “length of service award plan under Section 457(e)11 of the Internal Revenue Code.”

Annual Contributions – The Annual contribution to be made by the Borough for each active volunteer member is \$500.00 per year of active emergency service, which commenced in the year 2002.

Appropriations – Appropriations for the purpose of funding the Borough’s LOSAP is included as a separate line item in the Borough’s budget.

Periodic Increases – Notwithstanding the provisions above, the annual contribution made by the Borough for each active volunteer member is subject to periodic increases based upon the “consumer price index factor” pursuant to subsection f. of section 3 of P.L. 1997, c.388 (N.J.S.A. 40A:14-185).

Criteria for Eligibility; Contributions; Points – Any active volunteer member shall be eligible to participate in the LOSAP Plan immediately upon commencement of the member’s performance of active volunteer service in the emergency service organization. Annual contributions shall only be made by the Borough, however, for those active volunteer members who have earned the minimum number of points for performing certain volunteer services on a yearly basis.

Determination as to Eligibility – Each emergency service organization shall provide to the Borough Administrator, acting as the Plan Administrator of LOSAP plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan and those who are eligible to participate as of each January 1 thereafter. The Plan Administrator shall forward said certified list to the Borough Council for approval, in accordance with the provision of N.J.A.C. 5:30-14.10. The decision of the Borough Council as to such active member’s eligibility shall be binding upon the Plan Administrator, participants, beneficiaries and any and all other persons having an interest hereunder, subject to appropriate judicial review.

Terms of Participation – The Plan Administrator shall have the right to require any active volunteer member at the time of his or her becoming a participant to agree, in writing, to be bound by the terms, covenants and conditions of the LOSAP and accompanying trust. Each participant shall furnish to the Plan Administrator all pertinent information required for the administration of the LOSAP. The Plan Administrator shall rely upon all such information furnished.

Vesting – The Active volunteer member shall not be permitted to receive a distribution for the fund in his or her LOSAP account until the completion of a five-year period.

Termination of Services – Any participant who terminates service as an active volunteer member shall cease to participate hereunder. A former participant may resume participation immediately upon returning to the service of the emergency service organization as an active volunteer member. Any active volunteer member who terminates service with the emergency service organization, subsequently returns to service and again becomes a participant shall be treated as a new participant for purposes of eligibility unless said participant was fully vested prior to his or her termination from service.

Reporting Requirements – N.J.A.C. 5:30-14.49 requires that the Borough perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accountants Statements for Accounting and Auditing Review Services.

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009**

NOTE 16: LENGTH OF SERVICE AWARD PROGRAM ("LOSAP") (CONTINUED)

The Borough has authorized The Lincoln Financial Group, as the plan provider. As of December 31, 2010 and 2009, the cumulative balance of the Length of Service Award Program was \$48,576.71 and \$39,803.78, respectively, and is recorded in the Trust fund of the Borough.

In accordance with N.J.A.C. 5:30-14, the funds held in the LOSAP remain the assets of the Borough until they are distributed and as such are subject to the claims of the Borough's general creditors.

CURRENT FUND

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF CASH AND INVESTMENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>	
Balance, December 31, 2009	A	\$ 1,208,406.88
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	A-2	166,858.05
Taxes Receivable	A-6	12,390,505.23
State of New Jersey (Ch. 20, P.L. 1976)	A-5	36,144.52
Revenue Accounts Receivable	A-2, A-8	769,090.87
Due to State of New Jersey - Marriage License Fees	A-13	775.00
Prepaid Taxes	A-12	58,030.86
Tax Overpayments	A-16	23,389.72
Current Year Budgetary Refunds	A-3	82,042.50
Prior Year Budget Reserve Refunds	A-11	46,876.10
Prior Year Refunds	A-1	200.00
Interfund Receipts - Trust Other Fund	A-10	588.94
Interfund Receipts - General Capital Fund	A-10	1,210.12
Cash received For Former Treasurer Reimbursement	A-9	624.00
Cash Received on Behalf of State and Federal Grant Fund	A-10	163,604.23
		<u>13,739,940.14</u>
		14,948,347.02
Decreased by Disbursements:		
Budget Expenditures	A-3	4,675,258.22
Cash Disbursed on Behalf of State and Federal Grant Fund	A-10	144,874.24
Appropriation Reserves	A-11	162,515.69
Due to State of New Jersey - Marriage License Fees	A-13	775.00
Tax Overpayments	A-16	23,388.02
Special District Taxes	A-17	394,900.00
Local District School Taxes	A-15	6,946,101.00
County Taxes	A-14	1,588,304.89
		<u>13,936,117.06</u>
Balance, December 31, 2010	A	<u>\$ 1,012,229.96</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF DUE FROM THE STATE OF NEW JERSEY
SENIOR CITIZENS AND VETERANS DEDUCTIONS
PER CHAPTER 20, P.L.1976
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Ref.	
Balance, December 31, 2009	A	\$ 250.00
Increased by:		
Deductions Allowed Per Tax Billings	Below	\$ 36,750.00
2010 Deductions Allowed by Collector	Below	250.00
		37,000.00
		37,250.00
Decreased by:		
2010 Deductions Disallowed by Collector	Below	855.48
Cash Receipts	A-4	36,144.52
		37,000.00
Balance - December 31, 2010	A	\$ 250.00
Analysis of Senior Citizens, Veterans and Disability Deductions Realized <u>as Revenues in FY 2010</u>		
Deductions Allowed Per Tax Billings	Above	\$ 36,750.00
Plus:		
2010 Deductions Allowed by Collector	Above	250.00
Less:		
2010 Deductions Disallowed by Collector	Above	855.48
Amount Realized as Revenue - 2010	A-6	\$ 36,144.52

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>Year</u>	<u>Balance, December 31, 2009</u>	<u>2010 Levy</u>	<u>Added Taxes</u>	<u>2009 Collections</u>	<u>2010 Collector</u>	<u>St. Share Sr. Citizen Deductions</u>	<u>Adjusted, Remitted, Cancelled</u>	<u>Balance, December 31, 2010</u>
2008	\$ 16.82			\$	16.82		\$ (10.80)	20.82
2009	232,849.58				232,839.56			
	232,866.40				232,856.38		(10.80)	20.82
2010	-	\$ 12,445,481.48		\$ 61,610.10	12,157,648.85	\$ 36,144.52	\$ 8,823.23	181,254.78
	\$ 232,866.40	\$ 12,445,481.48	\$ -	\$ 61,610.10	\$ 12,390,505.23	\$ 36,144.52	\$ 8,812.43	181,275.60
	<u>A</u>	<u>Below</u>		<u>A-2, A-12</u>	<u>A-2, A-4</u>	<u>A-2, A-5</u>		<u>A</u>
Analysis of 2010 property tax levy Tax yield:								
General purpose tax	\$ 12,038,841.67							
Special district taxes	394,900.00							
Added Taxes (54-4-63:1 et seq.)	11,739.81							
	<u>Above</u>	<u>\$ 12,445,481.48</u>						
Tax levy:								
Local District School Tax:								
Levy (Abstract)	6,989,413.00		A-2					
Total Local District School Tax	<u>6,989,413.00</u>							
County Tax:								
County Tax (Abstract)	1,480,195.40							
County Open Space Preservation	106,607.40							
Due Cty. For Added & Omitted Taxes	1,502.09							
Total County Tax	<u>1,588,304.89</u>		A-2					
Special District Taxes:								
Fire District Taxes	394,900.00		A-2					
Total Special District Taxes	<u>394,900.00</u>							
Local Tax for Municipal Purposes	3,459,406.15							
Additional Taxes Levied	13,457.44							
Total Local Tax for Mun. Purposes	<u>3,472,863.59</u>							
Above	\$ 12,445,481.48							

