

TOWNSHIP OF EASTAMPTON
AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2010

**TOWNSHIP OF EASTAMPTON
COUNTY OF BURLINGTON**

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**TOWNSHIP OF EASTAMPTON
COUNTY OF BURLINGTON**

PART I

**INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND
SUPPLEMENTARY DATA
FOR THE YEAR ENDED DECEMBER 31, 2010**



Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the Township Council
Township of Eastampton
County of Burlington
Eastampton, New Jersey 08060

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of Eastampton, State of New Jersey as of December 31, 2010 and 2009, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related comparative statement of revenues--regulatory basis, comparative statement of expenditures--regulatory basis and general fixed assets group comparative statement of assets and fund balance--regulatory basis as of December 31, 2010 and 2009. These financial statements are the responsibility of the Township of Eastampton's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

In our opinion, because of the effects of the matters, as discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Eastampton, State of New Jersey, as of December 31 2010, the changes in its financial position, or where applicable, its cash flows for the year then ended. Further, the Township of Eastampton, State of New Jersey has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

MEDFORD OFFICE

618 Stokes Road • Medford, NJ 08055
Tel: 609.953.0612 • Fax: 609.953.8443
holmanfrenia.com

TOMS RIVER OFFICE

10 Allen St., Suite 2B • Toms River, NJ 08753
Tel: 732.797.1333 • Fax: 732.797.1022
holmanfrenia.com

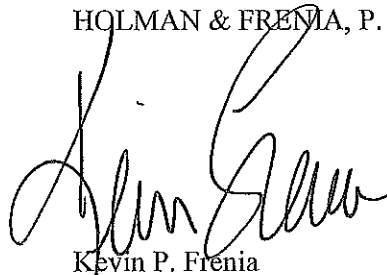
Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of Eastampton, State of New Jersey, as of December 31, 2010 and 2009, and the results of its operations and changes in fund balance of such funds--regulatory basis for the years then ended, and the revenues--regulatory basis, expenditures--regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2010 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2011, on our consideration of the Township of Eastampton, State of New Jersey's internal control over financial reporting and 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 read in conjunction with this report in considering the results of our audit.

The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR435

Medford, New Jersey
June 3, 2011



Certified Public Accountants & Consultants

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

The Honorable Mayor and Members
of the Township Council
Township of Eastampton
County of Burlington
Eastampton, New Jersey 08060

We have audited the financial statements of the Township of Eastampton, County of Burlington, State of New Jersey, as of and for the fiscal year ended December 31, 2010, and have issued our report thereon dated May 18, 2011. Our report disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Eastampton'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 Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses, which are described in the accompanying Comment and Recommendation Section as Finding No's: 2010-01 and 2010-02.

MEDFORD OFFICE
618 Stokes Road • Medford, NJ 08055
Tel: 609.953.0612 • Fax: 609.953.8443
holmanfrenia.com

TOMS RIVER OFFICE
10 Allen St., Suite 2B • Toms River, NJ 08753
Tel: 732.797.1333 • Fax: 732.797.1022
holmanfrenia.com

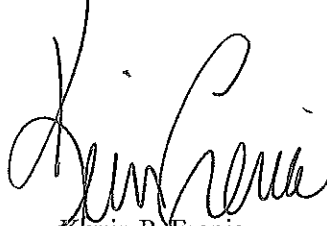
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Eastampton'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 two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which is described in the General Comments Section as Finding No. 2010-01 and 2010-02.

This report is intended solely for the information and use of the Township of Eastampton's management, and Committee members, others within the organization, the Division of Local Government Services, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR435

Medford, New Jersey
June 3, 2011

FINANCIAL STATEMENTS

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2010 AND 2009**

ASSETS	REFERENCE	2010	2009
Regular Fund:			
Cash - Checking & Savings Account:			
Treasurer	A-4	\$1,160,585	986,631
Petty Cash		1,200	1,200
Change Funds		525	525
Due from State of New Jersey:			
Senior Citizen & Veteran Deductions	A-8	18,406	15,656
Total Regular Fund		1,180,716	1,004,012
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	80,212	29,979
Tax Title Liens Receivable	A-6	406,609	412,455
Revenue Accounts Receivable	A-7	13,183	6,051
Due From Trust Fund - Other	B	1,809	
Due From Payroll Fund	D	38,499	1,021
Due From Dog Trust Fund	B	2,099	4,514
Total Receivables & Other Assets With Full Reserves		542,411	454,020
Deferred Charges:			
Overexpenditure of Appropriation Reserve	A	21,462	29,833
Deficit in Operations - Prior Year	A-3		5,250
Special Emergency 40A:4-55	A	30,000	71,600
Emergency Authorizations	A-3	75,000	
Total Deferred Charges		126,462	106,683
Total Regular Fund, Receivables & Other Assets With Full Reserves		1,849,589	1,564,715
State & Federal Grants:			
Due From Current Fund		48,297	43,723
Accounts Receivable	A-12	66,355	66,355
Total State & Federal Grants		114,652	110,078
Total Assets		\$1,964,241	1,674,793

The accompanying Notes to the Financial Statement is an integral part of this Statement.

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2010 AND 2009**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2010	2009
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$133,535	101,068
Encumbrances Payable	A-3	25,833	59,597
Prepaid Taxes	A-4	41,376	43,224
Tax Overpayments		39,175	52,238
Due to Trust Other		478,062	284,787
Reserve for Fire Safety Inspections		280	280
Reserve for Uniform Fire Safety Act		328	328
Reserve for Reassessment Program		1,371	1,371
Reserve for Performance Bond		48,649	48,649
Reserve for Codification of Ordinance		7,225	7,225
Due State & Federal Grant Fund		48,297	43,723
Due State of NJ - DCA			5,733
Due Mt Holly MUA		3,926	3,926
Due County for Added Taxes		2,212	3,659
Due Trust Other			12,207
Emergency Note Payable		105,000	71,600
		<hr/>	<hr/>
Total Liabilities		935,269	739,615
		<hr/>	<hr/>
Reserve for Receivables & Other Assets	A	542,411	454,020
Fund Balance	A-1	371,909	371,080
		<hr/>	<hr/>
Total Reserves		1,849,589	1,564,715
		<hr/>	<hr/>
State & Federal Grants:			
Encumbrances Payable			637
Reserve for State & Federal Grants:			
Appropriated	A-13	103,856	102,978
Unappropriated	A-14	10,796	6,463
		<hr/>	<hr/>
Total State & Federal Grants		114,652	110,078
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		\$1,964,241	1,674,793
		<hr/> <hr/>	<hr/> <hr/>

The accompanying Notes to the Financial Statement is an integral part of this Statement.

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

	2010	2009
Revenue & Other Income Realized:		
Fund Balance Utilized	\$231,000	100,000
Miscellaneous Revenue Anticipated	877,553	1,377,443
Receipts From Delinquent Taxes	63,125	14,912
Receipts From Current Taxes	12,395,781	12,158,646
Nonbudget Revenue	39,156	67,896
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	44,825	34,671
Other Credits to Income	7,684	
Interfunds Liquidated	1,100	8,932
	<hr/>	<hr/>
Total Revenue & Other Income Realized	13,660,224	13,762,500
	<hr/>	<hr/>
Expenditures:		
Budget and Emergency Appropriations:		
Within 5% CAPS:		
Operations:		
Salaries and Wages	1,795,828	1,991,702
Other Expenses	1,500,513	1,356,498
Deferred Charges & Statutory Expenditures Municipal	338,958	336,140
Excluded from 5% CAPS:		
Operations	365,785	199,919
Capital Improvements		
Debt Service - Municipal	354,221	471,294
Deferred Charges - Municipal	41,600	41,600
County Taxes	1,934,330	2,021,179
Due County for Added Taxes	2,212	3,659
Local District School Tax	4,782,879	4,759,417
Regional High School Tax	1,885,565	1,866,346
Municipal Open Space Tax	193,273	220,065
Fire District Taxes	305,669	299,730
Other Debits to Income:		
Interfunds Created	2,562	
	<hr/>	<hr/>
Total Expenditures	13,503,395	13,567,549
	<hr/>	<hr/>
Excess in Revenue	156,829	194,951
Adjustments to Income before Fund Balance		
Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Years	75,000	
	<hr/>	<hr/>
Statutory Excess of Fund Balance	231,829	194,951
Fund Balance January 1, 2010	371,080	276,129
	<hr/>	<hr/>
Total	602,909	471,080
Decreased by: Utilized as Revenue	231,000	100,000
	<hr/>	<hr/>
Balance December 31, 2010	\$371,909	371,080
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The accompanying Notes to the Financial Statement is an integral part of this Statement.

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	REFERENCE	ANTICIPATED BUDGET	ADDED PER N.J.S.40A:4-87 REALIZED	EXCESS OR (DEFICIT)
Fund Balance	A-1	\$231,000	231,000	
Miscellaneous Revenue				
Anticipated:				
Licenses:				
Alcoholic Beverages	A-7	9,908	10,028	120
Trailer Park	A-7	7,440	8,640	1,200
Fees & Permits:				
Construction Code Official	A-7	84,737	161,826	77,089
Other	A-7	4,954	5,713	759
Fines & Costs:				
Municipal Court	A-7	105,095	81,158	(23,937)
Energy Receipts Taxes	A-7	393,177	393,177	
Interest and Costs on Taxes	A-7	30,073	25,441	(4,632)
Interest on Investments	A-7	22,015	11,778	(10,237)
Reserve for Payment of Debt	A-7	17,158	17,158	
C.M.P.T.R.A	A-7	33,770	33,566	(204)
P.L.L.O.T.	A-7	69,450	70,600	1,150
Body Armor Replacement	A-14	891	891	
Drunk Driving Enforcement Fund	A-14	2,675	2,675	
Clean Communities Act	A-14	9,926	9,926	
Recycling Grant	A-14	3,788	3,788	
Cable Television Fees	A-7	21,065	21,065	
Rental of Property	A-7	3,750	3,750	
Police Reports	A-7	2,451	2,465	14
Hotel Fees	A-7	3,574	2,912	(662)
Housing Resale Certificate Fees	A-7	2,880	1,936	(944)
Interfund Liquidated	A-7	3,860	3,860	
Land Use Review Fees	A-7	5,700	5,200	(500)
Total		838,337	877,553	39,216
Receipts from Delinquent Taxes	A-2	14,912	63,125	48,213
Amount to be Raised by Support of Municipal Budget:				
Local Tax for Municipal Purposes Including				
Reserve for Uncollected Taxes	A-2	3,342,393	3,345,382	2,989
Budget Totals		4,426,642	4,517,060	90,418
Nonbudget Revenues	A-2		39,156	39,156
Total		\$4,426,642	4,556,216	129,574

