

**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY**

**REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2008**

FALLON & LARSEN LLP
Certified Public Accountants

TOWNSHIP OF BERKELEY

COUNTY OF OCEAN

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COUNTY OF OCEAN

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COUNTY OF OCEAN

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COUNTY OF OCEAN

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Council
Township of Berkeley
County of Ocean
Freehold, New Jersey

We have audited the accompanying balance sheets - regulatory basis of the various funds and account groups of the Township of Berkeley (the "TOWNSHIP OF BERKELEY" and 2007 and the related statements of operations and changes in fund balance - regulatory basis for the years then ended and the related statement of revenues - regulatory basis - regulatory basis of the various funds for the year ended December 31, 2008. These financial statements - regulatory basis are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY DATA
FOR THE YEAR ENDED DECEMBER 31, 2008

Except as discussed below, we conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We did not and perform the audit to obtain a 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.

The financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements. The LOSAP Fund financial activities are included in the Township's Trust Funds and represent 9.99% and 10.12% of the assets and liabilities as of December 31, 2008 and 2007, respectively, of the Township's Trust Funds.

As described more fully in Note 2, the Township has prepared these financial statements using accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices 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.

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Council
Township of Berkeley
County of Ocean
Berkeley, New Jersey

We have audited the accompanying balance sheets - regulatory basis of the various funds and account groups of the Township of Berkeley (the "Township"), as of December 31, 2008 and 2007 and the related statements of operations and changes in fund balance - regulatory basis for the years then ended and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2008. These financial statements - regulatory basis are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraph, we conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements as 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 audits provide a reasonable basis for our opinion.

The financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements. The LOSAP Fund financial activities are included in the Township's Trust Fund and represent 9.99% and 10.12% of the assets and liabilities as of December 31, 2008 and 2007, respectively, of the Township's Trust Funds.

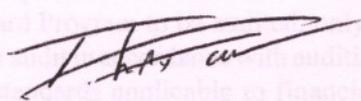
As described more fully in Note 2, the Township has prepared these financial statements using accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices differ from accounting principles generally accepted 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 matter 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, as of December 31, 2008 and 2007 or the results of its operations or cash flows of its proprietary fund types and nonexpendable trust funds for the years then ended.

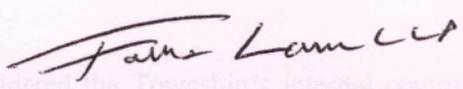
In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Fund financial statements been audited, the financial statements - regulatory basis present fairly, in all material respects, the financial position - regulatory basis of the various funds and account groups of the Township, as of December 31, 2008 and 2007, and the results of its operations and the changes in fund balance - regulatory basis of the individual funds for the years then ended and the statement of revenues - regulatory basis, and statement of expenditures - regulatory basis for the year ended December 31, 2008, on the basis of accounting described in Note 2 to the financial statements.

In accordance with Government Auditing Standards, we have also issued our report dated March 20, 2009 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

Our audits were performed for the purpose of forming an opinion on the financial statements - regulatory basis of the Township. The accompanying financial information listed as supplementary schedules in the table of contents is not a required part of the financial statements and is presented for purposes of additional analysis as required by New Jersey State Division of Local Government Services. Except for the LOSAP Fund supplementary schedules, such information has been subjected to the auditing procedures applied in the audit of the financial statements - regulatory basis and, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Fund supplementary information been audited, in our opinion, is fairly stated in all material respects in relation to the financial statements - regulatory basis taken as a whole.



Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant #465



Fallon & Larsen LLP

March 20, 2009

FALLON & LARSEN LLP

Certified Public Accountants

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

To the Honorable Mayor and Members
of the Township Council
Township of Berkeley
County of Ocean
Berkeley, New Jersey

We have audited the financial statements - regulatory basis of the Township of Berkeley (the "Township") as of and for the year ended December 31, 2008, and have issued our report thereon dated March 20, 2009 in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America. As described in Note 2 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion was also qualified because the Division of Local Government Services does not require the Length of Service Award Program to be audited, only reviewed. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements 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'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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Township's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey such that there is more than a remote likelihood that a misstatement of the Township's financial statements - regulatory basis that is more than inconsequential will not be prevented or detected by the Township's internal control. We consider the deficiency described in the accompanying Comments and Recommendations listed as item 08-1 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Township's internal control.

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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above as item 08-01 is a material weakness.

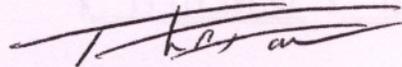
Compliance and Other Matters

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

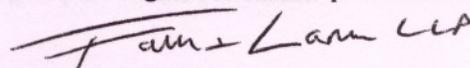
We noted certain matters that we have reported to management of the Township in the Comments and Recommendations section of this report.

The Township's response to the material weakness identified in our audit is described in the accompanying Comments and Recommendations section of this report. We did not audit the Township's response and, accordingly, we express no opinion on it.

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



Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant #465



Fallon & Larsen LLP

March 20, 2009

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	Ref.	2008	2007
Cash	A-4	\$ 3,649,626.61	\$ 5,232,403.77
Cash - Change Fund	A/A-4	3,600.00	3,375.00
Due from State of New Jersey, Chap. 20 P.L. 1971	A-8	42,254.58	41,733.93
		<u>3,695,481.19</u>	<u>5,277,512.70</u>
Receivables with Full Reserves:			
Penalty on Delinquent Taxes	A	7,986.44	8,223.27
Trailer Fees Receivable	A		260.00
Debris Clean Up Receivable	A	13,867.74	61,650.59
Delinquent Property Taxes Receivable	A-5	1,602,033.88	1,343,373.64
Tax Title Liens Receivable	A-6	129,212.30	118,066.08
Property Acquired for Taxes	A-7	6,340,913.84	6,340,913.84
Revenue Accounts Receivable	A-9	8,579.33	9,900.07
Interfunds Receivable	A-10	201,021.05	576,205.45
		<u>8,303,614.58</u>	<u>8,458,592.94</u>
Deferred Charges:			
Special Emergency Authorization (N.J.S. 40A:4-55)	A-11	870,000.00	1,160,000.00
		<u>12,869,095.77</u>	<u>14,896,105.64</u>
Federal and State Grant Fund:			
Cash	A-4		58.25
Grants Receivable	A-26	353,890.82	516,825.50
Interfund - Current Fund	A-25	88,299.93	
Interfund - Trust Other Fund	A-4		1,723.84
		<u>442,190.75</u>	<u>518,607.59</u>
Total Assets		<u>\$ 13,311,286.52</u>	<u>\$ 15,414,713.23</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

LIABILITIES, RESERVES AND FUND BALANCE	<u>Ref.</u>	<u>2008</u>	<u>2007</u>
Appropriation Reserves	A-3/A-12	\$ 409,936.03	\$ 535,502.43
Reserve for Encumbrances	A-13	284,879.88	192,662.54
Accounts Payable	A-12	43,250.00	
Prepaid Taxes	A-15	936,767.01	1,036,157.95
Tax Overpayments	A-14	22,167.12	11,209.29
County Taxes Payable	A-16	121,935.82	112,185.23
Reserve for:			
Payroll Deductions Payable	A-20	131,972.61	237,916.60
Garden State Trust Fund	A-19	64,777.98	74,220.52
Revaluation	A-24	482,683.31	912,371.30
Sales Tax Payable	A-23	2,341.68	1,926.32
Special Emergency Note Payable	A-21	870,000.00	1,160,000.00
Interfunds Payable	A-10	91,953.57	4,172.49
		<u>3,462,665.01</u>	<u>4,278,324.67</u>
Reserve for Receivables and Other Assets	A	8,303,614.58	8,458,592.94
Fund Balance	A-1	1,102,816.18	2,159,188.03
		<u>12,869,095.77</u>	<u>14,896,105.64</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-27	424,129.50	428,136.78
Unappropriated Reserves	A-28		19,762.84
Reserve for Encumbrances	A-29	18,061.25	44,985.71
Interfund - Current Fund	A-25		25,722.26
		<u>442,190.75</u>	<u>518,607.59</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 13,311,286.52</u>	<u>\$ 15,414,713.23</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

For the Years Ended December 31,

	Ref.	2008	2007
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 2,090,000.00	\$ 1,850,000.00
Fund Balance Utilized with Prior Written Consent of Director of Local Government Services	A-2	40,000.00	70,000.00
Miscellaneous Revenue Anticipated	A-2	10,146,641.51	12,211,672.34
Receipts from Delinquent Taxes	A-2	1,416,371.30	1,403,473.13
Receipts from Current Taxes	A-2	86,427,504.89	81,912,966.68
Non-Budget Revenues	A-2	581,458.92	531,596.76
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-12	139,292.15	32,987.82
Prior Year Senior Citizen Deduction Allowed	A-8	31,000.00	42,750.00
Unappropriated Grant Reserves Canceled	A-10	0.45	
Appropriated Grant Reserves Canceled	A-10	111,111.18	174,664.77
Total Revenue		<u>100,983,380.40</u>	<u>98,230,111.50</u>
Expenditures:			
Budget Appropriations Within Caps:			
Operations:			
Salaries and Wages	A-3	15,886,963.66	14,872,527.65
Other Expenses	A-3	12,352,566.47	12,379,638.64
Deferred Charges and Statutory Expenditures	A-3	1,385,655.07	1,125,800.00
Budget Appropriations Excluded from Caps:			
Operations:			
Salaries and Wages	A-3	335,246.16	261,283.31
Other Expenses	A-3	2,530,911.51	1,965,549.33
Capital Improvements	A-3	250,000.00	284,324.00
Municipal Debt Service	A-3	3,654,432.35	3,857,825.93
Deferred Charges	A-3	290,000.00	607,600.00
Judgments	A-3	10,000.00	
		<u>36,695,775.22</u>	<u>35,354,548.86</u>
County Taxes	A-16	19,759,589.40	18,515,856.28
Amount Due County for Added and Omitted Taxes	A-16	121,935.82	112,185.23
Regional School Tax	A-17	17,313,376.53	17,014,927.15
Local School Tax	A-18	25,325,992.75	24,368,697.75
Municipal Open Space Tax	A-10	267,992.00	265,696.86

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

For the Years Ended December 31,

	Ref.	2008	2007
Amount Due Municipal Open Space Trust Fund for			
Added and Omitted Taxes	A-10	\$ 1,656.47	\$ 1,610.38
Refund Prior Year's Tax Revenue	A-14	1,363.60	
Prior Year Senior Citizen Deduction Disallowed	A-8	97,044.46	102,711.48
Grants Receivable Canceled	A-10	123,909.83	174,560.48
Interfunds Advanced	A-10	201,021.05	481,349.53
Refund Prior Year's Revenue	A-4	95.12	
Total Expenditures		<u>99,909,752.25</u>	<u>96,392,144.00</u>
Statutory Excess to Fund Balance		1,073,628.15	1,837,967.50
Fund Balance January 1	A	<u>2,159,188.03</u>	<u>2,241,220.53</u>
Decreased by:		3,232,816.18	4,079,188.03
Utilized as Anticipated Revenue	A-1/A-2	<u>2,130,000.00</u>	<u>1,920,000.00</u>
Fund Balance December 31	A	<u>\$ 1,102,816.18</u>	<u>\$ 2,159,188.03</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2008