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
AT ASSESSED VALUATION
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Reference</u>	
Balance - December 31, 2010 and 2009	A	<u>\$ 4,000.00</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Ref.	Balance Dec 31, 2009	Accrued 2010	Collected	Balance Dec 31, 2010
Miscellaneous Revenues Anticipated:					
Alcoholic Beverage Licenses	A-2		\$ 12,876.00	\$ 12,876.00	
Licenses - Other	A-2		8,090.00	8,090.00	
Fees & Permits	A-2		4,230.00	4,230.00	
Municipal Court Fines & Costs	A-2	\$ 6,729.35	133,579.38	129,535.19	\$ 10,773.54
Interest & Costs on Taxes	A-2		56,939.47	56,939.47	
Interest on Investments and Deposits	A-2		2,853.31	2,853.31	
Cable TV Franchise Fees	A-2		25,477.83	25,477.83	
Cell Tower Lease Fees	A-2		35,191.91	35,191.91	
Energy Receipts Tax	A-2		345,585.00	345,585.00	
Consolidated Municipal Property Tax Relief Aid	A-2		68,120.30	68,120.30	
Milltown Interlocal Dispatch	A-2		20,250.00	20,250.00	
Third Party Billing	A-2		40,577.61	40,577.61	
Uniform Fire Safety Act - Life Hazard	A-2	-	19,364.25	19,364.25	-
		<u>\$ 6,729.35</u>	<u>\$ 773,135.06</u>	<u>\$ 769,090.87</u>	<u>\$ 10,773.54</u>
Ref.		A		A-2, A-4	A

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF DUE FROM FORMER TREASURER AND / OR BONDING COMPANY
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Reference</u>	
Balance - December 31, 2009	A	\$ 68,485.37
Decreased By:		
Cash Receipts	A-1 , A-4	<u>624.00</u>
Balance - December 31, 2010	A	<u><u>\$ 67,861.37</u></u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF INTERFUNDS RECEIVABLE / (PAYABLE)
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Reference</u>	<u>General Capital Fund</u>	<u>Trust Other Fund</u>	<u>Grant Fund</u>	<u>Totals</u>
Balance, December 31, 2009	A	\$ 182.16	\$ 62.69	\$ (3,863.60)	\$ (3,618.75)
Increased by:					
Interest Earned on Investments	A-2	1,058.39	408.57		1,466.96
Cancellation of Other Reserves	A-2		131.10		131.10
Cash Disbursed by Current on-Behalf of Grant Fund	A-4 , A-20	-	-	144,874.24	144,874.24
		<u>1,058.39</u>	<u>539.67</u>	<u>144,874.24</u>	<u>146,472.30</u>
		1,240.55	602.36	141,010.64	142,853.55
Decreased by:					
Cash Receipts from Other Funds	A-4	1,210.12	588.94		1,799.06
Cash Receipts in Current on-behalf of Grant Fund	A-4 , A-19 , A-	-	-	163,604.23	163,604.23
		<u>1,210.12</u>	<u>588.94</u>	<u>163,604.23</u>	<u>165,403.29</u>
Balance, December 31, 2010	A	<u>\$ 30.43</u>	<u>\$ 13.42</u>	<u>\$ (22,593.59)</u>	<u>\$ (22,549.74)</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF 2009 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Balance Dec 31, 2009	Reserved for Encumbrances Dec 31, 2009	Balance After Modification	Paid or Charged	Balance Lapsed
General Administration					
Salaries and Wages	\$ 0.85		\$ 0.85		\$ 0.85
Other Expenses	501.66	\$ 229.80	731.46	\$ 170.75	560.71
Mayor and Council					
Salaries and Wages	1,001.04		1,001.04		1,001.04
Other Expenses	51.84		51.84		51.84
Municipal Clerk					
Salaries and Wages	5,201.73		5,201.73		5,201.73
Other Expenses	272.40		272.40		272.40
Financial Administration (Treasury)					
Salaries and Wages	375.92		375.92		375.92
Other Expenses	1,653.39		1,653.39		1,653.39
Revenue Administration (Tax Collection)					
Salaries and Wages	53.08		53.08		53.08
Other Expenses	406.85		406.85		406.85
Tax Assessment Administration					
Salaries and Wages	26.00		26.00		26.00
Other Expenses	568.16		568.16		568.16
Legal Services (Legal Department)					
Other Expenses	2,624.82		2,624.82	770.28	1,854.54
Engineering					
Other Expenses	2,692.49	3,000.00	5,692.49	2,682.00	3,010.49
Planning Board					
Salaries and Wages	21.32		21.32		21.32
Zoning Board					
Salaries and Wages	802.96		802.96		802.96
Other Expenses	189.70		189.70		189.70
Computerized Data Processing					
Other Expenses	669.25		669.25		669.25
Insurance					
Employee Group Insurance	53,357.97		53,357.97		53,357.97
Other Expenses	954.42		954.42		954.42
Unemployment Insurance	13,242.78		13,242.78		13,242.78
PUBLIC SAFETY					
Police Department					
Salaries and Wages	7,274.30		7,274.30	745.20	6,529.10
Other Expenses	267.17	2,154.09	2,421.26	1,954.20	467.06
Office of Emergency Management					
Other Expenses	606.01		606.01		606.01
Fire Prevention					
Salaries and Wages	1,874.54		1,874.54		1,874.54
Other Expenses	107.04	1,930.36	2,037.40	1,930.36	107.04
Municipal Prosecutors Office					
Salaries and Wages	443.72		443.72		443.72
STREETS AND ROADS					
Streets and Roads Maintenance					
Salaries and Wages	10,487.49		10,487.49	(3,407.52)	13,895.01
Other Expenses	113.20		113.20	29.98	83.22
Building and Grounds					
Other Expenses	844.38	868.00	1,712.38	1,264.03	448.35
SANITATION					
Solid Waste Collection					
Other Expenses	1,575.00		1,575.00	185.00	1,390.00
Community Services Act (Condominium Costs)	64,000.00		64,000.00	56,989.91	7,010.09
Landlord Trash Reimbursement	16,420.14		16,420.14	12,545.06	3,875.08

BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF 2009 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2010

	Balance Dec 31, 2009	Reserved for Encumbrances Dec 31, 2009	Balance After Modification	Paid or Charged	Balance Lapsed
HEALTH AND WELFARE					
Public Health Services (Board of Health)					
Salaries and Wages	\$ 141.68		\$ 141.68		\$ 141.68
Other Expenses	613.42		613.42		613.42
Animal Control Services					
Salaries and Wages	4,070.00		4,070.00		4,070.00
Other Expenses	1,000.00		1,000.00	\$ 1,000.00	
Department of Aging					
Other Expenses	650.00		650.00		650.00
Municipal Court					
Salaries and Wages	2,645.64		2,645.64		2,645.64
Salaries and Wages - Public Defender	1.00		1.00		1.00
Other Expenses	1,801.97	\$ 225.00	2,026.97	289.42	1,737.55
RECREATION AND EDUCATION					
Celebration of Public Events					
Other Expenses	743.66		743.66	(256.34)	1,000.00
Utilities					
Electricity	1,870.47		1,870.47	1,621.00	249.47
Street Lighting	5,158.49		5,158.49	5,000.43	158.06
Telephone	1,631.54		1,631.54	1,600.66	30.88
Gas (natural or propane)	9,720.22		9,720.22	2,550.06	7,170.16
Sewerage Disposal	775.99		775.99	255.54	520.45
Deferred Charges and Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I)	13,233.98		13,233.98	(260.67)	13,494.65
Police Dispatch / 911					
Salaries and Wages	14,185.46		14,185.46	328.68	13,856.78
Other Expenses	4,907.29		4,907.29	82.50	4,824.79
Length of Service Award Program (LOSAP)					
Other Expenses	12,000.00		12,000.00	5,955.07	6,044.93
Recycling Tax	2,133.24		2,133.24	456.99	1,676.25
Public Library					
Other Expenses	1,714.87		1,714.87	1,714.87	
Interlocal Municipal Services Agreement					
Middlesex County					
Gasoline	14,121.83		14,121.83	2,913.00	11,208.83
SPCA Radios	2,544.00		2,544.00		2,544.00
MCUA Solid Waste	17,114.06		17,114.06	8,126.80	8,987.26
MCIA Recycling	11,042.50		11,042.50	6,859.10	4,183.40
First Aid Third Party Billing	1,543.23	-	1,543.23	1,543.23	-
Total General Appropriations	\$ 314,046.16	\$ 8,407.25	\$ 322,453.41	\$ 115,639.59	\$ 206,813.82
Ref.	A	A, A-18		Below	A-1
			<u>Ref.</u>		
		Cash Disbursed	A-4	\$ 162,515.69	
		Refunds	A-4	(46,876.10)	
			Above	<u>\$ 115,639.59</u>	

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>	
Balance - December 31, 2009	A	\$ 61,610.10
Increased by:		
Collection of 2011 Taxes	A-4	<u>58,030.86</u>
		119,640.96
Decreased by:		
Applied to 2010 Taxes	A-6	<u>61,610.10</u>
Balance - December 31, 2010	A	<u>\$ 58,030.86</u>

**CURRENT FUND
SCHEDULE OF DUE TO THE STATE OF NEW JERSEY - MARRIAGE LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>	<u>Total</u>
Balance - December 31, 2009	A	\$ 100.00
Increased by:		
Cash Receipts	A-4	<u>775.00</u>
		875.00
Decreased by:		
Cash Disbursements	A-4	<u>775.00</u>
Balance - December 31, 2010	A	<u>\$ 100.00</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>		
Balance - December 31, 2009	A	\$	-
Increased by:			
FY 2010 Levy:			
County Taxes	A-1, A-2, A-6	\$	1,480,195.40
County Open Space Taxes	A-1, A-2, A-6		106,607.40
Added and Omitted Taxes	A-1, A-2, A-6		<u>1,502.09</u>
			1,588,304.89
			<u>1,588,304.89</u>
Decreased by:			
Cash Disbursements	A-4		<u>3,176,609.78</u>
Balance - December 31, 2010	A	\$	<u>-</u>

Exhibit A-15

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>		
Balance - December 31, 2009			
School Tax Payable	A	\$	82,856.00
School Tax Deferred			<u>3,230,000.00</u>
		\$	3,312,856.00
Increased by:			
Levy - School Year July 1, 2010 to June 30, 2011	A-2, A-6		<u>6,989,413.00</u>
			10,302,269.00
Decreased by:			
Cash Disbursements	A-4		<u>6,946,101.00</u>
Balance - December 31, 2010			
School Tax Payable	A	\$	1,168.00
School Tax Deferred			<u>3,355,000.00</u>
		\$	<u>3,356,168.00</u>
2010 Liability for Local District School Taxes			
Taxes Paid	Above	\$	6,946,101.00
Taxes Payable, December 31, 2010	Above		<u>1,168.00</u>
			6,947,269.00
Taxes Payable, December 31, 2009	Above		<u>(82,856.00)</u>
Amount Charged to 2010 Operations	A-1	\$	<u>6,864,413.00</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>	
Balance - December 31, 2009	A	\$ -
Increased by:		
Cash Receipts	A-4	<u>23,389.72</u>
		23,389.72
Decreased by:		
Refunds	A-4	<u>23,388.02</u>
Balance - December 31, 2010	A	<u>\$ 1.70</u>

**CURRENT FUND
SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>	
Balance - December 31, 2009	A	\$ -
Increased by:		
2010 Levy	A-1 , A-2 , A-6	<u>394,900.00</u>
		394,900.00
Decreased by:		
Cash Disbursements	A-4	<u>394,900.00</u>
Balance - December 31, 2010	A	<u>\$ -</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Ref.	Current Fund
Balance - December 31, 2009	A	\$ 8,407.25
Increased by:		
Charges to:		
2010 Budget Appropriations	A-3	8,945.57
		17,352.82
Decreased by:		
Transferred to 2009 Approp. Reserves	A-11	8,407.25
Balance - December 31, 2010	A	\$ 8,945.57