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

ANALYSIS OF REALIZED REVENUES

	REFERENCE	
Allocation of Current Tax Collections:		
Revenue From Collections	A-1,A-5	\$12,395,781
Allocated to School, County, Municipal Open Space & Special Districts	A-5	9,154,971
Balance for Support of Municipal Budget Appropriations		3,240,810
Increased by Appropriation for Uncollected Taxes	A-3	104,572
Amount for Support of Municipal Budget Appropriations	A-2	\$3,345,382
Receipts from Delinquent Taxes:		
Delinquent Tax Collection	A-5,A-6	\$63,125
Total		\$63,125

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Miscellaneous Other		\$4,870
Certified Marriage Fees		1,128
Payment in Lieu of Taxes		2,251
Inspection Fines		1,800
Senior Citizen Administrative Fee		1,245
FEMA Snow Storm Refunds		15,754
Refund of Overpayments		12,108
Total Nonbudget Revenue		\$39,156
Reference	A-2	

The accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED CANCELLED
General Government:					
General Administrative:					
Salaries and Wages	\$122,770	122,770	122,769		1
Other Expenses	10,900	11,600	11,449	117	34
Mayor & Council:					
Salaries and Wages	14,196	13,104	13,104		
Other Expenses	900	1,075	862		213
Municipal Clerk:					
Salaries and Wages	55,594	55,619	55,619		
Other Expenses	10,700	8,200	7,664	224	312
Elections	2,100	2,101	2,100		1
Codification of Ordinances	2,000	4,740	1,195		3,545
Financial Administration:					
Salaries and Wages	42,377	56,752	56,154		598
Other Expenses	22,000	12,159	11,704	455	
Audit Services:					
Miscellaneous - Other Expenses	27,000	27,000	21,500		5,500
Collection of Taxes:					
Salaries and Wages	19,748	19,048	19,015		33
Other Expenses	7,000	8,100	6,784	415	901
Legal Services & Costs:					
Other Expenses	70,000	145,000	89,016		55,984
Engineering Services:					
Other Expenses	25,000	28,000	25,125		2,875
Municipal Land Use Law - (N.J.S. 40:55D-1):					
Planning Board:					
Salaries and Wages	7,500	6,001	6,000		1
Other Expenses	335	110	89		21
Engineering Services & Costs	2,000	1,500	900		600
Legal Services & Costs	15,000	4,500	3,291	90	1,119
Municipal Planner	2,000	250	210		40
Insurance:					
Unemployment Insurance	8,000	8,000	6,465	79	1,456
Other Insurance	1,200	1,200	1,038		162
Liability Insurance	75,873	75,873	75,873		
Workers Compensation Insurance	101,757	101,757	101,757		
Employee Group Insurance	377,946	397,071	397,052		19
Environmental Commission - (NJS40:5A-1 et seq):					
Other Expenses	1,000	452	452		
Public Safety:					
Police:					
Salaries and Wages	1,338,955	1,343,955	1,334,308		9,647
Other Expenses	91,579	72,579	61,102	8,874	2,603

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Public Safety (continued):						
Office of Emergency Management:						
Other Expenses	500	200			200	
Public Works Functions:						
Other Public Works Functions:						
Salaries & Wages	111,047	110,047	108,562			1,485
Other Expenses	24,060	22,560	17,332	5,138		90
Solid Waste Collection:						
Garbage & Trash Removal	150,000	152,350	152,348			2
Vehicle Maintenance:						
Other Expenses	22,569	22,569	20,825	1,668		76
Building & Grounds:						
Salaries & Wages	8,388	8,238	8,235			3
Other Expenses	1,800	1,800	1,699	85		16
Parks & Recreation Functions:						
Recreation Services & Programs:						
Salaries and Wages	16,162	16,162	16,162			
Other Expenses	3,250	550	544			6
Utility Expenses & Bulk Purchases:						
Street Lighting	78,000	75,000	70,283			4,717
Electricity	39,000	36,500	32,687	9		3,804
Telephone	31,000	31,800	30,268	912		620
Fuel Oil	10,000	9,800	7,790	1,589		421
Gasoline	44,480	44,480	43,364			1,116
Sewer	900	900	728	172		
Water	1,500	1,575	1,471	104		
Landfill Waste Disposal:						
Disposal Costs	165,000	161,000	159,569	975		456
Uniform Construction Code Enforcement Functions:						
Construction Official:						
Salaries and Wages	39,000	44,132	43,888			244
Other Expenses	3,250	3,462	3,462			
Other Common Operating Functions (Unclassified):						
Mt. Holly Sewerage Authority						
Charges	1,000					
Celebration of Public Events	100	100	73			27
Condominium Service Law	20,000	18,000				18,000
Matching Funds for Grant - Drug Alliance	3,200	2,100	2,100			
Prior Year Professional Bills	5,000	4,500	4,483			17
Total Operations Within "CAPS"	3,234,636	3,296,341	3,158,470	20,906	116,965	

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Detail:						
Salaries and Wages	1,775,737	1,795,828	1,783,816		12,012	
Other Expenses	1,458,899	1,500,513	1,374,654	20,906	104,953	
DEFERRED CHARGES & STATUTORY EXPENDITURES MUNICIPAL WITHIN "CAPS":						
Deferred Charges:						
Deficit in Operations	5,250	5,250	5,250			
Overexpenditure of Appropriations	8,371	8,371	8,371			
Social Security System (O.A.S.I.)	131,166	139,366	133,100	4,927	1,339	
Defined Contribution Retirement Program	100	100			100	
Contributions to Police & Fire Retirement System	161,915	161,915	161,915			
Contributions to Public Employee Retirement System	23,956	23,956	23,956			
Total Deferred Charges & Statutory Expenditures Within "CAPS"	330,758	338,958	332,592	4,927	1,439	
Total General Appropriations for Municipal Purposes Within "CAPS"	3,565,394	3,635,299	3,491,062	25,833	118,404	
OPERATIONS - EXCLUDED FROM "CAPS"						
Supplemental Fire Services Program:						
Other Expenses	1,502	1,502	1,502			
Contributions to Police & Fire Retirement System	134,314	134,314	134,314			
Contributions to Public Employee Retirement System	16,472	16,472	16,472			
Recycling Tax	6,922	6,922	6,922			
Interlocal Municipal Service Agreements						
Tax Assessor Interlocal Services Agreement	42,700	45,829	38,891		6,938	
MACCS Interlocal Services Agreement	68,000	69,966	61,773		8,193	
Municipal Court	73,500	73,500	73,500			
Public & Private Programs Offset by Revenues:						
Drunk Driving Enforcement Fund:						
Salaries & Wages	2,675	2,675	2,675			
Clean Communities Grant:						
Salaries & Wages	9,926	9,926	9,926			
Recycling Grant:						
Other Expenses	3,788	3,788	3,788			
Body Armor Replacement Fund - Police:						
Other Expenses	891	891	891			
Total Operations Excluded from "CAPS"	360,690	365,785	350,654		15,131	
Detail:						
Salaries and Wages	12,601	12,601	12,601			
Other Expenses	348,089	353,184	338,053		15,131	

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
OPERATIONS - Excluded from "CAP						
Municipal Debt Service - Excluded From "CAPS":						
Payment of Bond Principal	22,752	22,752	22,752			
Payment of Bond Anticipation Notes & Capital Notes	251,139	251,139	251,139			
Interest on Bonds	20,738	20,738	20,738			
Interest on Notes	59,757	59,757	59,592			165
Total Municipal Debt Service Excluded from "CAPS"	354,386	354,386	354,221			165
Deferred Charges - Municipal Excluded from "CAPS":						
Deferred Charges:						
Special Emergency Authorizations - 5 Years (40A:4-55)	41,600	41,600	41,600			
Total Deferred Charges - Municipal Excluded from "CAPS"	41,600	41,600	41,600			
Total General Appropriations Excluded from "CAPS"	756,676	761,771	746,475		15,131	165
Subtotal General Appropriations	4,322,070	4,397,070	4,237,537	25,833	133,535	165
Reserve For Uncollected Taxes	104,572	104,572	104,572			
Total General Appropriations	\$4,426,642	4,501,642	4,342,109	25,833	133,535	165
	REFERENCE					
Original Appropriations	A-3	\$4,426,642				
Emergency Authorizations	A-3	75,000				
Total		\$4,501,642				
	REFERENCE					
Deferred Charges to Future Taxation	A-3	\$41,600				
Reserve for Uncollected Taxes	A-3	104,572				
Reserve for State Grants Appropriated	A-12	19,380				
Deficit in Operations	A-3	5,250				
Overexpenditure of Appropriations	A-3	8,371				
Disbursed	A-4	4,162,936				
Total		\$4,342,109				

The accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF EASTAMPTON
TRUST FUND
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2010 AND 2009**

ASSETS	REFERENCE	2010	2009
Dog License Fund:			
Cash	B-1	\$10,682	12,878
Due from State of New Jersey			<u>5</u>
Total Dog License Fund		<u>10,682</u>	<u>12,883</u>
Other Funds:			
Cash	B-1	3,475,456	3,200,461
Accounts Receivable	B	7,872	
Due from Current	A	478,062	296,994
Total Other Funds		<u>3,961,390</u>	<u>3,497,455</u>
Total Assets		<u>\$3,972,072</u>	<u>3,510,338</u>
 LIABILITIES & RESERVES			
Dog License Fund:			
Due to Current Fund		\$2,099	4,514
Reserve for Dog Fund Expenditures	B-3	8,422	8,208
Prepaid Licenses		161	161
Total Dog License Fund		<u>10,682</u>	<u>12,883</u>
Other Funds:			
Due Current Fund	A	1,809	
Due Capital Fund	C	8	8
Due Victims of Crime Compensation Board			600
Reserve For:			
Escrow Funds	B-4	95,271	44,216
Premiums Received at Tax Sale	B-13	77,600	107,200
Park & Recreation Funds	B-8	24,073	19,664
Park & Recreation Building Fund	B-7	1,238	1,273
Redemption of Tax Title Liens	B-5	20,730	18,231
Storm Water Management Funds	B-6	1,273	1,273
Special Law Enforcement	B-9	6,845	10,570
Public Defender	B-11		9,644
Off Duty Police	B-12		13,528
Municipal Open Space Tax	B-10	3,732,543	3,271,248
Total Other Funds		<u>3,961,390</u>	<u>3,497,455</u>
Total Liabilities & Reserves		<u>\$3,972,072</u>	<u>3,510,338</u>

The accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF EASTAMPTON
GENERAL CAPITAL FUND
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2010 AND 2009**

ASSETS	REFERENCE	2010	2009
Cash	C-1	\$384,250	246,742
DOT Grant Receivable	C	16,150	16,150
Due from Trust Other Fund	C	8	8
Deferred Charges to Future Taxation:			
Unfunded	C-3	1,473,223	1,461,212
Funded		7,411,150	7,731,150
		<hr/>	<hr/>
Total Assets		<u>\$9,284,781</u>	<u>9,455,262</u>

LIABILITIES, RESERVES & FUND BALANCE

Bond Anticipation Notes	C-6	\$1,471,509	1,459,498
Bonds Payable	C-7	7,395,000	7,715,000
Reserve For Receivables	C	16,150	16,150
Improvement Authorizations:			
Unfunded	C-5	78,637	139,776
Funded	C-5	308,292	88,637
Accounts Payable		10,197	10,197
Contracts Payable		760	760
Reserve to Pay Debt Service	C-2		17,158
Capital Surplus	C	2	2
Capital Improvement Fund	C-4	4,234	8,084
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		<u>\$9,284,781</u>	<u>9,455,262</u>

There were bonds and notes authorized but not issued on December 31, 2009 \$1,714 and on December 31, 2008 was \$1,714. (Exhibit C-8)

The accompanying Notes to the Financial Statement are an integral part of this Statement.