		Anticipated	Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
	Ref.	Budget			
Fund Balance Anticipated	A-1	\$ 2,090,000.00		\$ 2,090,000.00	
Fund Balance Anticipated with Prior Written Consent of Director of Local Government Services	A-1	40,000.00		40,000.00	
Total Fund Balance Anticipated		2,130,000.00		2,130,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-9	43,500.00		42,843.00	\$ (657.00)
Other	A-2/A-9	2,100.00		7,563.00	5,463.00
Fees and Permits	A-2/A-9	218,000.00		225,110.62	7,110.62
Fines and Costs:					
Municipal Court	A-9	169,000.00		155,529.98	(13,470.02)
Interest and Costs on Taxes	A-9	224,000.00		264,115.30	40,115.30
Interest on Investments and Deposits	A-9	595,000.00		228,282.28	(366,717.72)
Beach Admission Fees	A-9	95,000.00		85,470.00	(9,530.00)
Municipal Golf Course	A-9	840,000.00		876,841.58	36,841.58
Berkeley Township Board of Education	A-9	36,000.00		71,046.33	35,046.33
Water and Cable Franchise	A-9	219,000.00		217,862.26	(1,137.74)
Hotel and Motel Occupancy Tax	A-9	22,000.00		21,685.74	(314.26)
Central Regional Board of Education - Trash	A-9	15,000.00		11,500.00	(3,500.00)
Consolidated Municipal Property Tax Relief Aid	A-9	163,212.00		163,212.00	
Energy Receipts Tax (P.L. 1997, Ch. 62 & 67)	A-9	5,269,752.00		5,269,752.00	
Garden State Trust Fund	A-9	74,220.52		74,220.52	
Pinelands Property Tax Stabilization Aid	A-9	68,905.00		68,905.00	
Interlocal Service Agreements:					
Animal Control Services	A-9	12,604.00		8,188.50	(4,415.50)
Fire Protection	A-9	25,500.00		25,500.00	
Berkeley Township Board of Education - Gas and Diesel	A-9	50,750.00		47,871.26	(2,878.74)
Central Regional Board of Education - Gas and Diesel	A-9	78,000.00		90,934.23	12,934.23
Central Regional Board of Education - Police	A-9	40,000.00		40,000.00	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Ref.	Budget	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Recycling Tonnage Grant	A-26	\$ 3,230.80	\$ 18,482.74	\$ 21,713.54	
Drunk Driving Enforcement Fund	A-26	4,067.94	19,040.67	23,108.61	
Clean Communities Grant	A-26	75,307.16		75,307.16	
Municipal Alliance on Alcoholism and Drug Abuse	A-26	24,700.00		24,700.00	
Division of Highway Safety - Click it or Ticket	A-26	4,000.00		4,000.00	
NJ Flood Mitigation Assistance Program	A-26	7,500.00	3,750.00	11,250.00	
State Body Armor Replacement Fund	A-26	7,463.65	7,357.23	14,820.88	
NJ Department of Law and Public Safety - 966 Grant	A-26	9,880.00	22,118.10	31,998.10	
Office of Emergency Management - Assistance Grant	A-26	10,000.00		10,000.00	
CDBG - Pembroke Lane	A-26		55,000.00	55,000.00	
Uniform Fire Safety Act	A-9	29,041.15		27,413.42	\$ (1,627.73)
Interfund - Trust Other Fund	A-10	529,261.25		529,261.25	
Reserve for Debt Service - General Capital	A-9	457,214.11		457,214.11	
Sale of Liquor License	A-9	701,101.01		701,102.02	1.01
General Capital Fund Balance	A-9	12,990.78		12,990.78	
Ocean County Recycling	A-9	50,000.00		55,225.46	5,225.46
Senior/Veteran Administrative Fee	A-9	50,000.00		48,158.38	(1,841.62)
Interfund - Federal and State Grant Fund	A-10	25,722.26		25,722.26	
Interfund - General Capital Fund	A-10	21,221.94		21,221.94	
Total Miscellaneous Revenues	A-1	10,284,245.57	125,748.74	10,146,641.51	(263,352.80)
Receipts from Delinquent Taxes	A-1/A-2	1,335,000.00		1,416,371.30	81,371.30
		13,749,245.57	125,748.74	13,693,012.81	(181,981.50)
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	24,292,768.69		24,472,973.63	180,204.94
		38,042,014.26	125,748.74	38,165,986.44	(1,776.56)
Non-Budget Revenues	A-1/A-2			581,458.92	581,458.92
Total		\$ 38,042,014.26	\$ 125,748.74	\$ 38,747,445.36	\$ 579,682.36
	Ref.	A-3	A-3		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2008

Analysis of Realized Revenues (Continued)

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	A-1/A-5	\$ 86,427,504.89
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Allocated to School, County and Municipal Open Space	A-5	<u>63,409,414.88</u>
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Balance for Support of Municipal Budget Appropriations		23,018,090.01
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Add:		
Reserve for Uncollected Taxes	A-3	<u>1,454,883.62</u>

Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 24,472,973.63</u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collections	A-5	\$ 1,415,774.21
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Tax Title Lien Collections	A-6	597.09
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	A-2	<u>\$ 1,416,371.30</u>
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Analysis of Licenses - Other:

Flea Market		\$ 30.00
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Gravel/Mining		4,000.00
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Junkyard		100.00
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Marriage		425.00
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Pet Store		125.00
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Towing		2,450.00
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Limo		30.00
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Redemption		3.00
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Amusement		<u>400.00</u>
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	A-2	<u>\$ 7,563.00</u>
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The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
 STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2008

Analysis of Realized Revenues (Continued)

Analysis of Fees and Permits:

Assessment Searches	\$ 10.00
Certified Mailing List	1,585.00
Police	6,857.95
Public Works	27,707.39
Recreation	18,841.00
Vital Statistics	13,900.00
Vacation of Streets	1,485.00
Tax Searches	40.00
Zoning	22,162.00
Fire Prevention	47,792.00
Code Enforcement	61,710.00
Copy Fees	1,657.78
Maps	341.50
NSF Check Fees	1,880.00
Robo Can Sales	4,196.00
Garage Sale	185.00
Zoning Application	650.00
Board of Adjustment Application	9,810.00
Planning Board Application	4,300.00
	<u>225,110.62</u>

A-2

\$ 225,110.62

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TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2008

Analysis of Non-Budget Revenues:

Treasurer Miscellaneous		\$	15,922.89
Recycling			11,133.07
Township Auction			1,757.15
Distance Waiver			625.00
Refund of Expenses			51,555.36
Court Voided Checks			355.00
In Lieu of Taxes			2,128.00
Revenue Sharing			7,464.00
Developer Application Review Fees from Trust Fund			287,040.60
JIF Dividend			11,879.00
Restitution			1,028.24
Proceeds of Land Sale			800.00
Workman's Compensation Insurance			39,597.00
Trailer Fees			650.00
Public Works - Prior Year Debris Clean Up Fees			48,574.51
Off Duty Police - Administrative Fees			86,744.80
Domestic Violence Training Program			1,250.00
Stormwater Management Program			5,155.00
Payroll Void Checks			4,156.03
Premiums and Third Party Liens Forfeited			3,203.27
Miscellaneous			440.00

A-2 \$ 581,458.92

Cash Receipts	A-4	\$	204,470.25
Interfund Accounts Receivable	A-10		<u>376,988.67</u>

A-2 \$ 581,458.92

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>Operations Within CAPS</u>					
<u>General Government Functions</u>					
General Administration					
Salaries and Wages	\$ 288,855.00	\$ 262,572.87	\$ 257,321.41	\$ 5,251.46	
Other Expenses	53,725.00	56,695.13	56,609.11	86.02	
Human Resources					
Salaries and Wages	81,827.00	81,827.51	80,190.96	1,636.55	
Other Expenses	3,220.00	1,508.40	1,508.40		
Office of the Mayor					
Salaries and Wages	15,000.00	8,500.18	8,500.18		
Other Expenses	3,100.00	1,039.89	1,039.89		
Township Council					
Salaries and Wages	71,000.00	62,007.66	62,007.66		
Other Expenses	5,850.00	4,713.00	4,713.00		
Municipal Clerk					
Salaries and Wages	205,124.00	200,742.30	200,742.30		
Other Expenses	34,942.00	20,473.59	19,536.05	937.54	
Financial Administration					
Salaries and Wages	285,175.00	276,341.18	264,934.18	11,407.00	
Other Expenses	16,825.00	11,961.57	11,961.57		
Audit Services					
Other Expenses	60,000.00	60,000.00	59,080.00	920.00	

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TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Revenue Administration (Tax Collection)					
Salaries and Wages	\$ 357,309.00	\$ 351,960.29	\$ 351,960.29		
Other Expenses	65,660.00	84,130.33	84,130.33		
Tax Assessment Administration					
Salaries and Wages	252,324.00	249,452.73	249,452.73		
Other Expenses	15,450.00	16,828.89	16,828.89		
Legal Services					
Other Expenses	350,000.00	406,261.41	406,261.41		
Municipal Court					
Salaries and Wages	235,086.00	232,912.18	232,912.18		
Other Expenses	14,025.00	13,577.21	13,577.21		
Public Defender					
Other Expenses	25,000.00	25,000.00	12,587.50	\$ 12,412.50	
Engineering Services					
Other Expenses	175,000.00	175,000.00	171,073.41	3,926.59	
Economic Development Agencies					
Salaries and Wages	800.00	753.01	753.01		
Other Expenses	300.00	25.00	25.00		
<u>Land Use Administration</u>					
Planning Board/Director of Planning					
Other Expenses	150,000.00	110,387.91	105,832.00	4,555.91	
Planning Board					
Salaries and Wages	2,800.00	975.00	975.00		
Other Expenses	120,375.00	98,375.00	94,961.36	3,413.64	
Division of Zoning					
Salaries and Wages	113,961.00	83,240.48	83,240.48		
Other Expenses	2,970.00	4,736.71	4,736.71		

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TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Zoning Board of Adjustment					
Salaries and Wages	\$ 6,290.00	\$ 2,000.00	\$ 2,000.00		
Other Expenses	46,795.00	35,862.85	35,862.85		
Insurances					
General Liability	900,000.00	972,320.38	949,807.46	\$ 22,512.92	
Workers Compensation	500,000.00	500,000.00	470,651.27	29,348.73	
Employee Group Health	4,266,752.00	4,050,633.01	4,038,904.92	11,728.09	
Unemployment Insurance	50,000.00				
Public Safety Functions					
Police Department					
Salaries and Wages	7,799,378.18	8,042,850.02	8,042,850.02		
Levy Cap Waiver - Salaries and Wages	468,751.00	468,751.00	468,751.00		
Other Expenses	324,253.00	323,813.25	318,513.32	5,299.93	
Office of Emergency Management					
Salaries and Wages	27,684.20	29,390.43	29,390.43		
Other Expenses	3,445.00	3,717.90	3,437.90	280.00	
Aid to Volunteer Fire Companies					
Salaries and Wages	15,000.00	15,002.00	15,002.00		
Other Expenses	238,699.00	238,699.00	226,894.75	11,804.25	
First Aid Organizations					
Other Expenses	125,000.00	125,000.00	125,000.00		
Fire Department					
Salaries and Wages	152,621.00	118,028.34	118,028.34		
Other Expenses	233,585.00	233,585.00	224,427.89	9,157.11	
Uniform Fire Safety Act					
Salaries and Wages	29,041.15	29,041.15	29,041.15		
Municipal Prosecutor's Office					
Other Expenses	40,000.00	40,000.00	40,000.00		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Public Works Functions					
Streets and Road Maintenance					
Salaries and Wages	\$ 493,500.00	\$ 457,508.86	\$ 457,508.86		
Other Expenses	185,450.00	190,086.66	189,573.92	\$ 512.74	
Contractual	40,000.00	40,021.01	40,021.01		
Other Public Works Functions / Signs, Maintenance					
Salaries and Wages	91,000.00	85,116.93	85,116.93		
Other Expenses	35,000.00	35,468.59	35,468.59		
Other Public Works Functions / Demolition Buildings					
Other Expenses	10,000.00	7,538.94	7,538.94		
Solid Waste Collection					
Salaries and Wages	1,825,000.00	1,840,316.29	1,840,316.29		
Other Expenses	242,800.00	244,566.11	244,566.11		
Solid Waste Collection / Recycling					
Salaries and Wages	427,761.96	435,063.79	435,063.79		
Other Expenses	50,000.00	51,999.47	51,999.47		
Buildings and Grounds					
Salaries and Wages	245,666.00	226,271.94	219,844.42	6,427.52	
Other Expenses	96,500.00	95,104.14	95,104.14		
Equipment Maintenance					
Salaries and Wages	378,919.00	361,038.02	361,038.02		
Other Expenses	48,860.00	51,254.04	51,254.04		

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TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>Health and Human Services Functions</u>					
Environmental Health Services					
Salaries and Wages	\$ 900.00	\$ 527.00	\$ 527.00		
Other Expenses	12,000.00	6,575.13	6,575.13		
Animal Control Services					
Salaries and Wages	131,702.00	123,939.20	123,939.20		
Other Expenses	14,990.00	12,715.89	12,715.89		
Contribution - Providence House	1,000.00	1,000.00	1,000.00		
Contribution - Community Services Inc.	1,000.00	1,000.00	1,000.00		
<u>Parks and Recreation Functions</u>					
Recreation Services and Programs					
Salaries and Wages	440,731.00	451,133.97	451,133.97		
Other Expenses	105,000.00	106,242.86	106,223.59	\$ 19.27	
Recreation Services and Programs / Golf Course					
Salaries and Wages	576,212.00	624,754.01	624,754.01		
Other Expenses	141,200.00	141,549.11	141,372.29	176.82	
Maintenance of Parks					
Salaries and Wages	531,556.00	549,893.77	549,893.77		
Other Expenses	98,000.00	97,623.40	97,623.40		
Beach and Boardwalk Operations					
Salaries and Wages	90,000.00	90,000.00	90,000.00		
Other Expenses	9,000.00	8,579.21	8,579.21		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>Utility Expenses and Bulk Purchases</u>					
Utilities					
Other Expenses	\$ 490,000.00	\$ 512,168.68	\$ 499,097.45	\$ 13,071.23	
Street Lighting					
Other Expenses	565,000.00	537,350.53	537,350.53		
Gasoline					
Other Expenses	525,000.00	632,986.11	625,888.10	7,098.01	
Levy Cap Waiver - Other Expenses	175,000.00	175,000.00	175,000.00		
<u>Landfill / Solid Waste Disposal Costs</u>					
Landfill / Solid Waste Disposal Costs					
Other Expenses - Tipping	1,749,843.72	1,779,843.72	1,779,691.19	152.53	
<u>Land Use Administration</u>					
Other Code Enforcement Functions					
Salaries and Wages	131,652.00	125,051.55	125,051.55		
Other Expenses	5,695.00	4,547.44	4,547.44		
Total Operations Within CAPS	28,198,936.21	28,234,530.13	28,072,393.77	162,136.36	
Contingent	5,000.00	5,000.00	36.73	4,963.27	
Total Operations Including Contingent Within CAPS	28,203,936.21	28,239,530.13	28,072,430.50	167,099.63	
Detail:					
Salaries and Wages	15,772,626.49	15,886,963.66	15,862,241.13	24,722.53	
Other Expenses	12,431,309.72	12,352,566.47	12,210,189.37	142,377.10	