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

Program	Balance Dec 31, 2009	Budget Revenue	Decreases	Balance Dec 31, 2010
Bulletproof Vest Program	\$ 4,653.74			\$ 4,653.74
Safe Routes to School	196,365.00		\$ 135,031.71	61,333.29
NJDOT - SRTS - Sedgwick	269,000.00			269,000.00
Pedestrian Safety	2,000.00		2,000.00	
Recycling Tonnage Grant		\$ 7,131.73	7,131.73	
Clean Communities Program		8,174.35	8,174.35	
Alcohol Education and Rehabilitation Fund		1,055.73	1,055.73	
Body Armor Replacement Fund		817.43	817.43	
COPS Technology Police Equipment	-	95,000.00	-	95,000.00
	<u>\$ 472,018.74</u>	<u>\$ 112,179.24</u>	<u>\$ 154,210.95</u>	<u>\$ 429,987.03</u>
Ref.	A	A-2 , A-20	Below	A
		Ref.		
Transfer from Unappropriated Reserves		A-21	\$ 7,131.73	
Due From Current Fund		A-10	<u>147,079.22</u>	
		Above	<u>\$ 154,210.95</u>	

**GRANT FUND
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS-APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2010**

Program	Balance Dec 31, 2009	Transferred from 2010 Budget	Paid or Charged	Balance Dec 31, 2010
Drunk Driving Enforcement Fund	\$ 1,543.10		\$ 508.95	\$ 1,034.15
Bulletproof Vest Program	5,141.11			5,141.11
Body Armor Fund	5,095.20	\$ 817.43		5,912.63
Recycling Tonnage Grant	6,908.71	7,131.73	8,173.02	5,867.42
NJDOT Safe Routes to Schools	181,492.50		130,622.01	50,870.49
NJDOT Safe Routes to Schools - Sedgwick	267,106.00		(1,894.00)	269,000.00
Municipal Alliance	582.21		582.21	
Alcohol Education and Rehabilitation Fund	881.78	1,055.73	600.00	1,337.51
Clean Communities Program		8,174.35	8,174.35	
COPS Telecommunication Equipment	-	95,000.00	-	95,000.00
	<u>\$ 468,750.61</u>	<u>\$ 112,179.24</u>	<u>\$ 146,766.54</u>	<u>\$ 434,163.31</u>
Ref.	A	A-2 , A-19	Below	A
		Ref.		
Due to Current Fund		A-10	\$ 144,874.24	
Transfer to Reserve for Encumbrances		A	<u>1,892.30</u>	
		Above	<u>\$ 146,766.54</u>	

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**GRANT FUND
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS-UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>Program</u>	<u>Balance Dec 31, 2009</u>	<u>Due From Current Fund</u>	<u>Transfer to Appropriated Reserves</u>	<u>Balance Dec 31, 2010</u>
Recycling Tonnage Grant	\$ 7,131.73		\$ 7,131.73	
Body Armor		\$ 1,525.01		\$ 1,525.01
Clean Communities Program		15,000.00		15,000.00
	<u>\$ 7,131.73</u>	<u>\$ 16,525.01</u>	<u>\$ 7,131.73</u>	<u>\$ 16,525.01</u>

<u>Ref.</u>	A	A-10	A-19	A
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TRUST FUND

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**TRUST FUND
SCHEDULE OF TRUST CASH AND INVESTMENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2010**

	ANIMAL CONTROL FUND	TRUST-OTHER FUND	PAYROLL AGENCY TRUST FUND	UNEMPLOYMENT INSURANCE TRUST FUND
<u>REF.</u>				
Balance - December 31, 2009	\$ 654.25	\$ 256,421.45	\$ 149.66	\$ 7,912.39
Increased by Receipts:				
Payroll Receipts				
Interest on Investments			\$ 2,861,080.80	\$ 12.45
Employee Withholdings		408.57		6,469.09
Due to State of New Jersey	\$ 1,014.60			
Animal Control Fees	8,959.60			
Other Reserves	9,974.20	408,168.57	2,861,080.80	6,481.54
	10,628.45	664,998.59	2,861,230.46	14,393.93
Decreased by Disbursements:				
Employee Payroll			2,860,719.96	
Due to State of New Jersey	1,013.40			
Expenditures Under R.S. 4:19.11	8,742.80			
Unemployment Insurance Claims				11,929.99
Other Reserves	491,771.56			
Due to Current Fund	588.94			
	9,756.20	492,360.50	2,860,719.96	11,929.99
Balance - December 31, 2010	\$ 872.25	\$ 172,638.09	\$ 510.50	\$ 2,463.94

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**TRUST FUND - OTHER TRUST FUND
SCHEDULE OF INTERFUNDS PAYABLE - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>		
Balance - December 31, 2009	B	\$	62.69
Increased by:			
Interest Earned on Investments	B-1	\$	408.57
Cancellation of Other Reserves	B-3		<u>131.10</u>
			<u>539.67</u>
			602.36
Decreased by:			
Cash Disbursements	B-1		<u>588.94</u>
Balance - December 31, 2010	B	\$	<u>13.42</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**TRUST FUND - OTHER TRUST FUND
SCHEDULE OF OTHER RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2010**

PURPOSE	BALANCE DEC. 31, 2009	INCREASES	DECREASES	BALANCE DEC. 31, 2010	
Developers Escrow	\$ 22,715.17	\$ 26,449.50	\$ 30,551.63	\$ 18,613.04	
Sewer Escrow	14,915.41			14,915.41	
POAA	22.00	6.00		28.00	
Gough Performance Bond	2,343.60			2,343.60	
Scamporino Forsgate Cash Performance	7,625.14			7,625.14	
Commerce Bank Cash Performance	52,070.20			52,070.20	
Phoenix Cash Performance	8,865.10			8,865.10	
Reserve for Escrow Interest Payable	3,613.08	110.86		3,723.94	
Reserve Accumulated Leave	12,665.00			12,665.00	
MILETA Forfeiture Fund	1,699.96			1,699.96	
Reserve for DARE	560.00	400.00	159.48	800.52	
Reserve for Fire Prevention Penalty	675.00	680.00		1,355.00	
Reserve for Recreation Trust		2,000.00	2,000.00		
Reserve for Joint Insurance Fund		6,996.00	6,996.00		
Police Outside Employment	14,119.29	134,955.74	135,415.34	13,659.69	
Reserve for Tax Title Liens	24,069.81	235,670.47	236,580.21	23,160.07	
Reserve for Tax Trust Premiums	90,400.00	900.00	80,200.00	11,100.00	
	<u>\$ 256,358.76</u>	<u>\$ 408,168.57</u>	<u>\$ 491,902.66</u>	<u>\$ 172,624.67</u>	
	<u>Ref.</u>	B	B-1	Below	B
			<u>Ref.</u>		
	Cash Disbursements		B-1	\$ 491,771.56	
	Cancelled - Due to Current Fund		B-2	<u>131.10</u>	
			Above	<u>\$ 491,902.66</u>	