TOWNSHIP OF EASTAMPTON
 PAYROLL FUND
 COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
 FUND BALANCE - REGULATORY BASIS
 DECEMBER 31, 2010 AND 2009

ASSETS	REFERENCE	2010	2009
Cash - Treasurer	D-1	\$53,372	17,655
Total Assets		<u>\$53,372</u>	<u>17,655</u>
LIABILITIES			
Payroll Taxes Payable	D-2	\$14,873	16,634
Due to Current Fund	A	38,499	1,021
Total Liabilities		<u>\$53,372</u>	<u>17,655</u>

The accompanying Notes to the Financial Statements are an integral part of this Statement.

EXHIBIT E

**TOWNSHIP OF EASTAMPTON
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENTS OF FIXED ASSETS
DECEMBER 31, 2010 AND 2009**

	2010	2009
Fixed Assets:		
Building	\$1,264,315	1,264,315
Land	10,524,300	10,524,300
Equipment	1,713,415	1,655,821
	<hr/>	<hr/>
Total	\$13,502,030	13,444,436
	<hr/> <hr/>	<hr/> <hr/>
 Investment in Fixed Assets	 \$13,502,030	 13,444,436
	<hr/> <hr/>	<hr/> <hr/>

The accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF EASTAMPTON
COUNTY OF BURLINGTON**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**



TOWNSHIP OF EASTAMPTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 1. Summary of Significant Accounting Policies:

Fiscal Reporting Entity

The Township of Eastampton was incorporated under the laws of the State of New Jersey. The financial statements of the reporting entity include those of the Township of Eastampton only and no other component units.

Basis of Accounting

The accounting policies of the Township of Eastampton conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs State of New Jersey. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

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

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created, including dog license revenue and expenditures and sundry deposits held for satisfactory completion of specific work.

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

The modified accrual basis of accounting is followed, with minor exceptions. Modifications from the accrual basis follow:

Revenues

Revenues are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the Federal Government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the Municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

Expenditures

Expenditures are recorded on the "budgetary" basis of accounting. Generally 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. Outstanding encumbrances at December 31 are reported as a liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created on December 31st of each year and recorded as Liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

Expenditures (continued):

preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Foreclosed Property

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

Interfunds

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

Insurance

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

Inventories of Supplies

The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets.

General Fixed Assets

Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. No depreciation has been recorded. Fixed Assets acquired through grants in and/or contributed capital have not been accounted for separately.

	Balance December 31, 2009	Additions	Deletions	Balance December 31, 2010
Building	\$ 1,264,315			\$ 1,264,315
Land	10,524,300			10,524,300
Equipment	1,735,892	\$57,594	\$80,071	1,713,415
Total	<u>\$13,524,507</u>	<u>\$57,594</u>	<u>\$80,071</u>	<u>\$13,502,030</u>

TOWNSHIP OF EASTAMPTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 1. Summary of Significant Accounting Policies (continued):

Compensated Absences

The regular Township employees do not accrue accumulated unpaid vacation, but may accrue up to 90 sick days. At date of retirement, employee may sell back any unused sick time at ½ the current rate. The

Township police department does accrue one-half of unused sick days with a payout required at time of termination.

The amount of accrual for compensated absences as of December 31, 2010 is as follows:

	Employees Accrual	Township Share of Payroll Taxes	Total
Accrued Time	<u>\$142,558</u>	<u>\$10,906</u>	<u>\$153,464</u>

This liability has not been recorded on the financial statements. Actual payment and funding for compensated absences occurs through budget appropriation in the annual operating budget and only during the year the employee terminates employment (pay-as-you-go basis).

Property Taxes

Property taxes are an enforceable lien on property as of January 1. Taxes are levied annually and are payable in quarterly installments on February 1, May 1, August 1 and November 1 of each year.

Investments

Investments are stated at actual cost.

Budgets

The Township is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Prior to February 10th of the budget year the Township introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held 28 days after introduction, after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

Subsequent Events

The Township of Eastampton has evaluated subsequent events occurring after December 31, 2010 through the date of June 3, 2011, which is the date the financial statements were available to be issued.

Note 2. Bonds and Notes Authorized But Not Issued:

At December 31, 2010 the Township has authorized but not issued bonds and notes as follows:

General Capital Fund - Bonds and Notes	<u>\$ 1,714</u>
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Note 3. Current Fund Balance Appropriated:

Fund Balance at December 31, 2010, which was appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2011 were as follows:

Current Fund	<u>\$231,000</u>
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Note 4. Deferred District School Taxes:

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

The Township has elected to defer school taxes as follows:

	BALANCE DECEMBER	
	2010	2009
Local School Taxes:		
Balance of Tax	\$2,388,939	\$2,393,939
Deferred	<u>2,388,939</u>	<u>2,393,939</u>
Tax Payable	<u>\$ 0</u>	<u>\$ 0</u>
 Regional School Taxes:		
Balance of Tax	\$ 970,804	\$ 914,761
Deferred	<u>970,804</u>	<u>914,761</u>
Tax Payable	<u>\$ 0</u>	<u>\$ 0</u>

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 5. Cash and Cash Equivalents and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2010, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	\$4,814,612
New Jersey Cash Management Fund	<u>269,733</u>
Total Deposits	<u>\$5,084,345</u>

Reconciliation of Statement of Comparative Balance Sheets:

Current:	
Treasurer	\$1,160,585
Dog Trust	10,682
Other Trust	3,475,456
General Capital	384,250
Payroll Fund	<u>53,372</u>
Total Reconciliation of Comparative Balance Sheets	<u>\$5,084,345</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$5,226,410 at December 31, 2010. Of the bank balance \$500,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$4,726,410 was secured by a collateral pool held by the bank, but not in the Township’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 6 of these financial statements.

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2010, are provided in the above schedule.

Investment Credit Risk – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 5. Cash and Cash Equivalents and Investments (continued):

- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The Township places no limit on the amount it may invest in any one issuer.

Note 6. Governmental Unit Deposit Protection Act (GUDPA)

The Township has deposited cash in 2010 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

TOWNSHIP OF EASTAMPTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 6. Governmental Unit Deposit Protection Act (GUDPA) (continued)

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The Municipality should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 7. Pension:

A. Plan Description

The Township of Eastampton contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State of New

TOWNSHIP OF EASTAMPTON

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 7. Pension (continued):

Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees.

P.E.R.S. and P.F.R.S. issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

B. Funding Policy

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey administrative code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

Plan members are required to contribute 5% through June 30, 2008 and 5.5% thereafter of their annual covered salary for P.E.R.S., 8.5% of their annual covered salary for P.F.R.S. and the Township is required to contribute at an actuarially determined rate. The current rate represents approximately 1.79% for P.E.R.S. and 9.09% for P.F.R.S. of annual covered payroll. The contribution requirements of plan members and the Township of Eastampton are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2010, 2009 and 2008 were \$23,956, \$23,146 and \$34,838, respectively, equal to the required contributions for each year, and to P.F.R.S. for the years ending December 31, 2010, 2009 and 2008 were \$161,915, \$156,440 and \$277,566, respectively, equal to the required contributions for each year.

Note 8. General Long-Term Debt:

The following is a summary of long-term debt at December 31, 2010:

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 8. General Long-Term Debt (continued):

	Balance December 31, 2009	Issued	Retired	Balance December 31, 2010
Bonds Payable	\$7,715,000		\$320,000	\$7,395,000
BAN's Payable	1,459,498	\$263,150	251,139	1,471,508
Emergency Note Payable	71,600	75,000	41,600	105,000
Total	<u>\$9,246,098</u>	<u>\$338,150</u>	<u>\$612,739</u>	<u>\$8,971,508</u>

A. 2003 General Obligation Bonds

2003 General Obligation Bonds dated July 1, 2003, were issued in the amount of \$9,320,000. The Bonds are being issued to provide funds, which will be used to: 1) permanently finance the costs of various capital improvements for which the obligations have been authorized and 2) pay certain costs and expenses incidental to the issuance and delivery of the Bonds. Interest on the Bonds will be payable semiannually commencing on January 1, 2004 and thereafter on July 1 and January 1 until maturity.

Principal amounts are due each July 1 starting in 2004. The Bonds maturing on and after July 1, 2014 are subject to redemption prior to their stated maturity dates at the option of the Township at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date. The following schedule depicts principal and interest commencing January 1, 2009:

Year	Principal	Interest	Total
2011	\$ 320,000.00	\$ 281,278.75	\$ 601,278.75
2012	370,000.00	270,878.75	640,878.75
2013	375,000.00	258,391.25	633,391.25
2014	400,000.00	245,335.00	645,335.00
2015	400,000.00	231,735.00	631,735.00
2016-2020	2,035,000.00	944,230.00	2,979,230.00
2021-2025	2,175,000.00	537,800.00	2,712,800.00
2026-2028	<u>1,320,000.00</u>	<u>108,900.00</u>	<u>1,428,900.00</u>
Total	<u>\$7,395,000.00</u>	<u>\$2,878,548.75</u>	<u>\$10,273,548.75</u>

7.11% of principal and interest is charged against budgeted Debt Service. The remaining 92.89% is charged against the Open Space Trust Fund.