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TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>Deferred Charges and Statutory Expenditures Within CAPS</u>					
Deferred Charges:					
Prior Year's Bills:					
Schoor DePalma - 2005	\$ 473.76	\$ 473.76	\$ 473.76		
Schoor DePalma - 2005	3,136.50	3,136.50	3,136.50		
Bonnie Siber - 2003	1,051.55	1,051.55	1,051.55		
Brick Wall Corp.	22.20	22.20			\$ 22.20
Deficit in Construction Code Trust Fund	186,113.85	186,113.85	186,113.85		
Statutory Expenditures:					
Social Security System (O.A.S.I.)	1,231,475.00	1,194,879.41	1,191,936.01	\$ 2,943.40	
Deferred Charges and Statutory Expenditures Within CAPS	<u>1,422,272.86</u>	<u>1,385,677.27</u>	<u>1,382,711.67</u>	<u>2,943.40</u>	<u>22.20</u>
Total Appropriations Within CAPS	<u>29,626,209.07</u>	<u>29,625,207.40</u>	<u>29,455,142.17</u>	<u>170,043.03</u>	<u>22.20</u>
<u>Operations Excluded from CAPS</u>					
Recycling Enhancement Act (P.L. 2007 c.311)					
Other Expenses	50,156.28	51,157.93	51,157.93		
Mount Laurel Planning I Requirements	50,000.00	50,000.00	50,000.00		
Contribution to:					
Police and Firemen's Retirement System of NJ	1,240,848.00	1,240,848.00	1,240,848.00		
Public Employees' Retirement System	488,706.40	488,706.40	488,706.40		
LOSAP NJAC 5:30-14.25	235,000.00	235,000.00		235,000.00	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
NJPDES Stormwater Permit (N.J.S.A. 40A 4-45.3(cc))					
Division of Streets and Roads					
Salaries and Wages	\$ 203,000.00	\$ 203,000.00	\$ 203,000.00		
Other Expenses	85,000.00	85,000.00	80,418.05		\$ 4,581.95
Interlocal Municipal Services Agreements:					
Ocean County Health Department - Animal Control	16,160.00	16,160.00	16,160.00		
Other Expenses	35,000.00	35,000.00	30,107.00	\$ 4,893.00	
Ocean County Board of Social Services - Relocation	6,175.00	6,175.00	6,175.00		
Other Expenses	4,500.00	4,500.00	1,350.00		4,500.00
Fire Protection - South Toms River	7,403.00	7,403.00	7,403.00		
Other Expenses	25,500.00	25,500.00	25,500.00		
Animal Control - Pine Beach, South Seaside Park, Ocean Gate	10,000.00	10,000.00	10,000.00		
Salaries and Wages	12,604.00	12,604.00	12,604.00		
Berkeley Board of Education - Gas/Diesel	50,750.00	50,750.00	50,750.00		
Other Expenses	50,750.00	50,750.00	50,750.00		
Central Regional Bd. of Education - Gas/Diesel	78,000.00	78,000.00	78,000.00		
Other Expenses	78,000.00	78,000.00	78,000.00		
Central Regional Bd. of Education - Police	40,000.00	40,000.00	32,000.00		8,000.00
Salaries and Wages	40,000.00	40,000.00	32,000.00		8,000.00
Total Operations - Excluded from CAPS	2,736,487.22	2,882,239.62	2,636,264.67	\$ 229,883.00	\$ 17,781.95
Detail:					
Salaries and Wages			2,246,264.67		8,000.00
Other Expenses	2,413,266.97	2,510,973.46	2,391,015.20	229,883.00	9,081.95

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TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Public and Private Programs Offset by Revenues:					
Clean Communities Grant					
Salaries and Wages	\$ 65,307.16	\$ 65,307.16	\$ 65,307.16		
Other Expenses	10,000.00	10,000.00	10,000.00		
Municipal Alliance Grant					
Salaries and Wages - State Share	16,160.00	16,160.00	16,160.00		
Other Expenses - State Share	8,540.00	8,540.00	8,540.00		
Salaries and Wages - Municipal Share	6,175.00	6,175.00	6,175.00		
Other Expenses - Municipal Share	1,350.00	1,350.00	1,350.00		
N.J. State Body Armor Replacement Program	7,463.65	14,820.88	14,820.88		
Drunk Driving Enforcement Fund	4,067.94	23,108.61	23,108.61		
Office of Emergency Management	10,000.00	10,000.00	10,000.00		
NJ Flood Mitigation Assistance Program					
Grant Share	7,500.00	11,250.00	11,250.00		
Matching Share	3,750.00	3,750.00	3,750.00		
NJ Department of Law and Public Safety - 966 Grant	9,880.00	31,998.10	31,998.10		
NJ Division of Highway Safety - Click it or Ticket	4,000.00	4,000.00	4,000.00		
Recycling Tonnage Grant	3,230.80	21,713.54	21,713.54		
CDBG - Pembroke Lane		55,000.00	55,000.00		
Total Operations - Excluded from CAPS	<u>2,756,489.23</u>	<u>2,883,239.62</u>	<u>2,626,264.67</u>	\$ 239,893.00	\$ 17,081.95
Detail:					
Salaries and Wages	343,246.16	343,246.16	335,246.16		8,000.00
Other Expenses	<u>2,413,243.07</u>	<u>2,539,993.46</u>	<u>2,291,018.51</u>	239,893.00	9,081.95

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>Capital Improvements Excluded From CAPS</u>					
Capital Improvement Fund	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00		
Total Capital Improvements Excluded from CAPS	250,000.00	250,000.00	250,000.00		
<u>Municipal Debt Service Excluded from CAPS</u>					
Payment of Bond Principal	2,500,000.00	2,500,000.00	2,500,000.00		
Interest on Bonds	838,357.50	838,357.50	838,357.50		
Interest on Notes	246,593.28	246,593.28	246,593.27		\$ 0.01
Green Trust Loan Program					
Loan Repayments for Principal and Interest	69,481.56	69,481.58	69,481.58		
Total Municipal Debt Service Excluded from CAPS	3,654,432.34	3,654,432.36	3,654,432.35		0.01
<u>Deferred Charges:</u>					
Special Emergency Authorizations - 5 Years (N.J.S.A. 40A4-55)	290,000.00	290,000.00	290,000.00		
Total Deferred Charges Excluded from CAPS	290,000.00	290,000.00	290,000.00		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Appropriated		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Judgments	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00		
Total General Appropriations Excluded from CAPS	6,960,921.57	7,087,671.98	6,830,697.02	\$ 239,893.00	\$ 17,081.96
Subtotal General Appropriations	36,587,130.64	36,712,879.38	36,285,839.19	409,936.03	17,104.16
Reserve for Uncollected Taxes	1,454,883.62	1,454,883.62	1,454,883.62		
Total General Appropriations	\$ 38,042,014.26	\$ 38,167,763.00	\$ 37,740,722.81	\$ 409,936.03	\$ 17,104.16
Ref.	A-2	A-1/A-3	A-3	A	A-1

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2008

	Ref.	2008	2007
ASSETS			
	<u>Ref.</u>		<u>Budget After Modification</u>
Budget	A-2	\$ 38,042,014.26	
Added by N.J.S. 40A:4-87	A-2	125,748.74	
			<u>\$ 38,167,763.00</u>
Cash	A-3		
Due from State of New Jersey			
Interfund - Current Fund			
Open Space Trust Fund			
Cash			
Interfund - Current Fund			
Disbursements	A-4	\$ 35,427,786.02	
Reserve for Encumbrances	A-13	284,879.88	
Special Emergency Authorization (N.J.S. 40A:4-55)	A-11	290,000.00	
Appropriated Reserves for Federal and State Grants	A-27	283,173.29	
Reserve for Uncollected Taxes	A-2	1,454,883.62	
			<u>\$ 37,740,722.81</u>
Funds Held by Trustee	A-3		

The accompanying notes are an integral part of this statement.
The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	Ref.	2008	2007
Assessment Trust Fund:			
Interfund - Current Fund	B-4	\$ 1,997.17	\$ 1,997.17
		<u>1,997.17</u>	<u>1,997.17</u>
Animal Control Trust Fund:			
Cash	B-2	54,796.81	56,561.60
Due from State of New Jersey	B-6	62.20	12.80
Interfund - Current Fund	B-5		564.94
Reserve for Open Space	B-13	54,859.01	57,139.34
Open Space Trust Fund:			
Cash	B-2	1,381,348.24	1,137,185.03
Interfund - Current Fund	B-14	1,656.47	1,610.38
		<u>1,383,004.71</u>	<u>1,138,795.41</u>
Trust Other Fund:			
Cash	B-2	6,137,591.69	7,023,033.56
Investments	B-2	363,693.25	348,866.57
Deficit in Reserve for Construction Code	B-2/B-8	76,446.14	186,113.85
Serial Permits	B-12	6,577,731.08	7,558,013.98
Length of Service Awards Program (LOSAP) - UNAUDITED:			
Funds Held by Trustee	B-15	890,369.99	986,128.97
		<u>\$ 8,907,961.96</u>	<u>\$ 9,742,074.87</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

LIABILITIES AND RESERVES	Ref.	2008	2007
Assessment Trust Fund:			
Fund Balance	B-1	\$ 1,997.17	\$ 1,997.17
		<u>1,997.17</u>	<u>1,997.17</u>
Animal Control Trust Fund:			
Reserve for Animal Control Trust Fund Expenditures	B-7	54,859.01	57,139.34
		<u>54,859.01</u>	<u>57,139.34</u>
Open Space Trust Fund:			
Reserve for Open Space	B-13	1,383,004.71	1,138,795.41
		<u>1,383,004.71</u>	<u>1,138,795.41</u>
Trust Other Fund:			
Various Reserves	B-8	6,371,070.15	7,017,676.89
Interfund - Current Fund	B-9	199,251.93	529,261.25
Interfund - Grant Fund	B-2		1,723.84
Due to State of New Jersey:			
Marriage License Fees	B-10	675.00	975.00
DCA Training Fees	B-11	6,324.00	7,917.00
Burial Permits	B-12	410.00	460.00
		<u>6,577,731.08</u>	<u>7,558,013.98</u>
Length of Service Awards Program (LOSAP) - UNAUDITED:			
Reserve for Length of Service Awards Program	B-16	890,369.99	986,128.97
		<u>\$ 8,907,961.96</u>	<u>\$ 9,742,074.87</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

Exhibit C

ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

For the Year Ended December 31, 2008

	Ref.	2008	2007
Balance, December 31, 2007 and 2008	B		\$ <u>1,997.17</u>
Cash	C-2	\$ 7,801,728.89	\$ 7,742,035.99
Accounts Receivable	C-6	367,875.00	376,625.00
Due From NJ Environmental Infrastructure Trust Fund	C-12	814,383.00	
Unfunded Charges to Future Taxation:			
Funded	C-4	21,577,405.95	23,045,219.46
Unfunded	C-5	9,970,023.72	6,055,691.72
		\$ <u>40,531,335.47</u>	\$ <u>37,219,572.17</u>

The accompanying notes are an integral part of this statement.