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**TRUST FUND-ANIMAL CONTROL
SCHEDULE OF DUE TO STATE DEPARTMENT OF HEALTH
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>REF.</u>	
Balance - December 31, 2009	B	\$ 4.20
Increased by:		
State Dog License Fees Collected	B-1	<u>1,014.60</u>
		1,018.80
Decreased by:		
Payments to State of New Jersey	B-1	<u>1,013.40</u>
Balance - December 31, 2010	B	<u><u>\$ 5.40</u></u>

Exhibit - B-5

**TRUST FUND-ANIMAL CONTROL
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance - December 31, 2009	B		\$ 650.05
Increased by Cash Receipts:			
Dog License Fees		\$ 6,680.00	
Cat License Fees		2,116.00	
Miscellaneous Fees		<u>163.60</u>	
	B-1		<u>8,959.60</u>
			9,609.65
Decreased by:			
Cash Disbursements	B-1		<u>8,742.80</u>
Balance - December 31, 2010	B		<u><u>\$ 866.85</u></u>

License Fees Collected:

<u>Year</u>	<u>Amount</u>
2008	\$ 5,746.00
2009	<u>5,994.00</u>
	<u><u>\$ 11,740.00</u></u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**PAYROLL AGENCY TRUST FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Balance Dec. 31, 2009	Increases	Decreases	Balance Dec. 31, 2010
Net Payroll		\$ 1,603,229.50	\$ 1,603,229.50	
Federal Withholdings		377,491.48	377,491.48	
FICA / Medicare		377,500.14	377,500.14	
State Withholdings		98,958.69	98,958.69	
Union Dues		12,252.00	12,252.00	
Savings		51,800.00	51,800.00	
PFRS		165,814.58	165,814.58	
PERS		64,881.58	64,881.58	
Contributory Insurance		4,651.15	4,651.15	
Dental		13,529.76	13,529.76	
Garnishments		25,968.77	25,968.77	
Annuity		48,888.96	48,888.96	
SUI / SDI / FLI		14,992.11	14,992.11	
Miscellaneous	\$ 149.66	1,122.08	761.24	\$ 510.50
	<u>\$ 149.66</u>	<u>\$ 2,861,080.80</u>	<u>\$ 2,860,719.96</u>	<u>\$ 510.50</u>
<u>Ref.</u>	B	B-1	B-1	B

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**UNEMPLOYMENT INSURANCE TRUST FUND
SCHEDULE OF RESERVE FOR UNEMPLOYMENT
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>REF.</u>	
Balance - December 31, 2009	B	\$ 7,912.39
Increased by:		
Interest on Investments	B-1	\$ 12.45
Employee Withholdings	B-1	<u>6,469.09</u>
		<u>6,481.54</u>
		14,393.93
Decreased by:		
Cash Disbursements	B-1	<u>11,929.99</u>
Balance - December 31, 2010	B	<u><u>\$ 2,463.94</u></u>

Exhibit - B-8
(Unaudited)

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**LENGTH OF SERVICE AWARDS PROGRAM TRUST FUND ("LOSAP")
SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>REF.</u>	
Balance - December 31, 2009	B	\$ 39,803.78
Increased by:		
Contributions, Appreciation, Change In Account Value	B-9	<u>9,660.28</u>
		49,464.06
Decreased by:		
Withdrawals	B-9	<u>887.35</u>
Balance - December 31, 2010	B	<u><u>\$ 48,576.71</u></u>

Exhibit - B-9
(Unaudited)

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**LENGTH OF SERVICE AWARDS PROGRAM TRUST FUND ("LOSAP")
SCHEDULE OF RESERVE FOR LOSAP
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>REF.</u>	
Balance - December 31, 2009	B	\$ 39,803.78
Increased by:		
Contributions, Appreciation, Change In Account Value	B-8	<u>9,660.28</u>
		49,464.06
Decreased by:		
Withdrawals	B-8	<u>887.35</u>
Balance - December 31, 2010	B	<u><u>\$ 48,576.71</u></u>

GENERAL CAPITAL FUND

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH AND INVESTMENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Reference</u>		
Balance, December 31, 2009	C		\$ 633,353.54
Increased by Receipts:			
Grants Receivable	C-4	\$ 330,590.45	
Budget Appropriation - Capital Improvement Fund	C-6	186,000.00	
Interest Earned on Investments	C-7	<u>1,058.39</u>	
			<u>517,648.84</u>
			1,151,002.38
Decreased by Disbursements:			
Improvement Authorizations	C-5	844,480.34	
Disbursed to Current Fund	C-7	<u>1,210.12</u>	
			<u>845,690.46</u>
Balance, December 31, 2010	C		<u>\$ 305,311.92</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
DECEMBER 31, 2010 and 2009**

		<u>Balance</u> Dec 31, 2010		<u>Balance</u> Dec 31, 2009
	Fund Balance	\$ 147.48	\$	147.48
	Capital Improvement Fund	32,768.68		1,768.68
	Interfund Payable - Current Fund	30.43		182.16
	Reserve for Encumbrances	167,444.04		
	Reserve for Developer Contribution	50,000.00		50,000.00
	Grants Receivable	(121,296.48)		(104,173.80)
ORD	<u>IMPROVEMENT AUTHORIZATIONS</u>			
NO.				
	<u>General Improvements:</u>			
22-99	Improvements to Senior Building	2,276.41		2,276.41
03-07	Buckelew House Restoration	1,739.03		137,739.15
12-07	Buckelew House Restoration - Phase II	7,840.07		420,000.00
02-09	Birchwood / Cedar Improvements			4,786.87
10-09	Various Equipment			29,860.25
14-09	UST Remediation			20,776.34
17-09	Sewer System Improvements	70,000.00		70,000.00
03-10	Harrison Street	2,439.64		
04-10	Streetscape V	3,850.44		
07-10	Remediation of Underground Storage Tank Sites	22,999.64		
10-10	Half Acre Road 2009 CDBG	1,872.54		
15-10	Half Acre Road 2010 CDBG	43,200.00		
16-10	Energy Efficient Equipment	20,000.00		0.00
		<u>\$ 305,311.92</u>		<u>\$ 633,363.54</u>
	<u>Ref</u>	C		C

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>	
Balance - December 31, 2009	C	\$ 104,173.80
Increased by:		
Grants Awarded	C-5	<u>351,400.00</u>
		455,573.80
Decreased by:		
Cash Receipts	C-2	\$ 330,590.45
Cancellation	C-5	<u>3,686.87</u>
		<u>334,277.32</u>
Balance - December 31, 2010	C , Below	<u><u>\$ 121,296.48</u></u>
	Due from DOT	\$ 76,223.94
	Due from County	<u>45,072.54</u>
	Above	<u><u>\$ 121,296.48</u></u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>	
Balance - December 31, 2009	C	\$ 1,768.68
Increased by:		
Cash received for 2010 Budget Appropriation	C-2	<u>186,000.00</u>
		187,768.68
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-5	<u>155,000.00</u>
Balance - December 31, 2010	C	<u><u>\$ 32,768.68</u></u>

**GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND PAYABLE - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref</u>	
Balance - December 31, 2009	C	\$ 182.16
Increased by:		
Interest Earned on Investments	C-2	<u>1,058.39</u>
		1,240.55
Decreased By:		
Cash Disbursed	C-2	<u>1,210.12</u>
Balance - December 31, 2010	C	<u><u>\$ 30.43</u></u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEVELOPERS CONTRIBUTION
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Ref.</u>	
Balance - December 31, 2010 and 2009	C	<u>\$ 50,000.00</u>

SEWER UTILITY FUND

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY FUND
SCHEDULE OF SEWER UTILITY CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	REF.	OPERATING FUND	CAPITAL FUND
Balance - December 31, 2009	D	\$ 54,531.00	\$ 35,008.11
Increased by Receipts:			
Consumer Accounts Receivable	D-7	\$ 777,830.94	
Budget Appropriations - Capital Improvement Fund	D-16		\$ 35,000.00
Miscellaneous Revenue Not Anticipated	D-2	10,279.37	
Interest on Investments	D-6		77.35
Receipts from Sewer Utility Capital Fund	D-6	<u>71.32</u>	<u>-</u>
		<u>788,181.63</u>	<u>35,077.35</u>
		842,712.63	70,085.46
Decreased by Disbursements:			
2010 Budget Appropriations	D-3	783,972.84	
2009 Appropriation Reserves	D-9	14,000.00	
Improvement Authorization	D-11		9,283.00
Disbursed to Sewer Utility Operating Fund	D-6	<u>-</u>	<u>71.32</u>
		<u>797,972.84</u>	<u>9,354.32</u>
Balance - December 31, 2010	D	<u>\$ 44,739.79</u>	<u>\$ 60,731.14</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY CAPITAL FUND
ANALYSIS OF SEWER CAPITAL CASH AND INVESTMENTS
DECEMBER 31, 2010 and 2009**

		BALANCE DEC. 31, 2010	BALANCE DEC. 31, 2009
		<u> </u>	<u> </u>
	Interfund Payable - Utility Operating Fund	\$ 14.14	\$ 8.11
	Capital Improvement Fund	545.00	
	EPA Grants Receivable	(146,000.00)	
Ord.			
<u>No.</u>	<u>Improvement Authorizations</u>		
15-09	Sewer Improvements	35,000.00	35,000.00
02-10	Sewer Rehabilitation	160,455.00	
09-10	Sewer Rehabilitation	<u>10,717.00</u>	<u>-</u>
		<u>\$ 60,731.14</u>	<u>\$ 35,008.11</u>
	 <u>Ref.</u>	 D	 D

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY , NEW JERSEY**

**SEWER UTILITY OPERATING FUND
SCHEDULE OF INTERFUND RECEIVABLE - UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>REF.</u>	
Balance - December 31, 2009	D	\$ 8.11
Increased by:		
Interest Earned on Investments	D-2 , D-4	<u>77.35</u>
		85.46
Decreased by:		
Cash Receipts	D-4	<u>71.32</u>
Balance - December 31, 2010	D	<u><u>\$ 14.14</u></u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY , NEW JERSEY**

**SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance - December 31, 2009	D	\$ 70,006.72
Increased by:		
2010 Sewer Rents Levied	Reserve	<u>798,328.78</u>
		868,335.50
Decreased by:		
Cash Receipts	D-2 , D-4	<u>777,830.94</u>
Balance - December 31, 2010	D	<u>\$ 90,504.56</u>

**SEWER UTILITY OPERATING FUND
SCHEDULE OF DUE FROM FORMER TREASURER AND / OR BONDING COMPANY
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance - December 31, 2010 and 2009	D	<u>\$ 8,066.51</u>
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**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY , NEW JERSEY**

**SEWER UTILITY OPERATING FUND
SCHEDULE OF 2009 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	BALANCE DEC. 31, 2009		BALANCE AFTER TRANSFERS		PAYD OR CHARGED	BALANCE LAPSED
	APPROPRIATION RESERVES	RESERVE FOR ENCUMBRANCES				
Operations:						
Salaries and Wages	\$ 10,729.87		\$ 729.87			\$ 729.87
Other Expenses	<u>7,319.29</u>	<u>-</u>	<u>17,319.29</u>	<u>\$ 14,000.00</u>		<u>3,319.29</u>
	<u>\$ 18,049.16</u>	<u>\$ -</u>	<u>\$ 18,049.16</u>	<u>\$ 14,000.00</u>		<u>\$ 4,049.16</u>
<u>REF.</u>	D	D		D-4		D-1

**SEWER UTILITY OPERATING FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance - December 31, 2009	D	\$ -
Increased by:		
Grants Awarded to Finance Improvement Authorization	D-11	<u>146,000.00</u>
Balance - December 31, 2010	D	<u>\$ 146,000.00</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010**

ORDINANCE NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DEC. 31, 2009		2010 AUTH-ORIZATIONS	PAID/CHARGED	BALANCE DEC. 31, 2010	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
15-09	Sewer Improvements	8/12/2009	\$ 35,000.00	\$ 35,000.00			\$	35,000.00	
02-10	Sewer Rehabilitation	2/17/2010	160,455.00		\$ 160,455.00			160,455.00	
09-10	Sewer Rehabilitation	3/10/2010	20,000.00	-	20,000.00	\$ 9,283.00		10,717.00	-
				<u>\$ 35,000.00</u>	<u>\$ -</u>	<u>\$ 180,455.00</u>	<u>\$ 9,283.00</u>	<u>\$ 206,172.00</u>	<u>\$ -</u>
		<u>REF.</u>		D	D	Below	D-4	D	D
	Grants Receivable				D-10	\$ 146,000.00			
	Capital Improvement Fund				D-16	<u>34,455.00</u>			
				Above		<u>\$ 180,455.00</u>			

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>REF.</u>	
Balance - December 31, 2009	D	\$628,615.00
Increased By:		
Transfer from Fixed Capital Authorized and Uncompleted	D-13	<u> 9,283.00</u>
Balance - December 31, 2010	D	<u>\$637,898.00</u>

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>ORD. NO.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORD.</u>	<u>BALANCE DEC. 31, 2009</u>	<u>2010 AUTHORIZATIONS</u>	<u>TRANSFER TO FIXED CAPITAL</u>	<u>BALANCE DEC. 31, 2010</u>
15-09	Sewer Improvements	08/12/09	\$ 35,000.00			\$ 35,000.00
02-10	Sewer Rehabilitation	02/17/10		\$ 160,455.00		160,455.00
09-10	Sewer Rehabilitation	03/10/10	-	20,000.00	\$ 9,283.00	10,717.00
			<u>\$ 35,000.00</u>	<u>\$ 180,455.00</u>	<u>\$ 9,283.00</u>	<u>\$ 206,172.00</u>
		<u>REF.</u>	D	D-15	D-12	D