TOWNSHIP OF EASTAMPTON

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 9. Property Taxes:

Property taxes are an enforceable lien on the assessed property. Taxes are due on a quarterly basis on February 1, May 1, August 1 and November 1. All unpaid taxes become delinquent 10 days after the above due dates. The Township bills and collects its own property taxes as well as the taxes levied by the other taxing bodies within the municipality. Property tax revenues are recognized when collected. A reserve for uncollected taxes is established in the current operating budget to the extent that their collectability is improbable.

Note 10. Capital Lease:

In 2006 the Township entered into a lease purchase agreement for the purchase of a 2006 Ford Crown Victoria with the Ford Motor Credit Company. Payments will be \$709.29 for 36 months. In 2007 the Township entered into a lease purchase agreement for the purchase of two 2007 Crown Victories with the Ford Motor Credit Company. Payments will be \$1,775 for 36 months. In 2009 the Township entered into a lease purchase agreement for two 2008 Chevrolet Suburbans with Ford Motor Credit Company. Payments will be \$1,874.94 for 36 months.

Year	Principal	Interest	Total
2011	<u>\$16,464.37</u>	<u>\$ 410.09</u>	<u>\$16,874.46</u>
Total	<u>\$16,464.37</u>	<u>\$410.09</u>	<u>\$16,874.46</u>

Capital Lease payables are not recorded by the Municipality on the face of the financial statements. They are budgeted on a pay-as-you-go basis.

Note 11. Supplemental Information Open Space Program & Smart Growth Planning Report

Mission of the Open Space Program

Enhancing the quality of life of Eastampton residents is the central focus of municipal government in the Township. The open space plan is a strategically critical link in the pursuit of this goal. New Jersey measures local quality of life through economic well-being, housing value and ownership, property tax base and rate, public safety, school achievement, and community amenities. Eastampton's Open Space Plan addresses each of these elements to the maximum extent possible and is coordinated with the Township's overall smart growth philosophy.

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 11. Supplemental Information Open Space Program & Smart Growth Planning Report (continued):

Eastampton was one of seven recipients of the 2004 New Jersey Smart Futures Award in recognition of its thoughtful approach to land use and open space planning. The award was from NJFUTURES, which is New Jersey's leading smart growth organization and is co-chaired by the State's former governors.

The properties listed for preservation in the Open Space Plan have been preserved as of 2003 through a variety of strategies. Certain properties within the plan were the subject of drawn out litigation with developers intent on imposing a poorly balanced ratio of housing to commercial development that would have created a severe fiscal deficit for the municipality.

Impact on Quality of Life and Community Development

The basis of the Township's future economic competitiveness is its livability and attractiveness. The envelope of open space and farmland that has been created around the core of the municipality sets a development environment conducive to high quality and high value construction. The following points further illustrate the anticipated economic benefits of the Plan.

Balanced Land Use - The land preserved under the Plan would have resulted in standard suburban housing tract development. Over the past ten years, applications for such developments were pending that would have yielded 940 +/- dwelling units. The resulting misbalance between residential and commercial land uses would have resulted in a negative ratable for the community. To correct the existing ratio of housing to commercial ratables, the Township has undertaken a comprehensive planning effort of its central business district through a \$60,000 Smart Growth Planning grant from the New Jersey Department of Community Affairs, which will result in standards and incentives to improve the area. Land that is suitable for commercial and mixed-use development also remains open along Route 206. In 2004, the Township approved preliminary site plans and a use variance for 33,000 square feet of new commercial development on Route 206.

- A. **Efficient Infrastructure** - Eastampton's Plan and redevelopment goals mirror the objectives of the State of New Jersey's Development and Redevelopment Plan. In a 2000 report by Rutgers University on the State Plan entitled "Impact Assessment of the Interim State Development and Redevelopment Plan," the authors concluded that the preservation of open space and redevelopment of existing center: "Will save as much as \$2.3 billion in capital costs for local road and water and sewer infrastructure over the next 20 years and as much as \$160 million per year in reduced fiscal deficits statewide for municipalities and school districts." By avoiding unplanned sprawl development, Eastampton will benefit from reduced infrastructure costs and minimize the ratable deficits.
- B. **Higher Property Values** - A 1998 report by ERE Yarmouth and Real Estate Research Corporation entitled "Defining New Limits: Emerging Trends in Real Estate" noted that there is "no greater risk to land values than unrestrained development," which promotes a loss in exclusivity that results in a deteriorating housing stock. Further, there are numerous studies showing that proximity to permanent open space has a dramatic effect on property values.

TOWNSHIP OF EASTAMPTON

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 11. Supplemental Information Open Space Program & Smart Growth Planning Report (continued):

C. Attracting Investment – In a report entitled “The Economic Benefits of Open Space” published by The Trust for Public Land, numerous reports are cited explaining the link between corporate investment, relocation decisions and quality of life, which includes proximity to open space. In short, the report states “If people want to live in a place, companies, stores, hotels, and apartments will follow.”

Explanation of Post 1998 Open Space Projects

As of May 2003, all proposed preservation projects have been successfully completed. A green belt of 1,016 +/- acres now surrounds the center of the Township. The lands preserved from development include the following projects:

Land Purchased Fee Simple by Township for Passive & Active Recreation: 212 Acres

Project A: Tabas

Acres: 43

Price: \$921,500

Grants: New Jersey Green Acres Program \$460,750

Burlington County Open Space Program \$230,375

Township's Cost: \$460,750

A proposal for a 50+/- unit residential subdivision was pending litigation.

Project B: Eastampton LLC

Acres: 172 (211 acres purchased, 39 acres subdivided for positive ratable growth.)

Price: \$7,438,500 for 172 open space parcel. Cost of the total 211 acres was \$8,950,000.

Grants: New Jersey Green Acres Program \$3,500,000* (\$4,961,500 anticipated)

Burlington County Open Space Program \$1,857,125

Township's Cost: \$4,056,375 (\$619,875 once full grant commitments received).

A Court approved General Development Plan for a 577 residential unit subdivision was pending at time of purchase.

TOWNSHIP OF EASTAMPTON

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 11. Supplemental Information Open Space Program & Smart Growth Planning Report (continued):

County and Township purchase of development rights for farmland preservation: 334 Acres

Under this approach, the Township has contributed to the acquisition of development rights so that the land can remain in private ownership but limited to farming activities. The Township partnered with the Burlington County Farmland Preservation program to complete two farmland preservation projects. These include the Axelrod Farm and the Walton Farm.

The Township is now working with the Burlington County Office of Planning and Economic Development to create an agri-business and eco-tourism plan for the region that would include these properties along with historic Smithville Park.

The total cost to the Township for participation in the acquisition of development rights is expected to be approximately \$325,000. The farmland will continue to generate positive tax revenue for the municipality and grow in value as the regional agri-business and eco-tourism plans unfold.

Wetlands Mitigation: 341 Acres

This land was targeted for higher density residential development to meet the Township's affordable housing obligation. By taking advantage of a new market for restored wetlands, the Township was able to preserve 341 acres of land at no cost while meeting its affordable housing obligation with a high quality and award winning 100 unit affordable housing development in its redevelopment zone.

Background - In March of 1983, weeks after the New Jersey Supreme Court handed down its Mount Laurel II decision, an exclusionary zoning lawsuit was filed against the Township by Toll Brothers, Inc. in order to meet the Township affordable housing obligation. A subsequent settlement provided for the development of 720 multi-family units on the site, which at the time consisted of 297 acres. This project was not developed and in the 1980's, the Freshwater Wetlands Protection Act was adopted that impacted much of the site. The property was taken over by LandBank Inc., which added 70 adjacent acres to the site and proposed a 350-unit development with 70 units set aside for affordable housing.

In 1994, LandBank filed for bankruptcy and a new entity, Rancocas Investments, LLC., took over the property, which continued to carry previous court orders to produce affordable housing. In 1998, the Township entered into negotiations with the new owners. The resulting developer's agreement transferred 26 acres for a 100 unit affordable housing development and the balance of the land would be used for wetlands mitigation projects, which was Rancocas Investment's primary business.

Consequently, the Township was able to preserve 341 acres of environmentally sensitive land and avert a court ordered low quality 350-unit multi-family development to a high quality 100-unit complex that meets the Township affordable housing requirement now and into the immediate future. The

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 11. Supplemental Information Open Space Program & Smart Growth Planning Report (continued):

development also has initiated the pedestrian scale and community design pattern the Township is encouraging in the Village Center District.

The Township did not incur acquisition costs in this agreement.

Fee Simple Acquisitions by Burlington County Freeholders and Regional High School: 129 Acres

The Burlington County Freeholders and Rancocas Valley Regional High School purchased a 129-acre parcel known as DAC in 1999. Approximately half the land was added to Burlington County's Smithville Park, and the balance of the land is in development stages for active recreational fields for the primary use of the regional high school located in neighboring Mt. Holly Township. Eastampton residents will be granted use of these fields for various active recreational activities.

Prior to its acquisition, a 55 unit residential subdivision had been proposed.

Governance & Planning

The Township Council, past and present, pursued a disciplined legal and communications strategy to achieve the community's highly vocalized desire to stop the type of development described above and to preserve farmland and open space. The Council has been able to keep the community focused and engaged in complex growth management and quality of life issues over successive elections cycles.

Legal challenges, backed by the development community, had been ongoing for approximately fourteen-years. Through the consistency of its planning documents, the Township prevailed in nearly all instances.

Establishing Open Space Plan & Tax

The Township Council adopted the Plan in 1998 and incorporated it into the Township's Master Plan in June 2001. In each case there was a process of extensive public input that included petitions, public meetings, two surveys and two referendums (1998 and 2001), which memorialized the acquisition goals and created a dedicated tax. Public support of the open space initiatives passed by a 3-1 margin each time. The 1998 referendum established an open space tax of 3 cents per \$100 of assessed value. In 2001 the Township asked for and was given authority to raise the Open Space Tax up to 23 cents per \$100 of assessed value. The current open space tax is set at 5.2 cents per \$100 of assessed value and generates approximately \$275,000 per year. This figure is sufficient to meet the debt payment schedule for the projects listed below and may be reduced as additional funds are received and the municipal tax base grows.

TOWNSHIP OF EASTAMPTON

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 11. Supplemental Information Open Space Program & Smart Growth Planning Report (continued):

Open Space Grants & Financing

Eastampton Township is taking advantage of two open space grant programs to finance its Plan. These include the State of New Jersey's Green Acres program under the Department of Environmental Protection and the Burlington County Open Space program.