LIABILITIES, RESERVES AND FUND BALANCE

General Serial Bonds	C-8	\$ 18,202,000.00	\$ 20,702,000.00
Direct Anticipation Notes	C-9	9,347,000.00	5,432,687.00
Trust Loans Payable	C-10	1,264,175.90	1,023,219.46
Environmental Infrastructure Trust Fund Loans	C-12	2,111,280.05	1,330,000.00
Contingent Liabilities:			
Unfunded	C-11	845,794.94	1,915,806.31
Funded	C-11	2,067,273.48	2,418,051.36
Unfunded	C-11	6,251,204.84	3,802,597.51
Capital Improvement Fund	C-13	4,175.97	3,050.97
Accrued Interest on Bonds	C	3,641.27	3,641.27
Miscellaneous Reserves	C-14	4,182.96	11,325.07
Reserve for Debt Service	C-15	323,389.58	520,600.00
Accounts Payable	C-14	3,482.36	3,000.00
Reserve for Grants Receivable	C-6	55,000.00	
Unfunded - Current Fund	C-7	1,768.12	21,221.94
Fund Balance	C-1	47,014.90	12,990.78
		\$ <u>40,531,335.47</u>	\$ <u>37,219,572.17</u>

There were bonds and notes authorized but not issued on December 31, 2008 of \$423,023.72 (Exhibit C-16)

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	Ref.	2008	2007
Cash	C-2	\$ 7,801,728.80	\$ 7,742,035.99
Grants Receivable	C-6	367,875.00	376,625.00
Due From NJ Environmental Infrastructure Trust Fund	C-12	814,303.00	
Deferred Charges to Future Taxation:			
Funded	C-4	21,577,405.95	23,045,219.46
Unfunded	C-5	9,970,023.72	6,055,691.72
		<u>\$ 40,531,336.47</u>	<u>\$ 37,219,572.17</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds	C-8	\$ 18,202,000.00	\$ 20,702,000.00
Bond Anticipation Notes	C-9	9,347,000.00	5,432,687.00
Green Trust Loans Payable	C-10	1,264,125.90	1,023,219.46
Environmental Infrastructure Trust Fund Loans	C-12	2,111,280.05	1,320,000.00
Improvement Authorizations:			
Encumbered	C-11	845,794.94	1,945,806.81
Funded	C-11	2,067,273.48	2,418,031.36
Unfunded	C-11	6,251,204.84	3,802,597.51
Capital Improvement Fund	C-13	4,175.97	3,050.97
Accrued Interest on Bonds	C	3,641.27	3,641.27
Miscellaneous Reserves	C-14	4,182.96	11,325.07
Reserve for Debt Service	C-15	323,389.58	520,000.00
Contracts Payable	C-14	3,482.36	3,000.00
Reserve for Grants Receivable	C-6	55,000.00	
Interfund - Current Fund	C-7	1,769.12	21,221.94
Fund Balance	C-1	47,016.00	12,990.78
		<u>\$ 40,531,336.47</u>	<u>\$ 37,219,572.17</u>

There were bonds and notes authorized but not issued on December 31, 2008 of \$623,023.72
 (Exhibit C-16)

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS

As of December 31,

	Ref.		
Balance, December 31, 2007	C	2008	\$ 12,990.78
Increased by:			
Premium on Sale of Bond Anticipation Notes	C-2	47,016.00	<u>47,016.00</u>
Decreased by:			
Appropriated to 2008 Budget Revenue	C-2	12,990.78	<u>12,990.78</u>
Balance, December 31, 2008	C		<u>\$ 47,016.00</u>

The accompanying notes are an integral part of this statement.

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSET ACCOUNT GROUP
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
REGULATORY BASIS

NOTE 1 REPORTING ENTITY

As of December 31,

	Ref.	2008	2007
General Fixed Assets:			
Land	D-1	\$ 6,531,802.28	\$ 6,523,802.28
Buildings and Improvements	D-1	7,588,639.71	7,226,556.71
Furniture, Fixtures and Equipment	D-1	<u>23,121,928.22</u>	<u>22,160,709.12</u>
		<u>\$ 37,242,370.21</u>	<u>\$ 35,911,068.11</u>
Investments in General Fixed Assets		<u>\$ 37,242,370.21</u>	<u>\$ 35,911,068.11</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

NOTE 1 **REPORTING ENTITY**

This report includes the financial statements of the Township of Berkeley (the "Township"), within the County of Ocean, in the State of New Jersey, and reflects the activities of the municipality which is under the control of the Mayor and Township Council. The financial statements of the Board of Education, First Aid Organizations and Volunteer Fire Companies are reported separately since their activities are administered by separate boards.

The Township's governing body is also responsible for appointing the members of other organizations, but the Township's accountability for these organizations does not extend beyond making the appointments. The governing body appoints the board members of the Berkeley Township Sewerage Authority, Berkeley Township Municipal Utility Authority, and the Berkeley Township Housing Authority.

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. **Description of Funds**

The Governmental Accounting Standards Board ("GASB") is the recognized standard-setting body for establishing governmental accounting and financial reporting principles generally accepted in the United States of America.

The accounting policies of the Township conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differs from the fund structure required by accounting principles generally accepted in the United States of America.

Current Fund - resources and expenditures for governmental operations of a general nature.

Federal and State Grant Fund - accounts for receipts and disbursements of Federal and State Grants.

Animal Control Trust Fund - animal license revenues and expenditures.

Trust Other Funds - receipts, custodianship, and disbursements of monies in accordance with the purpose for which each reserve was created.

Assessment Trust Fund - used to account for the financing of local improvements deemed to benefit the properties against which assessments are levied.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund and are offset by deferred charges to future taxation.

General Fixed Assets Account Group - reflects estimated valuations of land, buildings and certain moveable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

B. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local governmental units. The more significant differences are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Budgets and Budgetary Accounting - the Township of Berkeley must adopt an annual budget in accordance with N.J.S.A. 40A:4-4 et al. N.J.S.A. 40A:4-5 which requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulated in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9.

An extension of the statutory date for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

Cash, Cash Equivalents and Investments - New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash, Cash Equivalents and Investments (continued)

The Township of Berkeley is required to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Public funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories in the collateral pool, is available to pay the full amount of their deposits to the governmental units.

The Township considers highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents.

Property Taxes and Other Revenues - property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township's Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts. Property taxes are payable quarterly on the first day of February, May, August and November.

Grant Revenues and Expenditures - Federal and State grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. GAAP requires such revenues to be recognized in the accounting period when they are earned and the expenditures to be recognized when the liability is incurred.

Expenditures - unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Encumbrances - contractual orders at December 31, are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves - are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Deferred Charges - the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheet. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at December 31, 2008 is set forth in Note 9.

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation, sick pay and compensatory time are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes - is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the general fixed assets account group at its market value.

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

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reserve for Sale of Municipal Assets - cash proceeds from the sale of Township owned property may be reserved until utilized as an item of anticipated revenue in a subsequent year budget. Year end balances of such proceeds would be reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of sales contracts become legally enforceable.

Capital Leases - are not recorded at the lesser of the fair value of the leased property or the present value of the minimum lease payments. GAAP requires an amount equal to the lesser of the fair value of the leased property or the present value of the minimum lease payments to be recorded in General Fixed Assets Account Group and the long-term obligation be recorded as part of a General Long-Term Debt Account Group.

General Fixed Assets - property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized.

Accounting for Governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 2 as issued by the Division of Local Government Services, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive.

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value.

No depreciation on general fixed assets is recorded in the financial statements.

Fixed assets acquired through grants-in-aid or contributed capital are not accounted for separately.

Comparative Data - comparative total data for the various funds for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations and Change in Fund Balance in order to provide an understanding of changes in the Township's financial position. However, Comparative Statements of Revenue and Statements of Expenditures have not been presented since this inclusion would make the statements unduly complex and difficult to read.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in general purpose financial statements in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP.

In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Deposits

As of December 31, 2008, the Township had funds or deposits in checking and statement savings.

All bank deposits as of the balance sheet date are either insured or covered by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act (see Note 2 - Cash, Cash Equivalents and Investments).

At December 31, 2008, the Township's deposits had a carrying amount of \$19,028,692.15 and a bank balance of \$19,564,396.74. Of the bank balance \$275,672.05 was covered by federal depository insurance and the remainder was covered by the Governmental Unit Deposit Protection Act.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of bank failures, the government's deposits may not be returned to it. The Township does not have a formal policy for custodial credit risk.

B. Investments

As of December 31, 2008, the Township had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Book Value</u>
Trust Other Fund:		
Certificate of Deposit	\$ 363,693.25	\$ 363,693.25
LOSAP Fund:		
LOSAP	<u>890,369.99</u>	<u>890,369.99</u>
	<u>\$1,254,063.24</u>	<u>\$1,254,063.24</u>

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Interest Rate Risk - The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - All investments are in financial instruments in accordance with State regulations. Certificates of Deposit held in the name of the Township are covered by FDIC up to \$250,000 and Governmental Unit Deposit Protection Act (GUDPA) of the State of New Jersey. LOSAP investment options are at the discretion of each individual participant and not the Township. State law limits investments (Note 2B).

The fair value of the above-listed investments was based on quoted market price.

During the year, the Township had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year no such investments were held by the Township.

NOTE 4 BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2008, the Township had authorized but not issued bonds and notes outstanding.

General Capital Fund	
Bonds and Notes	\$623,023.72

NOTE 5 LONG-TERM DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The terms of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 5 LONG-TERM DEBT (continued)

As of December 31, 2008, the Township's long-term debt is as follows:

General Serial Bonds

\$6,027,000 1998 Bonds due in annual installments of \$550,000 through 2010 at an interest rate of 4.50%.	\$ 1,100,000.00
\$6,285,000 2001 Bonds due in annual installments ranging from \$615,000 to \$710,000 through 2012 at interest rates ranging from 4.25% to 4.35%.	2,650,000.00
\$8,103,000 2004 Bonds due in annual installments ranging from \$690,000 to \$973,000 through 2015 at interest rates ranging from 4.00% to 4.25%.	5,813,000.00
\$9,384,000.00 2006 Bonds due in annual installments ranging from \$719,000 to \$720,000 through 2020 at interest rates ranging from 4.00% to 4.50%.	<u>8,639,000.00</u>
	<u>\$18,202,000.00</u>

Annual debt service for principal and interest over the next five years and five-year increments thereafter for bonded debt issued and outstanding are as follows:

<u>Year</u>	<u>General Capital Fund</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2009	\$ 2,575,000.00	\$ 732,601.25	\$ 3,307,601.25
2010	2,645,000.00	623,876.25	3,268,876.25
2011	2,180,000.00	524,175.00	2,704,175.00
2012	2,260,000.00	433,112.50	2,693,112.50
2013	1,600,000.00	354,670.00	1,954,670.00
2014-2018	5,503,000.00	890,985.00	6,393,985.00
2019-2020	<u>1,439,000.00</u>	<u>97,110.00</u>	<u>1,536,110.00</u>
Total	<u>\$18,202,000.00</u>	<u>\$3,656,530.00</u>	<u>\$21,858,530.00</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 5 LONG-TERM DEBT (continued)

Green Trust Loans Payable

During 2001, the Township closed on a Green Trust Loan in the sum of \$185,825.17 for the Berkeley Recreation Acquisition at an interest rate of 2%. Additionally, during 2001, the Township received proceeds from a Green Trust Loan in the amount of \$409,630.28 for Veterans' Park Driving Range, at an interest rate of 2%. On December 19, 2007, the Township closed on a Green Trust Loan in the sum of \$500,000.00 for the Toms River Park at an interest rate of 2%. On May 19, 2008, the Township closed on a Green Trust Loan in the sum of \$289,202.77 for Toms River Park Phase II at an interest rate of 2%.

Schedule of annual debt service for principal and interest over the next five years and five-year increments thereafter for Green Trust Loans Payable are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 72,517.12	\$ 24,921.76	\$ 97,438.88
2010	73,974.73	23,464.15	97,438.88
2011	75,461.62	21,977.26	97,438.88
2012	76,978.39	20,460.49	97,438.88
2013	78,525.67	18,913.21	97,438.88
2014-2018	402,875.75	70,316.45	473,192.20
2019-2023	299,920.15	33,034.20	332,954.35
2024-2028	<u>183,872.47</u>	<u>8,218.80</u>	<u>192,091.27</u>
Total	<u>\$1,264,125.90</u>	<u>\$221,306.32</u>	<u>\$1,485,432.22</u>

Environmental Infrastructure Trust Fund Loans

During 2007, the Township entered into loan agreements funded by the New Jersey Environmental Trust in the amount of \$1,320,000.00 for Potters Creek. \$345,000.00 was funded by a trust loan with interest rates ranging from 3.40% to 5.00%. The remaining \$975,000.00 was funded by a fund loan with 0.00% interest. The loan matures in 2027.

During 2008, the Township entered into loan agreements funded by the New Jersey Environmental Trust in the amount of \$814,303.00 for storm water management, roadway and drainage improvements. \$405,000.00 was funded by a trust loan with interest rates ranging from 5.00% to 5.50%. The remaining \$409,303.00 was funded by a fund loan with 0.00% interest. The loan matures in 2021.