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>REF.</u>	
Balance - December 31, 2009	D	\$ 628,615.00
Increased by:		
Transfer from Deferred Reserve for Amortization	D-15	<u>9,283.00</u>
Balance - December 31, 2010	D	<u>\$ 637,898.00</u>

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>ORD. NO.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORD.</u>	<u>BALANCE DEC. 31, 2009</u>	<u>2010 AUTHORIZATIONS</u>	<u>TRANSFER TO RESERVE FOR AMORTIZATION</u>	<u>BALANCE DEC. 31, 2010</u>
15-09	Sewer Improvements	08/12/09	\$ 35,000.00			\$ 35,000.00
02-10	Sewer Rehabilitation	02/17/10		\$ 160,455.00		160,455.00
09-10	Sewer Rehabilitation	03/10/10	<u>-</u>	<u>20,000.00</u>	\$ <u>9,283.00</u>	<u>10,717.00</u>
			<u>\$ 35,000.00</u>	<u>\$ 180,455.00</u>	<u>\$ 9,283.00</u>	<u>\$ 206,172.00</u>
		<u>REF.</u>	D	D-13	D-14	D

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>REF.</u>	
Balance - December 31, 2009	D	\$ -
Increased By:		
Budget Appropriations - Cash Received	D-4	<u>35,000.00</u>
		<u>35,000.00</u>
Decreased By:		
Appropriated to Finance Improvement Authorizations	D-11	<u>34,455.00</u>
Balance - December 31, 2010	D	<u><u>\$ 545.00</u></u>

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE



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*

Honorable Mayor and Members
of the Borough Council
Borough of Jamesburg
Middlesex County, New Jersey

We have audited the regulatory-basis financial statements of the Borough of Jamesburg (the "Borough"), County of Middlesex, New Jersey as of and for the year ended December 31, 2010, and have issued our report thereon dated May 4, 2011, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") and a qualified opinion since the Division does not require the Length of Services Award Program ("LOSAP") to be audited. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division, 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 Borough's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over financial reporting.

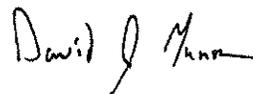
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough'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*.

This report is intended solely for the information and use of the Borough's Mayor and Council, management, others within the entity, and for filing with the Division, and is not intended to be and should not be used by anyone other than these specified parties.



David J. Gannon
Registered Municipal Accountant
No. 520



WISS & COMPANY, LLP

Iselin, New Jersey
May 4, 2011

Borough of Jamesburg
County of Middlesex

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2010

Federal Funding Department	Township Fund Reference	CFDA Number	Total Award	Grant Year	2010	
					Cash Receipts	Expenditures
Pass-Through Awards: Pass-Through County of Middlesex, NJ Department of Housing and Urban Development Community Development Block Grants	C	14.218	\$ 86,400.00	2009-2010	\$ 86,400.00	\$ 41,327.46
Total expenditures			\$ 86,400.00		\$ 86,400.00	\$ 41,327.46

See accompanying notes to the schedules of expenditures of federal awards and state financial assistance.

Borough of Jamesburg
County of Middlesex

Schedule of Expenditures of State Financial Assistance

Year Ended December 31, 2010

State Funding Department or Division	Program	Fund Reference	Total Award	State Account No.	Grant Year	2010	
						Cash Receipts	Grant Expenditures
Environmental Protection	Recycling Tonnage Grant	A	\$ 2,464.02	Not Available	2008		\$ 2,883.93
	Recycling Tonnage Grant	A	4,744.78	Not Available	2009		4,744.78
	Recycling Tonnage Grant	A	6,908.71	Not Available	2010		544.31
	Clean Community Grant	A	8,174.35	Not Available	2009	\$	8,174.35
	Clean Community Grant	A	15,000.00	Not Available	2010		15,000.00
Transportation	Safe Routes to Schools	A	227,760.00		2008	135,031.71	130,622.01
	Safe Routes to Schools	A	269,000.00		2009		(1,894.00)
	Municipal Aid Program - 2010	C	185,000.00		2010	108,776.06	182,560.36
Law and Public Safety	Body Armor Replacement Fund	A	817.43	Not Available	2010	817.43	
	Body Armor Replacement Fund	A	1,525.10	Not Available	2010	1,525.01	
	Drunk Driving Enforcement Fund	A	1,504.11	Not Available	2009		508.95
	Alcohol Education and Rehabilitation Fund	A	881.78	Not Available	2009		600.00
	Alcohol Education and Rehabilitation Fund	A	1,055.73	Not Available	2010	1,055.73	
	Pedestrian Safety	A	2,000.00	Not Available	2009	2,000.00	
Total expenditures						\$ 272,380.29	\$ 328,744.69

See accompanying notes to the schedules of expenditures of federal awards and state financial assistance.

**Borough of Jamesburg
Middlesex County, New Jersey**

**Notes to Schedules of Expenditures of Federal Awards and
State Financial Assistance
December 31, 2010**

Note 1 - General:

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal and state financial assistance programs of the Borough of Jamesburg. The Borough is defined in Note 1 to the financial statements. To the extent identified, the federal awards and state financial assistance that passed through other governmental agencies is included on the schedules of expenditures of federal awards and state financial assistance.

Note 2 - Basis of Accounting:

The accompanying schedules of financial assistance are presented using the basis of accounting as described in Note 1 to the Borough's financial statements.

Note 3 - Relationship to Financial Statements:

Amounts reported in the accompanying schedules agree with amounts reported in the Borough's financial statements.

Note 4 - 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, where required.

SUPPLEMENTARY DATA

BOROUGH OF JAMESBURG
SUPPLEMENTARY DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Tax Rate:</u>	\$ 5.202	\$ 5.149	\$ 4.975
<u>Apportionment of Tax Rate:</u>			
Municipal	\$ 1.448	\$ 1.423	\$ 1.315
County	0.665	0.699	0.665
Local School	2.925	2.863	2.830
Special District	0.164	0.164	0.165

Assessed Valuation:

2010	\$ 238,902,453		
2009		\$ 241,059,741	
2008			\$ 240,408,095

Note: Under the provisions of Chapter 73, L.1976 (R.S. 54:4-46.1), the County Board of Taxation estimated the amount of Veterans' and Senior Citizens' tax deductions, etc., to be \$36,144.52 for the year 2010.