NJ Green Acres Program

The Green Acres program has established a variety of grant options. The most comprehensive grant is known as the *Planning Incentive Grant Program* whereby the applicant municipality is required to amend its municipal master plan to include an approved open space element and establish a dedicated open space tax. In return, the program would provide up to 50 percent of the acquisition costs on the lands listed in the open space element. Eastampton met these requirements and was accepted into the program.

Green Acres was not able to provide the full 50 percent funding in a timely manner as a result of increased demand for funding and a downturn in State revenues. If the Township choose to wait for full funding from Green Acres prior to acquisition, rising land prices would have jeopardized the program. Consequently, the Township bonded for the full cost of the effort with the consent of Township voters (June 2001 referendum) and with the understanding that funding from Green Acres would be ongoing. In 2004 and 2005, the Township was awarded an additional \$800,000 (\$400,000 each year). The Township has received those funds in 2006. The Township received an additional \$300,000 in 2008 and \$350,000 in 2009. This increased the total funding from Green Acres to \$3,500,000 and lowered the remaining contribution to \$1.46 million.

Conclusion – Growth Management Pays Off in Eastampton

Eastampton Township was aggressive in securing initial grant funding for open space when it was available, approximately \$4,123,250 to date from all sources. It also timed the purchase of the land prior to the rapid increase in real-estate values now being experienced. For example, the Eastampton LLC project was appraised for a second time in January 2003 as part of the subdivision process. Appraisal (1) valued the land at \$13,000,000 and Appraisal (2) valued the land at \$11,937,000¹. Through existing grants, the cost to the Township will be \$4,406,375. If the Green Acres program continues to provide annual payments towards its initially committed level of funding, as is anticipated, the cost to the Township for the land will have been \$1,862,127, or 15 percent of its current value.

As a result of the open space program, construction of 940 low to moderate value residential units was averted that would have overwhelmed local services and the school system in particular. The total cost of

TOWNSHIP OF EASTAMPTON

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 11. Supplemental Information Open Space Program & Smart Growth Planning Report (continued):

the open space program (Eastampton LLC., Tabas and farmland preservation) will fall between \$2.7 and \$5.7 million depending on the availability and timing of additional Green Acres funding. It is a given that the construction of the 940 units would have resulted in 300 - 400 additional students necessitating the construction of an additional school building in addition to the proposed renovations. As previously noted, the cost of financing the open space program decreased in 2004 due to the reduction in the open space tax from .19 cents to .18 cents per \$100 of assessed value. Finally, the value associated with proximity to high quality open space will have a positive impact on surrounding property values, thus further reducing the cost of the open space projects to the community.

To date, one mixed-use project is complete, and another is under construction. As the Township is able to factor these new Ratables into the open space debt schedule, the Council will be in position to consider further adjustments to the open space tax.

Note 12. Joint Insurance Pool

The Township of Eastampton is a member of the Garden State Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Comprehensive Coverage Package: Property, Equipment Breakdown,
Inland Marine, Crime, General Liability and Automobile
Workers' Compensation and Employer's Liability
Law Enforcement Liability
Public Officials Liability

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Fund publishes its own financial report for the year ended December 31, 2010, which can be obtained from:

Garden State Municipal Joint Insurance Fund
C/o NIP Group, Inc.
900 Route 9 North, Suite 503
Woodbridge, New Jersey 07095

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 13 Risk Management

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. It is the policy of the Township to purchase commercial insurance for the risks of loss to which it is exposed. Settlements in each of the past three years have not exceeded the insurance coverage.

Note 14. Interfunds

The following interfunds remained as of December 31, 2010:

Fund	Due From	Due To
Current Fund	\$ 42,407	\$526,359
State/Federal Grant Fund	48,297	
Dog License Fund		2,099
Payroll Fund		38,499
Capital Fund	8	
Trust Other Fund	<u>478,062</u>	<u>1,817</u>
Total	<u>\$568,774</u>	<u>\$568,774</u>

The purpose of these interfunds is short-term borrowings.

Note 15. Post-Retirement Health Benefits

Eastampton Township provides post-employment dental coverage to eligible retired employees and their families until Medicare age is attained. As of December 31, 2010, an employee is generally eligible for benefits upon retirement provided they have completed 25 years of public employment with the Eastampton Township and are at least 55 years of age. Eligible retirees contribute 20% of the premium charged.

Eastampton Township's annual Other Post-Employment Benefit cost is calculated based on the Annual Required Contribution. The actuarial cost method used to determine the Plan's funding requirements is the "Unit Credit" method. Under this method, an actuarial accrued liability is determined as the present value of the earned benefits, which is allocated to service before the current plan year. The Plan is currently unfunded. The unfunded actuarial liability is amortized over thirty years. The following table shows the changes in Eastampton Township's annual Other Post-Employment Benefit cost for the year, the amount actually contributed to the Plan and changes in their net Other Post-Employment Benefit obligation to the plan:

TOWNSHIP OF EASTAMPTON

NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010

Note 15. Post-Retirement Health Benefits (continued):

Annual Required Contribution	\$ 2,440
Interest on Net Other Post-Employment Benefit	-
Adjustment to Annual Required Contribution	-
	2,440
Annual Other Post-Employment Benefit Contributions Made	
Increase in Net OPEB Obligation	2,440
Net OPEB, Beginning of Year	21,682
 Net OPEB, End of Year	 \$24,122

Eastampton Township’s annual Other Post-Employment Benefit cost, the percentage of annual Other Post Employment Benefit cost contributed to the Plan, and the net Other Post Employment Benefit obligation (OPEB) for the year ending December 31, 2010 is as follows:

YEAR ENDED	ANNUAL OPEB COST	PERCENTAGE CONTRIBUTED	NET OPEB OBLIGATION
12/31/10	\$2,440	0%	\$24,122

Actuarial assumptions were used to value the post-retirement medical liabilities. Actuarial assumptions were based on the actual experience of the covered group, to the extent that creditable experience data was available, with an emphasis on expected long-term future trends rather than giving undue weight to recent past experience. The reasonableness of each actuarial assumption was considered independently based on its own merits, its consistency with each other assumption, and the combined impact of all assumptions.

Two economic assumptions used in the valuation are the discount rate and the dental care cost trend rates. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

The investment return assumption (discount rate) should be the estimated long-term investment yield on the investments that are expected to be used to finance the payments of benefits. The investments expected to be used to finance the payments of benefits would be plan assets for funded plans, assets of the employer for pay-as-you-go plans, or a proportionate combination of the two for plans that being partially funded. We assumed a discount rate of 5.0 percent for purposes of developing the liabilities and Annual Required Contribution on the basis that the Plan would not be funded. We based dental claims on an annual average claims cost of approximately \$1,424 per covered retiree for family coverage and \$491 for single coverage. We assumed dental care costs would increase annually at a rate of 5%.

Eastampton Township currently has one eligible retired employees receiving retirement benefits. The net Other Post-Employment Benefit obligation to Eastampton Township to provide benefits to the retirees for the year ended December 31, 2010 was \$24,122.

TOWNSHIP OF EASTAMPTON

**NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 16. Pension Deferral

Eastampton Township elected to defer 50 percent of their normal PERS and PFRS pension obligations which were due April 1, 2009 for the state fiscal year ending June 30, 2009 pursuant to Public Law 2009, c.19 (S-21) which was enacted March 17, 2009. The total amount deferred by the Township was \$163,090, which was made up of \$18,538 of PERS obligations and \$144,552 of PFRS obligations.

The unpaid amount of the Township's pension obligation will be repaid starting in April of 2012 and will extend over a 15 year period. The amount due will fluctuate based on pension system investment earnings on the deferred amount.



SUPPLEMENTAL EXHIBITS

CURRENT FUND

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2010**

	CURRENT FUND	STATE & FEDERAL GRANT FUND
Balance December 31, 2009	\$986,631	
Increased by Receipts:		
Taxes Receivable	\$12,311,162	
Tax Title Liens Receivable	23,941	
Prepaid Taxes	41,376	
Petty Cash	800	
Tax Overpayments	21,421	
Miscellaneous Revenue Not Anticipated	39,156	
Due From State of New Jersey - Senior Citizen & Veteran Deductions	62,250	
Revenue Accounts Receivable	860,273	
Due State & Federal Grant Fund	2,474	
Interfunds Created	69,017	
Due State DCA	5,169	
Due State Marriage Licenses	1,125	
State and Federal Grants Received		21,613
Total Receipts	13,438,164	21,613
Subtotal	14,424,795	21,613
Decreased by Disbursements:		
2010 Appropriations	4,162,936	
2009 Reserved Appropriations	115,840	
Reserve for New Jersey State Grants Appropriated		19,139
Refund of Tax Overpayments	18,905	
County Taxes	1,934,330	
County Share of Added Taxes	3,659	
Local School Tax	4,782,879	
Regional High School Tax	1,885,565	
Fire District Tax	305,669	
Due State Marriage Licenses	1,125	
Due State DCA	10,902	
Special Emergency Note Payable	41,600	
Petty Cash	800	
Interfund - State & Federal		2,474
Total Disbursements	13,264,210	21,613
Balance December 31, 2010	\$1,160,585	-

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

YEAR	BALANCE	2010 LEVY	ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	OVERPAYMENTS APPLIED	TRANSFERRED TO TAX		BALANCE DECEMBER 31, 2010
	DECEMBER 31, 2009			2009	2010			TITLE LIENS	CANCELED	
2008	\$1,297				1,297					
2009	28,682		10,502		37,887					1,297
Total	29,979		10,502		39,184					1,297
2010		12,465,376	30,721	43,224	12,271,978	65,000	15,579	18,095	3,306	78,915
Total	\$29,979	12,465,376	41,223	43,224	12,311,162	65,000	15,579	18,095	3,306	80,212

ANALYSIS OF 2010 PROPERTY TAX LEVY

General Purpose	\$12,149,205
Added Taxes (54:4-63.1 et seq)	41,223
Fire District Tax	305,669
Total	<u><u>\$12,496,097</u></u>
TAX LEVY:	
Local School Tax	\$4,777,879
Regional High School Tax	1,941,608
County Taxes:	
General County	\$1,579,877
County Open Space	204,624
County Library Tax	149,829
Due County for Added Tax (54:4-63.1 et seq)	2,212
Fire District Tax	305,669
Municipal Open Space	193,273
Local Tax for Municipal Purposes	3,342,393
Add: Additional Taxes Levied	(1,267)
Total	<u><u>\$12,496,097</u></u>