NOTE 6 SHORT-TERM DEBT

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuing of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

NOTE 5 **LONG-TERM DEBT (continued)**

Schedule of annual debt service for principal and interest over the next five years and five-year increments thereafter for Environmental Infrastructure Trust Fund Loans Payable are as follows:

Year	Principal	Interest	Total
2009	\$ 68,781.26	\$ 32,486.46	\$ 101,267.72
2010	113,469.52	35,737.50	149,207.02
2011	125,806.23	33,987.50	159,793.73
2012	132,121.39	31,987.50	164,108.89
2013	130,113.48	29,977.50	160,090.98
2014-2018	664,861.89	116,602.50	781,464.39
2019-2023	573,059.14	49,762.50	622,821.64
2024-2027	<u>303,067.14</u>	<u>11,000.00</u>	<u>314,067.14</u>
Total	<u>\$2,111,280.05</u>	<u>\$341,541.46</u>	<u>\$2,452,821.51</u>

Changes in Outstanding Long-Term Debt

Transactions for the year ended December 31, 2008 are summarized as follows:

	Balance Dec. 31, <u>2007</u>	<u>Additions</u>	<u>Deductions</u>	Balance Dec. 31, <u>2008</u>
<u>General Capital Fund</u>				
Serial Bonds	\$20,702,000.00	\$ -	\$2,500,000.00	\$18,202,000.00
Green Trust Loans	1,023,219.46	289,202.77	48,296.33	1,264,125.90
Environmental Infrastructure Trust Fund Loans	<u>1,320,000.00</u>	<u>814,303.00</u>	<u>23,022.95</u>	<u>2,111,280.05</u>
Total	<u>\$23,045,219.46</u>	<u>\$1,103,505.77</u>	<u>\$2,571,319.28</u>	<u>\$21,577,405.95</u>

Borrowing Power

New Jersey statutes limit the debt of a municipality to 3.50% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2008 was 0.48%. The Township's remaining borrowing power is 3.02%.

The summary of municipal debt for the last three years and the calculation of statutory net debt is presented in the Supplementary Data section of this report.

NOTE 6 **SHORT-TERM DEBT**

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuing of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

NOTE 6 **SHORT-TERM DEBT (continued)**

On December 31, 2008, the Township's outstanding bond anticipation notes were as follows:

	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Various Capital Improvements	11-20-08	11-19-09	<u>\$9,347,00.00</u>	3.50%

Special Emergency Notes (40A:4-55)

The Township issues special emergency notes to fund special emergency appropriations prior to the funds being raised in the budget. The term of the notes cannot exceed one year but the notes may be renewed from time to time, but at least 1/5 of all such notes, and the renewals thereof, shall mature and be paid in each year, so that all notes and renewals shall have matured and have been paid not later than the last day of the fifth year following the date of the emergency resolution.

On December 31, 2008 the Township had \$870,000.00 outstanding in Current Fund special emergency notes. The notes were issued on March 14, 2008 and mature on March 13, 2009 at an interest rate of 2.05%.

Changes in Short-Term Debt

Transactions for the year ended December 31, 2008 are summarized as follows:

<u>Current Fund</u>	<u>Balance Dec. 31, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance Dec. 31, 2008</u>
Tax Map and Revaluation Program	\$1,160,000.00	\$ -	\$290,000.00	\$ 870,000.00
<u>General Capital Fund</u>				
Various Capital Improvements	<u>5,432,687.00</u>	<u>3,914,313.00</u>	<u>-</u>	<u>9,347,000.00</u>
	<u>\$6,592,687.00</u>	<u>\$3,914,313.00</u>	<u>\$290,000.00</u>	<u>\$10,217,000.00</u>

NOTE 7 **FIXED ASSETS**

Fixed assets activity for the year ended December 31, 2008 was as follows:

	<u>Balance Dec. 31, 2007</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance Dec. 31, 2008</u>
Land	\$ 6,523,802.28	\$ 8,000.00	\$ -	\$ 6,531,802.28
Buildings and Improvements	7,226,556.71	362,083.00	-	7,588,639.71
Furniture, Fixtures and Equipment	<u>22,160,709.12</u>	<u>961,219.10</u>	<u>-</u>	<u>23,121,928.22</u>
	<u>\$35,911,068.11</u>	<u>\$1,331,302.10</u>	<u>\$ -</u>	<u>\$37,242,370.21</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 8 DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED

Upon the authorization of capital projects, the Township establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to the New Jersey Statutes Annotated 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for the particular year in the current budget. As funds are raised, the deferred charges are reduced.

NOTE 9 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

As noted in Note 2, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2008, the following deferred charges are shown on the balance sheets of the various funds.

	<u>Balance December 31, 2008</u>	<u>2009 Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:			
Special Emergency Authorizations	<u>\$870,000.00</u>	<u>\$290,000.00</u>	<u>\$580,000.00</u>
Trust Other Fund:			
Deficit in reserve for construction code	<u>\$76,446.14</u>	<u>\$76,446.14</u>	<u>\$ -</u>

The 2009 budget has not been introduced as of the date of this report.

NOTE 10 TAXES COLLECTED IN ADVANCE

Taxes collected in advance set forth as cash liabilities in the financial statements, are as follows:

	<u>Balance December 31,</u>	
	<u>2008</u>	<u>2007</u>
Prepaid Taxes	\$936,767.01	\$1,036,157.95

NOTE 11 ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1st in each year and filed with the County Board of Taxation ("Board") by January 10th of the following year. Upon the filing of certified adopted budgets by the Township, Local School District, Regional School and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3rd, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector ("Collector") on or before May 13th. Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 11 ASSESSMENT AND COLLECTION OF PROPERTY TAXES (continued)

amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The N.J. Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent as of the eleventh day of the eleventh month of the fiscal year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

NOTE 12 LOCAL DISTRICT SCHOOL AND REGIONAL SCHOOL TAXES

Local District School and Regional School Taxes have been raised and liabilities deferred. Section 13 of P.L. 1991, C. 63 provides that any municipality that levies school taxes on a school year basis may defer from the municipal purposes tax levy 50% (fifty percent) of the levy. The amounts so deferred shall be regarded as fund balance and shall be used to offset the local property tax levy for local purposes. At year end taxes due consisted of the following:

	<u>Local District School Tax</u>		<u>Regional School Tax</u>	
	<u>Balance December 31,</u>		<u>Balance December 31,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Balance of Tax	\$12,312,161.50	\$11,998,930.25	\$8,202,954.95	\$7,897,314.29
Deferred	<u>12,312,161.50</u>	<u>11,998,930.25</u>	<u>8,202,954.95</u>	<u>7,897,314.29</u>
Taxes Payable	\$ <u>0.00</u>	\$ <u>0.00</u>	\$ <u>0.00</u>	\$ <u>0.00</u>

NOTE 13 FUND BALANCES APPROPRIATED

The 2009 municipal budget has not been introduced as of the date of this report.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 14 PENSION PLANS

A. Public Employee's Retirement System and Police and Firemen's Retirement System

The Township of Berkeley contributes to the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), cost-sharing multiple-employer defined benefit pension plans administered by the Division of Pensions in the Department of the Treasury, State of New Jersey. The plans provide retirement, death, disability benefits and medical benefits to certain qualifying plan members and beneficiaries. The Public Employees' Retirement System was established January 1, 1955 under the provisions of N.J.S.A. 43:15A. The Police and Firemen's Retirement System was established July 1, 1944 under the provisions of N.J.S.A. 43:16A. The Public Employees' Retirement System and the Police and Firemen's Retirement System issue publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing to the State of New Jersey, Division of Pensions.

Funding Policy

Employee contributions are currently five percent (5%) and eight and one-half percent (8 1/2%) of their base wages for PERS and PFRS, respectively. Employer's contributions are actuarially determined annually by the Division of Pensions. Contributions to the plan for the last three years were as follows:

Year	PERS		PFRS	
	Township	Employees	Township	Employees
2006	\$ 123,978.00	\$371,021.65	\$556,104.00	\$500,567.64
2007	222,115.00	375,980.70	857,260.00	512,220.65
2008	488,706.40	406,724.54	1,241,383.34	572,312.02

All contributions were equal to the required contributions.

B. Post Employment Retirement Benefits

The Public Employees' Retirement System and the Police and Firemen's Retirement System provide post employment retirement benefits.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 15 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB")

A. Plan Description

In addition to the pension benefits described in Note 14, the Township contributes to the New Jersey State Health Benefits Program, a multiple-employer, cost-sharing defined benefit post-employment benefit plan other than pensions ("OPEB") administered by the Division of Pensions in the Department of the Treasury, State of New Jersey. The plan provides for health care benefits for retired employees who meet certain service requirements and can be amended by the Township subject to applicable collective bargaining and employment agreements. The New Jersey Health Benefits Program issues publicly available financial reports that include financial statements and required supplementary information. These reports can be obtained by writing to the State of New Jersey, Division of Pensions and Benefits.

B. Funding Policy

The Township currently contributes on a pay-as-you-go basis based upon monthly invoices from the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits. Contributions to the plan for the last three years and the number of former employees eligible for and participating in the post employment health care benefits program as of the respective year ended December 31 was as follows:

<u>Year</u>	<u>Contribution</u>	<u>Number of Employees</u>
2008	\$ 892,253.69	72
2007	922,884.39	66
2006	904,205.06	64

All contributions were equal to the required contributions for each of the three years respectively.

NOTE 16 DEFERRED COMPENSATION PLAN

The Township of Berkeley offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with the amounts, and all income attributable to these amounts are for the exclusive benefit of the Plan participants and their beneficiaries and the assets cannot be diverted to any other purpose. The Township serves as Trustee under the Plan.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 17 LENGTH OF SERVICE AWARD PROGRAM (UNAUDITED)

On January 18, 1997, the "Emergency Services Volunteer Length of Service Award Program" was signed into law. This program is more commonly known by the acronym "LOSAP". The statute defines a LOSAP as "a system established to provide tax-deferred income benefits to active volunteer members of an emergency service organization." An emergency service organization generally includes all forms of volunteer fire and first aid organizations.

The tax-deferred income benefits for emergency services volunteers comes from contributions made solely by the governing body of the municipality on behalf of those volunteers who meet the criteria of a plan created by the governing body. The contributions are deposited into a plan similar to the deferred compensation plans permitted for county and municipal employees (N.J.S.A. 43:15B-1 et seq.). These plans permit the governing body or the volunteer to direct the investment of the funds in the different investment vehicles that may be permitted under the plan adopted by the governing body.

The investment options may include different types of mutual funds or annuities.

The purpose of this program is to enhance the Township's ability to retain and recruit volunteer firefighters and volunteer members of the first aid and rescue squads.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participant volunteers shall be contractual only, and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

The Township's contribution is included in the annual budget. During 2008, the Township contributed \$235,000.00 to the program.

NOTE 18 INTERFUND BALANCES

The composition of interfund balances as of December 31, 2008 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Current Fund	Trust Other Fund	\$199,251.93
Current Fund	General Capital Fund	<u>1,769.12</u>
		201,021.05
Open Space Trust Fund	Current Fund	1,656.47
Federal and State Grant Fund	Current Fund	88,299.93
Assessment Trust Fund	Current Fund	<u>1,997.17</u>
		<u>\$292,974.62</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008**

NOTE 18 INTERFUND BALANCES (continued)

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 19 INTERFUND TRANSFERS

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Current Fund	Federal and State Grant Fund	\$ 114,022.19
Current Fund	Trust Other Fund	330,009.32
Current Fund	General Capital Fund	19,452.82
Current Fund	Open Space Trust Fund	46.09
Federal and State Grant Fund	Trust Other Fund	1,723.84

Transfers are primarily used to move funds from the Current Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

NOTE 20 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. The Township is a member of the Garden State Municipal Joint Insurance Fund (JIF). This public entity risk pool is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The JIF will be self-sustaining through member premiums. The JIF contracts for excess liability insurance for property, general liability, auto liability, public official liability, law enforcement liability and workmen's compensation. There were no settlements in excess of insurance coverage for 2008, 2007, or 2006.

NOTE 21 CONTINGENCIES

A. Accrued Sick Pay - Unaudited

As discussed in Note 2 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused sick pay. The Township permits employees to accumulate unused sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation would approximate \$3,405,000 at December 31, 2008. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. The balance in the Township's Trust Fund reserve to pay accumulated absences was \$0.00 at December 31, 2008.

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY
TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2008

NOTE 21 CONTINGENCIES (continued)

B. Litigation

It is the opinion of the Township officials that there is no litigation threatened or pending that would materially affect the financial position of the Township or adversely affect the Township's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

Negligence and other types of liability suits of which the Township is aware, appear to be within the stated policy limits and would be deferred by the respective carriers.

C. Federal and State Grants

The Township receives financial assistance from the U.S. government and the State of New Jersey in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require payment to the grantor agency. As of December 31, 2008, the Township estimates that no material liabilities will result from such audits.