COMPARISON OF TAX LEVIES AND COLLECTIONS

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>Cash Collections</u>	<u>Percentage of Collection</u>
2010	\$ 12,445,481.48	\$ 12,255,403.47	98.47%
2009	12,432,546.45	12,184,625.47	98.01%
2008	12,020,529.68	11,752,331.66	97.77%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>Dec. 31 Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	\$ -	\$ 181,275.60	\$ 181,275.60	1.46%
2009	-	232,866.40	232,866.40	1.87%
2008	-	257,369.94	257,369.94	2.14%

BOROUGH OF JAMESBURG
SUPPLEMENTARY DATA

PROPERTY ACQUIRED FOR TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2010	\$ 4,000.00
2009	4,000.00
2008	4,000.00

COMPARISON OF SEWER UTILITY LEVIES AND COLLECTIONS

<u>Year</u>	<u>WATER UTILITY</u>	
	<u>Billings</u>	<u>Collections*</u>
2010	\$ 798,328.78	\$ 777,830.94
2009	770,452.33	761,712.66
2008	743,686.66	730,699.99

*Include collections against prior year balances.

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2010	\$ 592,248.19	\$ 590,000.00
	2009	738,073.77	730,000.00
	2008	879,116.77	800,000.00
Sewer Utility Operating Fund	2010	32,726.77	32,000.00
	2009	36,489.95	36,000.00
	2008	32,940.34	30,000.00

BOROUGH OF JAMESBURG
SUPPLEMENTARY DATA

OFFICIALS IN OFFICE

The following officials were in office on December 31, 2010:

<u>NAME</u>	<u>TITLE</u>
Anthony LaMantia	Mayor
John Longo, Jr.	Council President
Thomas Busco Jr.	Council Member
Barbara Carpenter	Council Member
Brenda Deans	Council Member
Daria Ludas	Council Member
Gregory Newton	Council Member
Lauren Vande Vaarst	Municipal Clerk
Denise Jawidzik	Chief Financial Officer , Tax Collector
Kelly Taylor	Sewer Utility Administrator, Registrar of Vital Statistics
Frederick Raffetto	Attorney
Terrence Vogt	Engineer
Erin Shamy	Magistrate
Ken Pacera	Tax Assessor
Sharron Pyne	Court Administrator
Christine Ward	Deputy Court Clerk

**BOROUGH OF JAMESBURG
MIDDLESEX COUNTY, NEW JERSEY**

PART II

SUPPLEMENTARY DATA AND SCHEDULES

**BOROUGH OF JAMESBURG
COUNTY OF MIDDLESEX, NEW JERSEY
YEAR ENDED DECEMBER 31, 2010**

GENERAL COMMENTS

An audit of the financial accounts and transactions of the Borough of Jamesburg, County of Middlesex, New Jersey, for the year ended December 31, 2010, has been completed. The General Comments are herewith set forth:

Scope of Audit

The audit covered the financial transactions of the Finance Department and the other various offices and departments collecting fees within the Borough of Jamesburg, County of Middlesex, New Jersey.

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

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

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

OTHER MATTERS

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

N.J.S.A. 40A: 11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3: of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$29,000 (from January 1, 2010 through June 30, 2010) or \$36,000 (effective July 1,2010) except by contract or agreement."

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts and agreements for "Professional Services" per N.J.S.A. 40A:11-5. Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring or 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.

Collection of Interest on Delinquent Taxes and Assessments

New Jersey statutes provide the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body, on January 6, 2010, adopted a resolution authorizing interest to be charged on delinquent taxes and assessments, as follows:

8% Interest on Amounts up to \$1,500.00 on Delinquent Tax and Assessment Accounts.

18% Interest on Amounts from \$1,500.00 and above on Delinquent Tax and Assessment Accounts.

Ten (10) Day Grace Period

This resolution was subsequently amended pursuant to revisions to N.J.S.A. 54:4-67 to include a penalty of 6% to be charged to delinquencies in excess of \$10,000 at the end of the calendar year.

An examination of the collector's records indicated that interest on delinquencies was calculated in accordance with the foregoing resolution, for items tested.

Delinquent Taxes and Tax Title Liens

A tax sale was held on October 14, 2010, and was complete. Properties that were in bankruptcy proceedings were excluded from the sale. The status of these properties should be monitored to assure that the Borough protects its right to collect delinquent taxes and that these properties are exposed to tax sale proceedings at the earliest legal date.

The Borough maintains a foreclosure program for tax title liens that become subject to In Rem Foreclosure. Subject liens have been assigned to attorneys and are in process of foreclosure.

Investment of Funds

The chief financial officer had most of the idle funds of the Borough invested in the interest-bearing investments or accounts from January 1, 2010 to December 31, 2010. Earnings from the investments are shown as revenue in the various accounts of the Borough as of December 31, 2010. The investment program instituted by the finance officer was complete with minimal balances remaining in demand accounts. This policy complied with N.J.S.A. 40.4: 5-14 in all respects.

All cash, cash equivalents and investments held by the Borough were directly confirmed as of December 31, 2010.

Purchase Order System and Encumbrance System

The Borough's budgetary operation is on a full encumbrance system with the exception of payrolls and other direct costs. All purchases are made directly by the purchasing department or subsequently confirmed on an emergency basis. Tests of the system disclosed no exceptions during 2010. Blanket orders and other outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control.

Condition of Records - Tax Collector Office

The records maintained by the Tax Collector were audited. Computerized cash receipt records were agreed to daily controls and in total monthly with no exceptions noted for items tested. No exceptions were noted in the testing of computerized real estate tax billings and billing adjustments for real estate taxes.

Condition of Records - Finance Department

The Finance Department utilized a computerized general ledger accounting system during 2010. General ledgers were maintained for all funds. The Borough is currently in compliance with New Jersey Administrative Code 5:30-5.7, establishment and maintenance of a general ledger.

Payment of Claims

The examination did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. Authorization for payment of claims is delegated to the Chief Financial Officer and bill lists are submitted to the Borough Council for approval and recorded as a supplement to the official minutes.

Claims were examined on a test basis for the year under audit and no exceptions were noted.

Budgetary Records

The Borough maintains a detailed, computerized subsidiary ledger for each of its budgets.

Administration and Accounting for State Grant Programs

During 2010, the Borough operated programs, which were funded in whole or in part by state or federal grant awards. As part of the acceptance of these funds, the Borough is required to make assurances to the grantor agency that it will comply, in its general operations as well as in the operation of grant funded programs, with various laws and regulations. In addition, the individual grant contracts impose specific compliance requirements for the operations of each program. The examination of these grant programs indicated that the Borough has expended grant funds during 2010 for the purposes authorized.

Comments and Recommendations

**BOROUGH OF JAMESBURG
COUNTY OF MIDDLESEX, NEW JERSEY
YEAR ENDED DECEMBER 31, 2010**

COMMENTS AND RECOMMENDATIONS

None noted.