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009	\$412,455
Increased by :	
Transfers From Taxes Receivable	18,095
Subtotal	430,550
Decreased by :	
Liens Redeemed	23,941
Balance December 31, 2010	\$406,609

**STATEMENT OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

	BALANCE DECEMBER 31, 2009	ACCRUED IN 2010	COLLECTED BY TREASURER	BALANCE DECEMBER 31, 2010
Licenses:				
Alcoholic Beverages		10,028	10,028	
Trailer Camp Licenses		8,640	8,640	
Fees & Permits - Other		5,713	5,713	
Construction Code Official:				
Fees & Permits		161,826	161,826	
Housing Resale Certification Fees		1,936	1,936	
Municipal Court:				
Fines & Costs	\$6,051	88,290	81,158	13,183
Energy Receipts Taxes		393,177	393,177	
P.I.L.O.T.		70,600	70,600	
C.M.P.T.R.A		33,566	33,566	
Interest and Costs on Taxes		25,441	25,441	
Interest on Investments & Deposits		11,778	11,778	
Reserve for Debt Service		17,158	17,158	
Cable Television Fees		21,065	21,065	
Rental of Real Property		3,750	3,750	
Police Reports		2,465	2,465	
Hotel Fees		2,912	2,912	
Liquidate Interfund		3,860	3,860	
Land Use Review Fees		5,200	5,200	
Total	\$6,051	867,405	860,273	13,183
Cash Receipts			\$860,273	
Total			\$860,273	

TOWNSHIP OF EASTAMPTON
CURRENT FUND
SCHEDULE OF DUE (TO) FROM STATE OF NEW JERSEY
VETERAN AND SENIOR CITIZEN DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2010

Balance December 31, 2009		\$15,656
Increased by:		
2010 Deductions Per Tax Billing:		
Senior Citizens'	\$4,750	
Veterans'	58,000	
Deductions Allowed by Collector - 2010 Taxes	2,250	65,000
Subtotal		80,656
Decreased by:		
Received from State of New Jersey		62,250
Balance December 31, 2010		\$18,406

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF 2009 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	BALANCE DECEMBER 31, 2009	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Other Expenses:				
General Administrative	\$1,643	1,743	1,722	21
Mayor & Council	245	137	9	128
Municipal Clerk	1,055	1,055	76	979
Municipal Clerk - Ordinances	3,000	3,500	3,129	371
Financial Administration	5,669	5,669	3,843	1,826
Audit		900	900	
Collection of Taxes	1,918	1,818	1,620	198
Legal Services & Costs	7,203	7,203	1,556	5,647
Engineering Services	3,694	3,694	75	3,619
Planning Board Municipal Planner	867	367		367
Planning Board Legal	2,195	2,195	2,195	
Other Insurance	3,463	3,463	3,329	134
Insurance - Unemployment	680	680	653	27
Construction Official	150	150	47	103
Police	12,137	12,137	8,759	3,378
Public Works	9,374	9,337	9,337	
Buildings and Grounds	667	467	467	
Vehicle Maintenance	2,871	2,871	2,041	830
Condo Service Law	20,000	20,000	7,449	12,551
Utility Expenses Electricity	4,896	4,896	4,717	179
Utility Expenses Street Lighting	12,929	14,029	14,005	24
Utility Expenses Telephone	25	25	25	
Utility Expenses Fuel Oil	3,731	3,231	1,094	2,137
Utility Expenses Sewer	1	1		1
Utility Expenses Gasoline	4,374	4,532	4,532	
Utility Expenses Water	125	125	125	
Sewer Services	1,000			
Land Waste Disposal	1,219	719	719	
Social Security	21,292	21,292	19,330	1,962
Interlocal Services Agreement:				
MACCS	12,056	13,256	13,227	29
Salary & Wages:				
Mayor & Council	241	41		41
Police	16,892	15,892	8,819	7,073
Public Works	1,853	2,040	2,040	
All Others	3,200	3,200		3,200
Total	\$160,665	160,665	115,840	44,825

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF LOCAL DISTRICT SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009:	
School Tax Deferred	\$2,393,939
Increased by Levy - School Year July 1, 2010 - June 30, 2011	<u>4,777,879</u>
Subtotal	7,171,818
Decreased - Payments	<u>4,782,879</u>
Balance December 31, 2010:	
School Tax Deferred	<u>2,388,939</u>
Total Balance December 31, 2010	<u><u>\$2,388,939</u></u>

ANALYSIS OF AMOUNT CHARGED TO OPERATIONS

Tax Paid	<u>\$4,782,879</u>
Amount Charged to 2010 Operations	<u><u>\$4,782,879</u></u>

**STATEMENT OF REGIONAL HIGH SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009:	
School Tax Deferred	\$914,761
Increased by - Levy - July 1, 2010 to June 30, 2011	<u>1,941,608</u>
Subtotal	2,856,369
Decreased by - Payments	<u>1,885,565</u>
Balance December 31, 2010:	
School Tax Deferred	<u>970,804</u>
Total Balance December 31, 2010	<u><u>\$970,804</u></u>

ANALYSIS OF AMOUNT CHARGED TO OPERATIONS

2010 Payments	<u>\$1,885,565</u>
Amount Charged to 2010 Operations	<u><u>\$1,885,565</u></u>

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

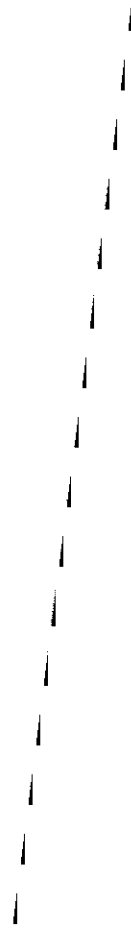
	BALANCE DECEMBER 31, 2009	2010 REVENUE	RECEIVED 2010	BALANCE DECEMBER 31, 2010
State Grants:				
Drunk Driving Enforcement Fund		2,341	2,341	
Transportation Trust Fund	\$51,591			51,591
Office Highway Safety - Click-it or Ticket	295			295
Body Armor Replacement Fund		891	891	
Computer Cops CD Grant	1,100			1,100
Recycling Tonnage Grant		8,455	8,455	
Clean Communities Fund		9,926	9,926	
Sustainable New Jersey	5,000			5,000
Municipal Stormwater Regulation	6,351			6,351
Subtotal	64,337	21,613	21,613	64,337
Federal Grants:				
Community Development Block Grant	2,018			2,018
Total	\$66,355	21,613	21,613	66,355

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF RESERVES FOR STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2010**

APPROPRIATION	BALANCE DECEMBER 31, 2009	2010 APPROPRIATIONS	2010 DISBURSED	BALANCE DECEMBER 31, 2010
State Share of Grants:				
Transportation Trust Fund	\$61,700			61,700
Clean Communities Fund	3,178	9,926	9,926	3,178
Drunk Driving Enforcement Fund	3,502	2,675	2,152	4,025
Alcohol Education Rehabilitation Fund	375			375
Community Forestry Program	960			960
Community Resources/Special Legislative Grant	2,457			2,457
Computer Cops CD Grant	1,145			1,145
Body Armor Replacement Fund	3,849	891	1,424	3,316
Office Highway Safety - DWI	425			425
Office Highway Safety - Click It or Ticket	295			295
Recycling Tonnage Grant	2,678	3,788		6,466
Emergency Management Grant	405			405
Municipal Storm Water Regulation	4,930			4,930
Municipal Alliance - Township Share	3,200	2,100		5,300
Sustainable New Jersey	10,000		5,000	5,000
Federal: Grants				
Community Development Block Grant	3,879			3,879
Total	\$102,978	19,380	18,502	103,856
Adopted Budget		\$10,817		
Adopted Local Match - Municipal Alliance		2,100		
Transferred From Unappropriated Reserves		6,463		
		<u>\$19,380</u>		
Encumbrances Cancelled			(\$637)	
Disbursements			<u>19,139</u>	
Total			<u><u>\$18,502</u></u>	

**TOWNSHIP OF EASTAMPTON
CURRENT FUND
STATEMENT OF RESERVE FOR STATE AND FEDERAL GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2010**

APPROPRIATION	BALANCE DECEMBER 31, 2009	FEDERAL & STATE GRANTS RECEIVABLE	MISCELLANEOUS REVENUE IN 2010 BUDGET	BALANCE DECEMBER 31, 2010
State Share of Grants:				
Drunk Driving Enforcement Fund	\$2,675	2,341	2,675	2,341
Clean Communities Program		9,926	9,926	
Body Armor Replacement Fund		891	891	
Recycling Grant	3,788	8,455	3,788	8,455
	<hr/>			
Total	\$6,463	21,613	17,280	10,796
	<hr/> <hr/>			
Adopted Budget			<u>\$17,280</u>	



TRUST FUND

**TOWNSHIP OF EASTAMPTON
TRUST FUND
STATEMENT OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>DOG LICENSE</u>	<u>OTHER</u>
Balance December 31, 2009	\$12,878	3,200,461
Increased by Receipts:		
Dog License Fees	\$8,139	
Due State of New Jersey Treasury Fees	892	
Due Current		16,704
Reserved For:		
Engineering & Inspection Escrow Funds		257,723
Redemption of Tax Title Liens		277,745
Special Law Enforcement		1,035
Public Defender		49
Municipal Open Space Fund		1,160,061
Off Duty Police		24,574
Park & Recreation Funds		40,068
Total Receipts	<u>9,031</u>	<u>1,777,959</u>
Subtotal	<u>21,909</u>	<u>4,978,420</u>
Decreased by Disbursements:		
Expenditures Under R.S.4:19-15.11	6,480	
Escrow Funds		206,668
Due to State of New Jersey	887	
Public Defender		9,693
Parks & Recreation Building Fund		35
Redemption of Tax Title Liens		275,246
Accounts Receivable		8,439
Due to Current Fund	3,860	195,996
Tax Sale Premiums		29,600
Special Law Enforcement		4,760
Municipal Open Space Fund		698,766
Off Duty Police		38,102
Park & Recreation Fees		35,659
Total Disbursements	<u>11,227</u>	<u>1,502,964</u>
Balance December 31, 2010	<u><u>\$10,682</u></u>	<u><u>3,475,456</u></u>

**TOWNSHIP OF EASTAMPTON
DOG LICENSE FUND
STATEMENT OF DUE TO/(FROM) STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009	(\$5)
Increased by:	
2010 State Registration Fees Collected	892
Subtotal	887
Decreased by:	
Payments to State of New Jersey	887
Balance December 31, 2010	-