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF CASH

	Ref.		Current Fund		Grant Fund
Balance, December 31, 2007	A		\$ 5,232,403.77		\$ 58.25
Increased by Receipts:					
State of New Jersey (Ch. 20, P.L. 1971)	A-8	\$ 2,407,918.82			
Taxes Receivable	A-5	84,329,264.90			
Tax Title Liens Receivable	A-6	597.09			
Revenue Accounts Receivable	A-9	9,102,796.70			
Interfunds	A-10	1,754,497.45			
Non-Budget Revenues	A-2	204,470.25			
Prepaid Taxes	A-15	936,767.01			
Tax Overpayments	A-14	50,823.86			
Reserve for Garden State Trust Fund	A-19	64,777.98			
Sales Tax Payable	A-23	18,800.04			
Due Berkeley Township Sewerage Authority	A-22	64,450.60			
Due Berkeley Township M.U.A.	A-22	28,439.31			
Payroll Deductions Payable	A-20	7,304,446.11			
Interfund - Trust Other Fund	A			\$ 1,723.84	
			<u>106,268,050.12</u>		<u>1,723.84</u>
			111,500,453.89		1,782.09
Decreased by Disbursements:					
2008 Budget Appropriations	A-3	35,427,786.02			
2007 Appropriation Reserves	A-12	545,622.82			
Change Fund	A	225.00			
Tax Overpayments	A-14	37,857.31			
County Taxes Payable	A-16	19,871,774.63			
Regional School Tax	A-17	17,313,376.53			
Local School Tax	A-18	25,325,992.75			
Interfunds	A-10	1,086,744.42			
Sales Tax Payable	A-23	18,384.68			
Payroll Deductions Payable	A-20	7,410,390.10			
Special Emergency Note Payable	A-21	290,000.00			
Due Berkeley Township Sewerage Authority	A-22	64,450.60			
Due Berkeley Township M.U.A.	A-22	28,439.31			
Reserve for Revaluation Program	A-24	429,687.99			
Refund Prior Year's Revenue	A-1	95.12			
Interfund - Grant Fund	A-25			1,782.09	
			<u>107,850,827.28</u>		<u>1,782.09</u>
Balance, December 31, 2008	A		\$ <u>3,649,626.61</u>		\$ <u>0.00</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN

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

Year	Balance	2008 Levy	Collections		Transferred to Tax Title Liens	Chapter 20, P.L. 1971 Senior Citizens and Veterans	Tax Overpayments Applied	Canceled, Remitted or Abated	Balance
	Dec. 31, 2007		2007	2008					Dec. 31, 2008
2006	\$ 16,966.88		\$	\$ 16,466.88		\$ 500.00			
2007	1,326,406.76	\$ 22,953.33		1,395,935.01	\$ 1,555.55	(66,544.46)	\$ 3,372.32	\$ 573.85	\$ 14,467.82
	1,343,373.64	22,953.33		1,412,401.89	1,555.55	(66,044.46)	3,372.32	573.85	14,467.82
2008		88,097,099.16	\$ 1,036,157.95	82,916,863.01	10,141.36	2,474,483.93		71,886.85	1,587,566.06
	\$ 1,343,373.64	\$ 88,120,052.49	\$ 1,036,157.95	\$ 84,329,264.90	\$ 11,696.91	\$ 2,408,439.47	\$ 3,372.32	\$ 72,460.70	\$ 1,602,033.88
Ref.	A	A-5	A-15/A-2	A-4/A-2	A-6	A-8/A-2	A-14		A
<u>Analysis of 2008 Property Tax Levy</u>			<u>Ref.</u>						
Tax Yield:									
General Purpose Tax			\$ 87,579,941.16						
Added and Omitted Tax			<u>517,158.00</u>						
Tax Levy:			A-5 \$ <u>88,097,099.16</u>						
Local School District Tax			A-18 \$ 25,639,224.00						
Regional School Tax			A-17 17,619,017.19						
County Taxes:									
County Tax			A-16 \$ 16,294,361.74						
County Library Tax			A-16 1,914,958.23						
County Health Tax			A-16 779,655.68						
County Open Space Tax			A-16 770,613.75						
Due County for Added and Omitted Taxes			A-16 <u>121,935.82</u>						
Total County Taxes			19,881,525.22						
Local Municipal Open Space Tax			A-10 267,992.00						
Due Municipal Open Space Tax for Added and Omitted Tax			A-10 <u>1,656.47</u>						
			269,648.47						
Local Tax for Municipal Purposes			A-2 24,292,768.69						
Add: Additional Tax Levied			<u>394,915.59</u>						
			24,687,684.28						
			A-5 \$ <u>88,097,099.16</u>						

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>		
Balance, December 31, 2007	A	\$	118,066.08
Increased by:			
Transfer from Taxes Receivable	A-5	\$	11,696.91
Interest and Costs on Tax Sale of October 1, 2008			46.40
			<u>11,743.31</u>
			129,809.39
Decreased by:			
Collections	A-2/A-4		597.09
			<u>597.09</u>
Balance, December 31, 2008	A	\$	<u>129,212.30</u>

Exhibit A-7

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

	<u>Ref.</u>		
Balance, December 31, 2007 and 2008	A	\$	<u>6,340,913.84</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance Dec. 31, 2007	Accrued in 2008	Collected	Balance Dec. 31, 2008
Alcoholic Beverages	A-2		\$ 42,843.00	\$ 42,843.00	
Amusements	A-2		7,563.00	7,563.00	
Assessments & Permits	A-2		225,110.62	225,110.62	
Municipal Court:					
Fines and Costs	A-2	\$ 9,900.07	154,209.24	155,529.98	\$ 8,579.33
Other Revenue:					
Interest and Costs on Taxes	A-2		264,115.30	264,115.30	
Interest on Investments and Deposits	A-2		228,282.28	228,282.28	
Beach Admission Fees	A-2		85,470.00	85,470.00	
Municipal Golf Course	A-2		876,841.58	876,841.58	
Berkeley Township Board of Education	A-2		71,046.33	71,046.33	
Water and Cable Franchise	A-2		217,862.26	217,862.26	
Hotel and Motel Occupancy Tax	A-2		21,685.74	21,685.74	
Central Regional Board of Education - Trash	A-2		11,500.00	11,500.00	
Consolidated Municipal Property Tax					
Relief Aid	A-2		163,212.00	163,212.00	
Energy Receipts Tax	A-2		5,269,752.00	5,269,752.00	
Garden State Trust Fund	A-2		74,220.52	74,220.52	
Wetlands Property Tax Stabilization Aid	A-2		68,905.00	68,905.00	
Mutual Service Agreements:					
Animal Control	A-2		8,188.50	8,188.50	
Fire Protection	A-2		25,500.00	25,500.00	
Berkeley Township Board of Education - Gas and Diesel	A-2		47,871.26	47,871.26	
Central Regional Board of Education - Gas and Diesel	A-2		90,934.23	90,934.23	
Central Regional Board of Education - Police	A-2		40,000.00	40,000.00	
Uniform Fire Safety Act	A-2		27,413.42	27,413.42	
Reserve for Debt Service - General Capital Fund	A-2		457,214.11	457,214.11	
State of Liquor License	A-2		701,102.02	701,102.02	
General Capital Fund Balance	A-2		12,990.78	12,990.78	
Ocean County Recycling	A-2		55,225.46	55,225.46	
Senior/Veteran Administrative Fee	A-2		48,158.38	48,158.38	
		<u>\$ 9,900.07</u>	<u>\$ 9,297,217.03</u>	<u>\$ 9,298,537.77</u>	<u>\$ 8,579.33</u>
	Ref.	A			A
Cash Receipts	A-4			\$ 9,102,796.70	
Interfunds Receivable	A-10			121,520.55	
Reserve for Garden State Trust Fund	A-19			74,220.52	
				<u>\$ 9,298,537.77</u>	

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF INTERFUNDS RECEIVABLE / (PAYABLE)

	Ref.	Total	Federal and State Grant Fund	Trust Other	General Capital	Animal Control Trust	Assessment Trust Fund	Open Space Trust Fund
Balance, December 31, 2007:								
Interfund Receivable	A	\$ 576,205.45	\$ 25,722.26	\$ 529,261.25	\$ 21,221.94			
Interfund Payable	A	(4,172.49)				\$ (564.94)	\$ (1,997.17)	\$ (1,610.38)
Increased by:								
Disbursements	A-4	1,086,744.42	202,993.85	613,583.25		564.94		269,602.38
2008 Grant Budget Revenue	A-2/A-26	271,898.29	271,898.29					
Appropriated Reserves Canceled	A-1/A-25/A-27	111,111.18	111,111.18					
Miscellaneous Revenues Not Anticipated	A-2	376,988.67		376,988.67				
Grants Unappropriated Canceled	A-1	0.45	0.45					
Revenue Accounts Receivable	A-9	121,520.55		51,475.49	69,543.98	501.08		
		<u>1,968,263.56</u>	<u>586,003.77</u>	<u>1,042,047.41</u>	<u>69,543.98</u>	<u>1,066.02</u>		<u>269,602.38</u>
		<u>2,540,296.52</u>	<u>611,726.03</u>	<u>1,571,308.66</u>	<u>90,765.92</u>	<u>501.08</u>	<u>(1,997.17)</u>	<u>267,992.00</u>
Decreased by:								
Collections:								
Settlements	A-4	1,754,497.45	292,942.84	1,372,056.73	88,996.80	501.08		
Grants Receivable Canceled	A-1/A-25/A-26	123,909.83	123,909.83					
Open Space Tax Levy	A-1/A-5	267,992.00						267,992.00
Due Open Space for Added and Omitted Tax Levy	A-1/A-5	1,656.47						1,656.47
		<u>2,148,055.75</u>	<u>416,852.67</u>	<u>1,372,056.73</u>	<u>88,996.80</u>	<u>501.08</u>		<u>269,648.47</u>
Grant Appropriations	A-27	283,173.29	283,173.29					
		<u>2,431,229.04</u>	<u>700,025.96</u>	<u>1,372,056.73</u>	<u>88,996.80</u>	<u>501.08</u>		<u>269,648.47</u>
Balance, December 31, 2008:								
Interfund Receivable	A	\$ 201,021.05		\$ 199,251.93	\$ 1,769.12			
Interfund Payable	A	\$ (91,953.57)	\$ (88,299.93)				\$ (1,997.17)	\$ (1,656.47)
Analysis of Net Charge to Operations								
Interfund Accounts Receivable:								
Balance, December 31, 2008	Above	\$ 201,021.05						
Balance, December 31, 2007	Above	576,205.45						
		(375,184.40)						
Less Anticipated as Revenue:								
Interfund - Trust Other Fund	A-2	529,261.25						
Interfund - Federal and State Grant Fund	A-2	25,722.26						
Interfund - General Capital Fund	A-2	21,221.94						
Net Charge to Operations	A-1	\$ 201,021.05						

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2007	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
<u>Operations Within CAPS</u>					
General Government:					
General Administration	\$ 5,078.73	\$ 392.69	\$ 5,530.81	\$ 5,222.12	\$ 308.69
Other Expenses					
Human Resources	496.48	823.04	1,319.52	948.31	371.21
Other Expenses					
Office of the Mayor		55.16	55.16	55.15	0.01
Other Expenses					
Township Council	1,270.43		1,270.43		1,270.43
Other Expenses					
Municipal Clerk	773.28	1,830.60	2,603.88	1,663.28	940.60
Other Expenses					
Financial Administration	683.02	346.37	2,604.37	2,604.37	
Other Expenses					
Revenue Administration (Tax Collection)	6,959.65		3,410.64	3,410.64	
Other Expenses					
Tax Assessment Administration	2,815.65	471.88	839.68	839.68	
Other Expenses					
Legal Services	14,471.06	1,355.49	11,327.36	11,327.36	
Other Expenses					
Municipal Court	2,924.81	616.75	3,541.56	3,540.65	0.91
Other Expenses					
Public Defender	6,644.51	1,861.99	8,506.50	8,367.50	139.00
Other Expenses					
Engineering Services	26,728.36	1,565.78	36,309.60	35,522.38	787.22
Other Expenses					
Economic Development Agencies	401.40		4,160.71	4,160.71	
Other Expenses					

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2007	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Planning Board/Director of Planning					
Other Expenses	\$ 5,192.97		\$ 2,300.00		\$ 2,892.97
Planning Board					
Other Expenses	8,670.91	\$ 1,361.06	\$ 10,031.97	\$ 9,826.00	\$ 205.97
Division of Zoning					
Other Expenses	493.58	241.17	734.75	495.50	239.25
Zoning Board of Adjustment					
Other Expenses	1,102.20	120.90	8,372.65	8,251.75	120.90
Workers Compensation					
Other Expenses	63,401.51		63,401.51	744.00	62,657.51
Employee Group Health					
Other Expenses	5,855.14				
Police Department					
Salaries and Wages	9,467.71				
Other Expenses	254.47	34,685.53	49,723.14	42,599.74	7,123.40
Office of Emergency Management					
Other Expenses	357.04	3,239.73	3,596.77	3,366.63	230.14
Aid to Volunteer Fire Companies					
Other Expenses	25,483.14	20,298.49	19,586.44	18,525.62	1,060.82
Fire Department					
Other Expenses	14,471.06	15,647.14	28,954.46	19,361.40	9,593.06
Municipal Prosecutor's Office					
Other Expenses	7,924.00		7,924.00	3,716.00	4,208.00
Streets and Road Maintenance					
Other Expenses	23,581.43	10,582.74	18,581.21	16,370.65	2,210.56
Contractual	731.81		731.81		731.81
Other Public Works Functions/Signs, Maintenance					
Other Expenses	128.63	6,295.90	6,424.53	316.80	6,107.73
Other Public Works Functions / Demolition of Buildings					
Other Expenses	149.79	125.86	275.65		275.65

CITY OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2007	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Solid Waste Collection					
Salaries and Wages	\$ 2,300.00		\$ 2,300.00		\$ 2,300.00
Other Expenses	3,300.69	\$ 20,950.48	24,251.17	\$ 19,587.67	4,663.50
Solid Waste Collection/Recycling					
Other Expenses	347.81	3,285.47	3,678.08	1,370.08	2,308.00
Building and Grounds					
Salaries and Wages	2,262.00		2,262.00		2,262.00
Other Expenses	588.93	5,643.46	12,260.31	6,341.25	5,919.06
Equipment Maintenance					
Other Expenses	0.92	4,298.41	4,299.33	3,941.34	357.99
Environmental Health Services					
Other Expenses	280.00		280.00	27.44	252.56
Animal Control Services					
Other Expenses	1,362.33	1,240.62	2,602.95	2,577.12	25.83
Contribution - Community Services Inc.	1,000.00		1,000.00		1,000.00
Recreation Services and Programs					
Other Expenses	463.71	3,827.86	4,291.57	1,080.00	3,211.57
Recreation Services and Programs/Golf Course					
Other Expenses	541.84	5,710.04	6,251.88	5,620.35	631.53
Maintenance of Parks					
Other Expenses	362.22	2,384.79	2,747.01	2,539.33	207.68
Beach and Boardwalk Operations					
Other Expenses	286.85		286.85		286.85
Utilities					
Other Expenses	37,010.10	19,611.69	62,747.15	54,796.25	7,950.90
Gasoline					
Other Expenses	2,691.78	2,697.28	24,046.93	24,046.93	
Landfill/Solid Waste Disposal Costs					
Other Expenses - Tipping	12,441.85	12,064.49	12,333.62	12,333.62	

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2007	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Other Code Enforcement Functions					
Other Expenses	\$ 166.71	\$ 242.30	\$ 5,866.65	\$ 5,624.35	\$ 242.30
Contingent	1,861.62		1,861.62	801.72	1,059.90
Social Security System	1,102.16		1,102.16	1,000.00	102.16
Total Appropriations (Including Contingent) Within CAPS	290,413.23	183,875.16	474,288.39	342,923.69	131,364.70
<u>Appropriations Excluded from CAPS</u>					
Mt.Laurel Planning I Requirement	4,144.80	4,110.23	8,255.03	4,000.00	4,255.03
Public Employees' Retirement System	0.40		0.40		0.40
LOSAP NJAC 5:30-14.25	235,000.00		235,000.00	235,000.00	
Fire Protection - South Toms River					
Other Expenses		4,677.15	4,677.15	3,439.13	1,238.02
Ocean County Health Department - Animal Control					
Other Expenses	5,944.00		5,944.00	3,510.00	2,434.00
Total Appropriations Excluded from CAPS	245,089.20	8,787.38	253,876.58	245,949.13	7,927.45
	<u>\$ 535,502.43</u>	<u>\$ 192,662.54</u>	<u>\$ 728,164.97</u>	<u>\$ 588,872.82</u>	<u>\$ 139,292.15</u>
	Ref. A	A-13			A-1
Cash Disbursements	A-4			\$ 545,622.82	
Accounts Payable	A			43,250.00	
				<u>\$ 588,872.82</u>	

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

Exhibit A-13

CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 192,662.54
Increased by:		
Current Appropriations Charged	A-3	284,879.88
Decreased by:		<u>477,542.42</u>
Transferred to Appropriation Reserves	A-12	192,662.54
Balance, December 31, 2008	A	<u>\$ 284,879.88</u>

SCHEDULE OF TAX OVERPAYMENTS

Exhibit A-14

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 11,209.29
Increased by:		
Receipts		
Refund Prior Year Revenue	A-4	\$ 50,823.86
	A-1	<u>1,363.60</u>
Decreased by:		52,187.46
Refunds		<u>63,396.75</u>
Applied to Taxes Receivable	A-4	37,857.31
	A-5	<u>3,372.32</u>
Balance, December 31, 2008	A	<u>\$ 22,167.12</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
 SCHEDULE OF PREPAID TAXES PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 1,036,157.95
Increased by:		
Collections, 2009 Taxes	A-4	936,767.01
		<u>1,972,924.96</u>
Decreased by:		
Applied to Taxes Receivable	A-5	1,036,157.95
Balance, December 31, 2008	A	\$ <u>936,767.01</u>

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 112,185.23
Increased by:		
County Tax	A-5	\$ 16,294,361.74
County Library Tax	A-5	1,914,958.23
County Health Tax	A-5	779,655.68
County Open Space Tax	A-5	770,613.75
Due County for Added and Omitted Taxes - 2008 Taxes	A-5	<u>121,935.82</u>
	A-1	<u>19,881,525.22</u>
		19,993,710.45
Decreased by:		
Payments	A-4	<u>19,871,774.63</u>
Balance, December 31, 2008	A	\$ <u>121,935.82</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
 SCHEDULE OF REGIONAL SCHOOL TAXES PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2007:		
School Tax Deferred		\$ 7,897,314.29
Increased by:		
Levy - School Year July 1, 2008 to June 30, 2009	A-5	17,619,017.19
		<u>25,516,331.48</u>
Decreased by:		
Payments	A-1/A-4	17,313,376.53
Balance, December 31, 2008:		
School Tax Deferred		\$ <u>8,202,954.95</u>

SCHEDULE OF LOCAL SCHOOL TAXES PAYABLE

Exhibit A-18

	<u>Ref.</u>	
Balance, December 31, 2007:		
School Tax Deferred		\$ 11,998,930.25
Increased by:		
Levy - School Year July 1, 2008 to June 30, 2009	A-5	25,639,224.00
		<u>37,638,154.25</u>
Decreased by:		
Payments	A-1/A-4	25,325,992.75
Balance, December 31, 2008:		
School Tax Deferred		\$ <u>12,312,161.50</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
 SCHEDULE OF RESERVE FOR GARDEN STATE TRUST FUND

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 74,220.52
Increased by:		
Cash Receipts	A-4	<u>64,777.98</u>
		138,998.50
Decreased by:		
Anticipated as Revenue in 2008 Budget	A-9	<u>74,220.52</u>
Balance, December 31, 2008	A	<u>\$ 64,777.98</u>

SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 1,160,000.00
Decreased by:		
Cash Disbursed	A-4	<u>290,000.00</u>
Balance, December 31, 2008	A	<u>\$ 870,000.00</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

	<u>Ref.</u>	Increased by Cash Receipts	Decreased by Cash
Balance, December 31, 2007	A		\$ 237,916.60
Increased by:			
Cash Receipts	A-4	64,450.60	<u>7,304,446.11</u>
			7,542,362.71
Decreased by:			
Cash Disbursed	A-4	28,439.31	<u>7,410,390.10</u>
		92,889.91	
Balance, December 31, 2008	A		<u>\$ 131,972.61</u>

Exhibit A-21

SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 1,160,000.00
Decreased by:		
Cash Disbursed	A-4	<u>290,000.00</u>
Balance, December 31, 2008	A	<u>\$ 870,000.00</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
 SCHEDULE OF DUE TO BERKELEY TOWNSHIP AUTHORITIES

	<u>Increased by</u> Cash Receipts	<u>Decreased by</u> Cash Disbursed
Balance, December 31, 2007		
Increased by:		
Cash Receipts		
Berkeley Township Sewerage Authority	\$ 64,450.60	\$ 64,450.60
Decreased by:		
Berkeley Township Municipal Utility Authority	<u>28,439.31</u>	<u>28,439.31</u>
Balance, December 31, 2008	<u>\$ 92,889.91</u>	<u>\$ 92,889.91</u>
Ref.	A-4	A-4

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
 SCHEDULE OF SALES TAX PAYABLE PROGRAM

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 1,926.32
Increased by:		
Cash Receipts	A-4	<u>18,800.04</u>
Decreased by:		
Cash Disbursed	A-4	<u>18,384.68</u>
Balance, December 31, 2008	A	<u><u>\$ 2,341.68</u></u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR REVALUATION PROGRAM

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$ 912,371.30
Decreased by:		
Cash Disbursements	A-4	<u>429,687.99</u>
Balance, December 31, 2008	A	<u>\$ 482,683.31</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF INTERFUND CURRENT FUND

	<u>Ref.</u>		
Balance, December 31, 2007 (Due To)	A		\$ (25,722.26)
Increased by:			
2008 Budget Appropriations	A-3/A-27	\$ 283,173.29	
Collected in Current Fund:			
Grants Receivable	A-26	291,160.75	
Grants Receivable Canceled	A-26	123,909.83	
Disbursed	A-4	<u>1,782.09</u>	
			<u>700,025.96</u>
			674,303.70
Decreased by:			
Disbursed by Current Fund:			
Appropriated Reserves	A-27	202,993.85	
2008 Anticipated Revenue	A-2/A-26	271,898.29	
Unappropriated Reserves Canceled	A-28	0.45	
Appropriated Reserves Canceled	A-27	<u>111,111.18</u>	
			<u>586,003.77</u>
Balance, December 31, 2008 - Due From	A		<u>\$ 88,299.93</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

<u>Grant</u>	<u>Balance Dec. 31,2007</u>	<u>2008 Anticipated Revenue</u>	<u>Cash Received</u>	<u>Transfer From Unappropriated Reserves</u>	<u>Canceled</u>	<u>Balance Dec. 31,2008</u>
Clean Communities Grant		\$ 75,307.16	\$ 75,307.16			
Recycling Tonnage Grant		21,713.54	18,482.74	\$ 3,230.80		
Drunk Driving Enforcement Fund		23,108.61	19,040.67	4,067.94		
Community Development Block Grant - Spanish Wells Street Improvements	\$ 50,000.00		50,000.00			
Community Development Block Grant- Drainage Improvements - Stanford Drive	35,000.00				\$ 35,000.00	
Community Development Block Grant- Pembroke Lane		55,000.00			55,000.00	
COPS Universal Hiring Program	24,999.96				24,999.96	
Municipal Alliance Grant - 2005	3.04				3.04	
Municipal Alliance Grant - 2006	7.27				7.27	
Municipal Alliance Grant - 2007	692.24		692.24			
Municipal Alliance Grant - 2008		24,700.00	23,023.31			\$ 1,676.69
NJDPP/CG Domestic Preparedness Grant	806.47				806.47	
NJ DEP Environmental Services Program	108.37				108.37	
Occupant Protection Grant	359.10				359.10	
Seat Belt Grant	3,840.00				3,840.00	
NJ DCA Smart Future Grant	17,500.00		17,500.00			
Click it or Ticket		4,000.00	4,000.00			
NJ Department of Law and Public Safety - Domestic Preparedness Equipment Grant	1,527.62				1,527.62	
Green Communities Program	3,000.00					3,000.00
NJ Flood Mitigation Assistance Program		11,250.00	11,250.00			
NJDOT - East Railroad Avenue	150,000.00					150,000.00

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

<u>Grant</u>	<u>Balance Dec. 31, 2007</u>	<u>2008 Anticipated Revenue</u>	<u>Cash Received</u>	<u>Transfer From Unappropriated Reserves</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2008</u>
State Homeland Security	\$ 919.61					\$ 919.61
NJDCA Smart Future Grant	30,000.00					30,000.00
Berkeley Township OEM EOC Renovation	105,000.00					105,000.00
Berkeley Township First Aid (Bayville) - Stair Chair	700.00				\$ 700.00	
BERT - Emergency Worker Decon Center	232.82					232.82
BERT - Decon Center Generator	45,000.00		\$ 45,000.00			
State Office of Emergency Management:						
LED Text Display Units	462.00				462.00	
Solar Powered Message Board	600.00				600.00	
Animal Control Equipment	125.00				125.00	
Bayville First Aid Squad - Replace Emergency Generator	571.00					571.00
Phase Two Bayville Volunteer Fire Company	371.00				371.00	
Assistance Grant		\$ 10,000.00	5,000.00	\$ 5,000.00		
State Body Armor Replacement Fund		14,820.88	7,357.23	7,463.65		
NJ Department of Law and Public Safety-966 Grant		31,998.10	9,507.40			22,490.70
Community Wildlife Hazard Mitigation Grant	5,000.00		5,000.00			
Planning Assistance Grant	40,000.00					40,000.00
	<u>\$ 516,825.50</u>	<u>\$ 271,898.29</u>	<u>\$ 291,160.75</u>	<u>\$ 19,762.39</u>	<u>\$ 123,909.83</u>	<u>\$ 353,890.82</u>
<u>Ref.</u>	A	A-2/A-10/A-25	A-25	A-28	A-10/A-25	A