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

Balance December 31, 2009		\$8,208
Increased by:		
Due from Dog Registrar:		
Dog Licenses		8,139
Subtotal		16,347
Decreased by:		
Excess Due to Current Fund	\$1,445	
Expenditures Under R.S. 4:19-11	6,480	7,925
Balance December 31, 2010		\$8,422

LICENSE FEES COLLECTED

YEAR	AMOUNT
2009	\$4,206
2008	4,216
Total	\$8,422

**TOWNSHIP OF EASTAMPTON
TRUST FUND
STATEMENT OF RESERVE FOR ESCROW FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009	\$44,216
Increased by:	
Escrow Funds:	
Escrow Deposits	257,723
Subtotal	301,939
Decreased by:	
Escrow Payments	206,668
Balance December 31, 2010	\$95,271

**STATEMENT OF RESERVE FOR REDEMPTION OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009	\$18,231
Increased by:	
Tax Sale Receipts	277,745
Subtotal	295,976
Decreased by:	
Tax Sale Redemptions	275,246
Balance December 31, 2010	\$20,730

**STATEMENT OF RESERVE FOR STORM WATER MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2010 & 2009	\$1,273
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EXHIBIT B-7

**TOWNSHIP OF EASTAMPTON
TRUST FUND
STATEMENT OF RESERVE FOR PARKS AND RECREATION BUILDING FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009	\$1,273
Decreased by:	
Disbursements	<u>35</u>
Balance December 31, 2010	<u><u>1,238</u></u>

EXHIBIT B-8

**STATEMENT OF RESERVE FOR PARKS AND RECREATION
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009		\$19,664
Increased by:		
Interest Earnings	\$168	
Recreation Fees	39,900	<u>40,068</u>
Subtotal		59,732
Decreased by:		
Expenditures		<u>35,659</u>
Balance December 31, 2010		<u><u>\$24,073</u></u>

**TOWNSHIP OF EASTAMPTON
TRUST FUND
STATEMENT OF RESERVE FOR SPECIAL LAW ENFORCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009		\$10,570
Increased by:		
Receipt from Forfeitures	\$1,026	
Interest	9	1,035
		<hr/>
Subtotal		11,605
Decreased by:		
Disbursements		4,760
		<hr/>
Balance December 31, 2010		<u><u>\$6,845</u></u>

**STATEMENT OF RESERVE FOR MUNICIPAL OPEN SPACE TAX
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009		\$3,271,248
Increased by:		
Tax Levy	\$193,275	
Green Acres	800,000	
County Open Space	143,960	
Interest Earned	22,826	1,160,061
		<hr/>
Subtotal		4,431,309
Decreased by:		
Other Expense	130,577	
Debt Service	568,189	698,766
		<hr/>
Balance December 31, 2010		<u><u>\$3,732,543</u></u>

**TOWNSHIP OF EASTAMPTON
TRUST FUND
STATEMENT OF RESERVE FOR PUBLIC DEFENDER
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009	\$9,644
Increased by:	
Receipt For Public Defender Fees	49
Subtotal	9,693
Decreased by:	
Disbursements	9,693
Balance December 31, 2010	<u><u>-</u></u>

**STATEMENT OF RESERVE FOR OFF DUTY POLICE OFFICERS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009	\$13,528
Increased by:	
Receipt For Off Duty Police Officers	24,574
Subtotal	38,102
Decreased by:	
Disbursements	38,102
Balance December 31, 2010	<u><u>-</u></u>

**STATEMENT OF RESERVE FOR TAX SALE PREMIUM
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009	\$107,200
Decreased by:	
Disbursements	29,600
Balance December 31, 2010	<u><u>\$77,600</u></u>

GENERAL CAPITAL FUND

**TOWNSHIP OF EASTAMPTON
GENERAL CAPITAL FUND
STATEMENT OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009		\$246,742
Increased by:		
Note Proceeds	\$263,150	
Due To Current Fund	220,000	
Due To Current Fund - Interest	986	484,136
		<hr/>
Subtotal		730,878
Decreased by:		
Improvement Authorizations	108,484	
Reserve for Debt Service	17,158	
Due To Current Fund	220,000	
Due To Current - Interest	986	346,628
		<hr/>
Balance December 31, 2010		<u>\$384,250</u>

**STATEMENT OF GENERAL CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Capital Improvement Fund		\$4,234
Capital Surplus		2
Contracts Payable		760
Accounts Payable		10,197
Due from Trust Other		(8)
DOT Account Receivable		(16,150)
Improvement Authorizations:		
Ordinance Number:	DESCRIPTION	
1995-05	Purchase of Computer & Other	2
2000-04	Purchase of Leaf Vacuum	(384)
2000-09	Open Space Preservation	(197)
2001-03	Purchase of Various Capital Items	(190)
2002-11	Open Space Preservation	(868)
2002-14	Purchase of Land	45,750
2006-06	Various Capital Equipment	22,485
2006-08	Trash Compactor	6,205
2007-13	Installation Sidewalk on Student Drive	32,885
2008-06	Road Construction & Miscellaneous Public Works Equipment	12,752
2008-12	Various Capital Items	8,666
2010-15	Road Improvements & Other	258,109
		<hr/>
Total		<u>\$384,250</u>

**TOWNSHIP OF EASTAMPTON
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2010**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2009	2010 APPROPRIATIONS	NOTES PAID BY BUDGET APPROPRIATIONS	BALANCE DECEMBER 31, 2010	ANALYSIS OF BALANCE DECEMBER 31, 2010	
						FINANCED BY BOND ANTICIPATION NOTES EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
General Improvements:							
1988-10	Miscellaneous General Improvements	\$75			75		75
2000-04	Purchase of Leaf Vacuum, Mower, Police Court Renovations	384			384		384
2001-03	Purchase of Various Capital Items	190			190		190
2002-14	Open Space Preservation	501,065		125,000	376,065	375,000	1,065
2005-16	Various Capital Improvements	146,403		24,401	122,002	122,002	
2005-19	Purchase of Generator	16,720		16,720			
2006-06	Various Capital Equipment	356,572		50,939	305,633	305,633	
2006-08	Trash Compactor	73,150		10,450	62,700	62,700	
2008-06	Road Construction & Miscellaneous Public Works Equipment	212,658		23,629	189,029	189,029	
2008-12	Various Capital Items	153,995			153,995	153,995	
2010-15	Road Improvements & Other		263,150		263,150	263,150	
Total		\$1,461,212	263,150	251,139	1,473,223	1,471,509	1,639

Improvement Authorizations Unfunded	\$308,292
Less: Unexpended Proceeds of Bond Anticipation	
Notes Issued:	
Ord Numbers--	
2006-06	\$22,485
2006-08	6,205
2008-06	12,752
2008-12	8,666
2010-15	258,109
Total	\$75

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TOWNSHIP OF EASTAMPTON
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

Balance December 31, 2009	\$8,084
Decreased by:	
Downpayments to Fund Improvement Authorizations	<u>3,850</u>
Balance December 31, 2010	<u><u>\$4,234</u></u>

**TOWNSHIP OF EASTAMPTON
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2009		2010 AUTHORIZATIONS	PAID OR CANCEL	BALANCE DECEMBER 31, 2010		
				FUNDED	UNFUNDED			FUNDED	UNFUNDED	
General Improvements:										
1988-10	Miscellaneous General Improvements	6/28/88	\$120,375		75				75	
1995-05	Purchase of Computer & Other	6/22/95	132,500	\$2				2		
2002-14	Purchase of Land	10/28/02	1,050,000	45,750				45,750		
2005-16	Various Capital Improvements	5/23/05	256,850		304		304			
2006-06	Various Capital Equipment	6/12/06	851,000		37,227		14,742		22,485	
2006-08	Trash Compactor	9/25/06	110,000		6,205				6,205	
2007-13	Installation of Sidewalk on Student Drive	12/10/07		42,885				10,000	32,885	
2008-06	Road Construction & Miscellaneous Public Works Equipment	4/28/08	332,500		64,104		51,352		12,752	
2008-12	Various Capital Items	10/24/08	153,995		31,861		23,195		8,666	
2010-15	Road Improvements & Other	8/23/10	277,000			277,000	18,891		258,109	
Total				\$88,637	139,776	277,000	108,484	10,000	78,637	308,292
Cash Disbursements							<u>\$108,484</u>			
Total							<u>\$108,484</u>			

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**TOWNSHIP OF EASTAMPTON
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
AT DECEMBER 31, 2010**

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ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2009	INCREASED	DECREASED	BALANCE DECEMBER 31, 2010
2002-14	Purchase of Land	10/28/02	02/6/09 02/5/10	02/5/10 02/4/11	3.94% 3.48%	\$500,000	375,000	500,000	375,000
2005-16	Various Capital Improvements	5/23/05	06/12/09 06/11/10	06/11/10 06/10/11	3.94% 3.49%	146,403	122,002	146,403	122,002
2005-19	Purchase of Generator	10/11/05	11/13/09	11/12/10	3.74%	16,720		16,720	
2006-06	Various Capital Equipment	7/12/06	07/10/09 07/09/10	07/09/10 02/04/11	3.94% 3.49%	356,572	305,633	356,572	305,633
2006-08	Trash Compactor	11/17/06	11/13/09 11/12/10	11/12/10 02/04/11	3.74% 3.49%	73,150	62,700	73,150	62,700
2008-06	Miscellaneous Public Works Equipment & Road Construction	6/18/08	6/19/09 6/19/10	6/18/10 06/17/11	3.94% 3.49%	212,658	189,029	212,658	189,029
2008-12	Various Capital Improvements & Equipment	11/13/08	11/13/09 11/12/10	11/12/10 02/04/11	3.74% 3.49%	153,995	153,995	153,995	153,995
2010-15	Road Improvements & Other	9/30/10	9/30/10	02/04/11	3.49%		263,150		263,150
	Total					<u>\$1,459,498</u>	<u>1,471,509</u>	<u>1,459,498</u>	<u>1,471,509</u>
					Renewals		\$1,208,359	1,208,359	
					New Issue		\$263,150		
					Paid by Budget Appropriation			251,139	
							<u>\$1,471,509</u>	<u>1,459,498</u>	

**TOWNSHIP OF EASTAMPTON
GENERAL CAPITAL FUND
ANALYSIS OF BONDS PAYABLE
AT DECEMBER 31, 2010**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL AMOUNT OF ISSUE	ORIGINAL DATE OF ISSUE	MATURITIES OF BONDS			BALANCE			BALANCE DECEMBER 31, 2010
				OUTSTANDING DECEMBER 31, 2010	INTEREST RATE	DECEMBER 31, 2009	PAID	ISSUED		
				DATE	AMOUNT					
2003-04	Various Capital Improvement	\$9,320,000	6/16/03	7/01/11	\$320,000	3.250%	\$7,715,000	320,000		7,395,000
				7/01/12	370,000	3.375%				
				7/01/13	375,000	3.375%				
				7/01/14	400,000	3.500%				
				7/01/15	400,000	3.500%				
				7/01/16	400,000	3.500%				
				7/01/17	405,000	3.500%				
				7/01/18	410,000	3.600%				
				7/01/19	410,000	4.000%				
				7/01/20	410,000	4.000%				
				7/01/21	420,000	4.000%				
				7/01/22	435,000	4.000%				
				7/01/23	440,000	4.000%				
				7/01/24	440,000	4.000%				
				7/01/25	440,000	4.125%				
				7/01/26	440,000	4.125%				
				7/01/27	440,000	4.125%				
				7/01/28	440,000	4.125%				
				Total						

**TOWNSHIP OF EASTAMPTON
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2010**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2009	INCREASED BY IMPROVEMENT AUTHORIZATIONS	BOND	
				ANTICIPATION NOTES ISSUED	BALANCE DECEMBER 31, 2010
1988-10	Miscellaneous General Improvements	\$75			75
2000-04	Purchase of a Leaf Vacuum Mower, Police & Court Renovations	384			384
2000-09	Open Space Preservation	197			197
2001-03	Purchase of Various Capital Items	190			190
2002-11	Open Space Preservation	868			868
2010-15	Road Improvements & Other		263,150	263,150	
	Total	\$1,714	263,150	263,150	1,714

PAYROLL FUND



**TOWNSHIP OF EASTAMPTON
PAYROLL FUND
STATEMENT OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009		\$17,655
Increased by Receipts:		
Net Pay	\$1,281,595	
Due from Current	38,626	
Payroll Withholdings	1,127,179	2,447,400
		<hr/>
Subtotal		2,465,055
Decreased by Disbursements:		
Net Pay	1,281,595	
Due to Current	209	
Payment to Agencies	1,129,879	2,411,683
		<hr/>
Balance December 31, 2010		<u><u>\$53,372</u></u>

**STATEMENT OF PAYROLL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2010**

Balance December 31, 2009		\$16,634
Increased by:		
Payroll Deductions		<u>1,128,118</u>
Subtotal		1,144,752
Decreased by:		
Disbursements		<u>1,129,879</u>
Balance December 31, 2010		<u><u>\$14,873</u></u>

ANALYSIS OF BALANCE

Pension Liability	\$12,754
New Jersey State Withholding Taxes	1,006
New Jersey Disability	653
New Jersey FLI	76
New Jersey Unemployment Compensation	<u>382</u>
Balance December 31, 2010	<u><u>\$14,871</u></u>



SUPPLEMENTARY DATA

**Summary of Municipal Debt
(Excluding Current Debt)**

	YEAR 2010	YEAR 2009	YEAR 2008
Issued - General - Bonds & Notes	\$8,866,509	9,174,498	9,909,365
Authorized but not Issued:			
General - Bonds & Notes	1,714	1,714	1,714
Total	\$8,868,223	9,176,212	9,911,079

**Summary of Statutory Debt
Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .39%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$10,565,000	10,565,000	
Regional School District Debt	2,363,617	2,363,617	
General Debt	8,868,223	6,869,217	1,999,006
Total	\$21,796,840	19,797,834	1,999,006

Net Debt, \$1,999,006 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$518,604,602 equals .39%.

Equalized Valuation Basis:

2010	\$508,499,668
2009	515,033,596
2008	532,280,543
Average	\$518,604,602

Borrowing Power Under 40A:2-6:

3-1/2% of Equalized Valuation Bases (Municipal)	\$18,151,161
Net Debt	1,999,006
Remaining Borrowing Power	\$16,152,155

**Comparative Statement of Operations and
Change in Fund Balance - Current Fund**

	YEAR 2010		YEAR 2009	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$231,000	1.69%	100,000	0.73%
Miscellaneous - From Other Than Local Property Tax Levies	970,318	7.10%	1,488,942	10.82%
Collection of Delinquent Taxes & Tax Title Liens	63,125	0.46%	14,912	0.11%
Collection of Current Tax Levy	12,395,781	90.74%	12,158,646	88.35%
Total Income	13,660,224	100.00%	13,762,500	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	4,396,905	32.56%	4,397,153	32.41%
County Taxes	1,936,542	14.34%	2,024,838	14.92%
Local & Regional School Taxes	6,668,444	49.38%	6,625,763	48.84%
Other Expenditures	195,835	1.45%	220,065	1.62%
Special District Taxes	305,669	2.26%	299,730	2.21%
Total Expenditures	13,503,395	100.00%	13,567,549	100.00%
Excess in Revenue	156,829		194,951	
Adjustments to Income Before Fund Balance Expenditures Included Above Which are by Statute Deferred Charges to Succeed	75,000			
Statutory Excess of Fund Balance	231,829		194,951	
Fund Balance January 1	371,080		276,129	
Total	602,909		471,080	
Less: Utilization as Anticipated Revenue	231,000		100,000	
Fund Balance December 31	\$371,909		371,080	

**Comparison of Tax Levies
and Collection Currently**

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

	YEAR	TAX LEVY	CURRENTLY		
			CASH COLLECTIONS	PERCENTAGE OF COLLECTION	
	2010	\$12,496,097	12,395,781	99.20%	
	2009	12,260,511	12,158,646	99.17%	
	2008	12,113,015	12,068,504	99.63%	
			2010	2009	2008
Total Tax Rate			<u>\$2.396</u>	<u>\$2.343</u>	<u>\$2.302</u>
Apportionment of Tax Rate:					
Municipal			0.640	0.589	0.531
Fire District Tax			0.059	0.058	0.057
County			0.372	0.388	0.393
Local School			0.916	0.916	0.905
Regional School			0.373	0.350	0.364
Municipal Open Space			0.036	0.042	0.052

Net Valuation Taxable:

2010	<u>\$521,787,057</u>		
2009		<u>\$522,910,383</u>	
2008			<u>\$522,632,943</u>

Delinquent Taxes and Tax Title Liens

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2009	\$406,609	80,212	486,821	3.896%
2009	412,455	29,979	442,434	3.609%
2008	380,620	2,626	383,246	3.164%

Comparative Schedule of Fund Balances

Current Fund:	Balance December 31	Utilized in Budget of Succeeding Year
2010	\$371,909	231,000
2009	371,080	231,000
2008	276,129	100,000
2007	685,681	436,300
2006	946,987	650,000
2005	1,055,064	650,000
2004	951,835	585,000

OFFICIALS IN OFFICE AND SURETY BONDS

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

NAME	TITLE	AMOUNT OF BOND	NAME OF CORPORATE SURETY
Jay Springer	Mayor		
Louise Campbell	Deputy Mayor		
Keith Nagler	Councilman		
Joe Maroccia	Councilman		
Walt Tafe	Councilman		
David Scott Carew	Township Manager		
Kim-Marie White	Township Clerk	\$ 10,000	A
Gerald Mingin	Chief Financial Officer	\$ 10,000	A
Doris LaVacca	Treasurer/Tax Collector/ Tax Search Officer	\$125,000	B
Rosalind E. Bosserdet	Construction Technical Assistant	\$ 10,000	A
Eileen Fahey	Solicitor		
Fred Hardt	Special Council		
Nancy Jamanow (Environmental Resolutions, Inc.)	Engineer		

(A) Western Surety Company

(B) Travelers Casualty and Surety Company of America

All of the bonds were examined and properly executed.

**TOWNSHIP OF EASTAMPTON
COUNTY OF BURLINGTON**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010**





Certified Public Accountants & Consultants

The Honorable Mayor and Members of the
Township Council
Township of Eastampton
Eastampton, New Jersey 08060

We have audited the financial statements of the Township of Eastampton in the County of Burlington for the year ended December 31, 2010. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or 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 by the governing body of the contracting unit 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 of \$26,000 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per *N.J.S.A. 40A:11-5*.

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

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$3,900 thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1a*).

Collection of Interest on Delinquent Taxes

The statute provides the method for authorizing interest and the maximum rate 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 4, 2010 adopted the following resolution authorizing interest/penalties to be charged on delinquent taxes:

“**BE IT RESOLVED** by the Township Council of the Township of Eastampton, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

It appears from an examination of the Collector's record that interest/penalties was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2010, included 2010 and 2009 real estate taxes.

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

YEAR	NUMBER OF LIENS
2010	27
2009	22
2008	24

Deductions From Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a partial payment or estimate.

Municipal Court

The Township of Eastampton entered into an Interlocal municipal court agreement with the Township of Westampton on April 13, 2009 in accordance with *N.J.S.A.2B:12-1*.

Municipal Court (continued):

There was no attempt to review or test transactions of the municipal court records. Records of the Eastampton Court were audited by the auditors of Westampton Township for 2010. It is recommended that the township monitor their monthly court revenue as well as review the status of time payments on a periodic basis.

Further, it is recommended that the Township obtain the Municipal Court Report for the year ending December 31, 2010 from the Township of Westampton.

Payroll

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of Township employees, also, the examination ascertained that the accumulated withholdings were distributed to the proper agencies.

Fixed Assets

Finding 2010-01:

The Township has not included all fixed assets in the computer software that they are currently utilizing to maintain their fixed asset ledger. Fixed assets owned by the Township prior to the implementation of the computer software have not been properly added.

Recommendation:

That a complete analysis of fixed assets be maintained and updated on a yearly basis.

Tax Collector

Finding 2010-02:

The Tax Collector reports for the 2010 year end do not reconcile to the Townships accounting records.

Recommendation:

That the Tax Collect analyzes prior and current year taxes properly to ensure the tax accounting system reconciles to the Township accounting records.

Follow-Up on Prior Years' Finding

In accordance with government auditing standards, my procedures included a review of all prior year findings. Corrective action has been taken on all of the prior year findings.

Acknowledgment

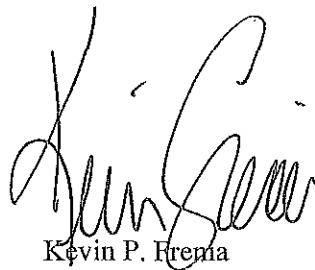
We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

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

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read "Kevin P. Frenia". The signature is written in a cursive style with a large initial "K" and "F".

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR435

Medford Office
June 3, 2011