TOWNSHIP OF BERKELEY

COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

Grant	Balance Dec. 31, 2007	Transfer from 2008 Budget Appropriation	Prior Year Reserve for Encumbrances	Expended	Reserve for Encumbrances	Canceled	Balance Dec. 31, 2008
Clean Communities	\$ 0.24	\$ 75,307.16		\$ 75,307.16		\$ 0.24	
Municipal Alliance Grant	606.89					606.89	
Municipal Alliance - Local Share	1,322.10			77.52		1,244.58	
Municipal Alliance Grant - 2007	37.04			37.04			
Municipal Alliance - Local Share	641.00			300.00		341.00	
Municipal Alliance Grant - 2008		24,700.00		22,764.25	\$ 842.84		\$ 1,092.91
Municipal Alliance - Local Share		7,525.00		6,175.00	1,320.33		29.67
NJ DEP - Environmental Services Program	216.73					216.73	
Occupant Protection Grant	6,746.87					6,746.87	
NJ DPP/CG Domestic Preparedness	362.57					362.57	
NJDOT - East Railroad Avenue	150,000.00						150,000.00
Drunk Driving Enforcement Grant	4,646.28						4,646.28
NJEDA - Hazardous Discharge Site Grant	3,277.89						3,277.89
Bulletproof Vest Program	10,803.74			479.82			10,323.92
NJ Department of Law and Public Safety - Domestic Preparedness Equipment Support	1,527.62					1,527.62	
Statewide Domestic Preparedness Grant	320.06					320.06	
NJ DCA Smart Future Grant	35,000.00			6,006.00			28,994.00
NJ State Body Armor Replacement Program	20,325.26	14,820.88		5,256.18	717.00		29,172.96
State Homeland Security Grant Phase 2-015	1,118.82				600.00		518.82
NJ State Police SLA HEOP Grant	2,405.72					2,405.72	
Office of Emergency Management Grant		10,000.00		5,030.36		4,969.64	
Click it or Ticket		4,000.00		4,000.00			
Community Development Block Grant- Drainage Improvements - Stanford Drive	34,989.37					34,989.37	
Community Development Block Grant- Pembroke Lane		55,000.00				55,000.00	
NJDCA Smart Future Grant	3,608.34			2,808.50			799.84

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

Grant	Balance Dec. 31, 2007	Transfer from 2008 Budget Appropriation	Prior Year Reserve for Encumbrances	Expended	Reserve for Encumbrances	Canceled	Balance Dec. 31, 2008
Berkeley Township OEM EOC Renovation	\$ 105,000.00						\$ 105,000.00
Berkeley Township - First Aid - (Bayville) - Stair Chair	700.00					\$ 700.00	
NJ Flood Mitigation Assistance Program:							
Grant Share		\$ 11,250.00					11,250.00
Local Share		3,750.00					3,750.00
N.J. Department of Law and Public Safety 966 Grant		31,998.10		\$ 9,248.40			22,749.70
Ocean County - Municipal Recycling Assistance	94.00					94.00	
BERT - Emergency Worker Decon Center	232.82			1.93		230.89	
State Office of Emergency Management:							
LED Text Display Units	462.00					462.00	
Solar Powered Message Board	600.00					600.00	
Animal Control Equipment	125.00					125.00	
Bayville First Aid Squad - Replace Emergency Generator	571.00				\$ 571.00		
Phase Two Bayville Volunteer Fire Company	371.00			73.26			297.74
Phase Two Bayville First Aid Squad							
Drunk Driving Enforcement Fund	2,054.42	23,108.61		13,108.61			12,054.42
BERT - Decon Center Generator			\$ 44,923.07	44,923.07			
Community Wildlife Hazard Mitigation Grant	168.00					168.00	
Recycling Tonnage Grant		21,713.54	62.64	7,396.75	14,010.08		369.35
Planning Assistance Grant	39,802.00						39,802.00
	<u>\$ 428,136.78</u>	<u>\$ 283,173.29</u>	<u>\$ 44,985.71</u>	<u>\$ 202,993.85</u>	<u>\$ 18,061.25</u>	<u>\$ 111,111.18</u>	<u>\$ 424,129.50</u>
Ref.	A	A-3/A-10/A-25	A-29	A-25	A-29	A-10/A-25	A

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND
 SCHEDULE OF UNAPPROPRIATED RESERVES

Grant	Balance Dec. 31, 2007	Transfer to Appropriated Reserves	Canceled	Balance Dec. 31, 2008
Bulletproof Vest Program	\$ 0.45		\$ 0.45	\$
State Body Armor Replacement Grant	7,463.65	\$ 7,463.65		
Recycling Tonnage Grant	3,230.80	3,230.80		
Drunk Driving Enforcement Fund	4,067.94	4,067.94		
OEM Grant - 2006	5,000.00	5,000.00		
	<u>\$ 19,762.84</u>	<u>\$ 19,762.39</u>	<u>\$ 0.45</u>	<u>\$</u>
Ref.	A	A-26	A-25	A

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	Ref.	
Balance, December 31, 2007	A	\$ 44,985.71
Increased by:		
Charged to Appropriated Reserves	A-27	18,061.25
		<u>63,046.96</u>
Decreased by:		
Transferred to Appropriated Reserves	A-27	44,985.71
		<u>44,985.71</u>
Balance, December 31, 2008	A	<u>\$ 18,061.25</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND
SCHEDULE OF CASH AND INVESTMENTS

	Ref.	<u>Animal Control Trust Fund</u>	<u>Trust Other Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2007	B	\$ 56,561.60	\$ 7,371,900.13	\$ 1,137,185.03
Increased by Receipts:				
Reserve for Animal Control				
Trust Fund Expenditures	B-7	\$ 38,031.20		
Interfund - Current Fund	B-5/B-9/B14	1,066.02	\$ 61,460.31	\$ 269,602.38
Various Reserves	B-8		2,886,852.74	
Deficit in Reserve for Construction				
Code	B		186,113.85	
Due from State of New Jersey	B-6	6,187.80		
Marriage License Fees	B-10		3,525.00	
DCA Training Fees	B-11		28,394.00	
Due State - Burial Permits	B-12		1,470.00	
Due State - Alcohol Application Fees	B-2		57.00	
Reserve for Open Space	B-13			19,109.16
		<u>45,285.02</u>	<u>3,167,872.90</u>	<u>288,711.54</u>
		101,846.62	10,539,773.03	1,425,896.57
Decreased by Disbursements:				
Due from State of New Jersey	B-6	6,237.20		
Animal Control Trust Fund				
Expenditures (R.S. 4:19-15.11)	B-7	40,311.53		
Various Reserves	B-8		3,553,539.79	
Interfund - Current Fund	B-5/B-9	501.08	447,835.46	
Marriage License Fees	B-10		3,825.00	
Due State - Burial Permits	B-12		1,520.00	
Interfund - Grant Fund	B		1,723.84	
DCA Training Fees	B-11		29,987.00	
Due State - Alcohol Application Fees	B-2		57.00	
Reserve for Open Space	B-13			44,548.33
		<u>47,049.81</u>	<u>4,038,488.09</u>	<u>44,548.33</u>
Balance, December 31, 2008	Below	<u>\$ 54,796.81</u>	<u>\$ 6,501,284.94</u>	<u>\$ 1,381,348.24</u>
Detail:				
Cash	B	\$ 54,796.81	\$ 6,137,591.69	\$ 1,381,348.24
Investments	B		363,693.25	
		<u>\$ 54,796.81</u>	<u>\$ 6,501,284.94</u>	<u>\$ 1,381,348.24</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

ASSESSMENT TRUST FUND
ANALYSIS OF ASSESSMENT CASH

		Balance Dec. 31, 2007 and Dec. 31, 2008
Interfund - Current Fund Fund Balance		\$ (1,997.17) <u>1,997.17</u>
		\$ <u><u> </u></u>
	<u>Ref.</u>	B

SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>	
Balance, December 31, 2007 and 2008	B	\$ <u><u>1,997.17</u></u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND
 SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>	
Balance, December 31, 2007 - (Due to)	B	\$ (564.94)
Increased by:		
Receipts	B-2	<u>1,066.02</u> 501.08
Decreased by:		
Disbursed	B-2	\$ <u>501.08</u>

SCHEDULE OF DUE FROM STATE OF NEW JERSEY

	<u>Ref.</u>	
Balance, December 31, 2007	B	\$ 12.80
Increased by:		
Disbursed	B-2	<u>6,237.20</u> 6,250.00
Decreased by:		
Receipts	B-2	<u>6,187.80</u>
Balance, December 31, 2008	B	\$ <u>62.20</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND
 SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	Ref.	
Balance, December 31, 2007	B	\$ 57,139.34
Increased by:		
Dog License Fees Collected		\$ 32,463.20
Late Fees		2,145.00
Cat License Fees Collected		3,211.00
Miscellaneous		<u>212.00</u>
	B-2	<u>38,031.20</u>
		95,170.54
Decreased by:		
Expenditures Under R.S. 4:19-15.11	B-2	<u>40,311.53</u>
Balance, December 31, 2008	B	<u>\$ 54,859.01</u>

License and Penalty Fees Collected:

<u>Year</u>	<u>Amount</u>
2006	\$ 29,032.40
2007	<u>30,808.40</u>
	<u>\$ 59,840.80</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
 SCHEDULE OF VARIOUS RESERVES

	Balance <u>Dec. 31, 2007</u>	Increases	Decreases	Reclassify <u>Deficit</u>	Balance <u>Dec. 31, 2008</u>
Reserve for:					
Developers' Escrow	\$ 4,287,304.12	\$ 1,016,432.23	\$ 1,735,334.21		\$ 3,568,402.14
Developers' Application Review Fees	410,873.88	221,959.93	469,143.90		163,689.91
Deposits on Third Party Liens	56,162.17	611,258.00	514,656.95		152,763.22
Construction Code Fees		705,329.50	781,775.64	\$ 76,446.14	
Allied Risk Management	9,796.41	90,182.93	78,556.72		21,422.62
Foreclosures	11,112.88				11,112.88
Confiscated Assets	6,633.48	12,509.79	16,084.83		3,058.44
Public Defender Fees	3,643.47	15,164.00	15,010.00		3,797.47
Tax Sale Premiums	164,175.00	315,030.00	174,015.00		305,190.00
Sanitary Landfill Escrow	12,370.11	341.94			12,712.05
Unemployment Compensation	59,359.69	24,204.50	44,682.31		38,881.88
Inspection Fees	23,015.94	35,670.00	47,143.95		11,541.99
Drainage Improvements	312,944.67	24,000.00	20,731.97		316,212.70
P.O.A.A.	955.61	40.00	201.93		793.68
Tax Map Maintenance	3,428.02	300.00	750.75		2,977.27
Founder's Day	32,715.58	57,091.01	79,830.00		9,976.59
Affordable Housing	994,779.52	225,346.49	69,001.88		1,151,124.13
Municipal Alliance Donations	218.14	6,000.00			6,218.14
Fire Training	6,538.16	287.50			6,825.66
Fire Prevention	10,587.93	287.50			10,875.43
Street Openings	3,188.75	11,811.75	9,589.50		5,411.00
DARE Program	5,196.76	13,077.00	8,921.54		9,352.22
Recreation	29,181.27	155,340.38	175,531.42		8,990.23
Accumulated Absences	20,717.20		20,717.20		
Road Impact	488,043.00	18,875.00	2,500.00		504,418.00
Tree Planting	1,017.02				1,017.02
Outside Off-Duty Police Employment	62,520.22	239,958.89	259,976.19		42,502.92
Unclaimed Property	1,197.89	735.67	131.00		1,802.56
	<u>\$ 7,017,676.89</u>	<u>\$ 3,801,234.01</u>	<u>\$ 4,524,286.89</u>	<u>\$ 76,446.14</u>	<u>\$ 6,371,070.15</u>

	Ref.	B		B	B
Cash Receipts	B-2		\$ 2,886,852.74		
Interfund - Current Fund	B-9		<u>914,381.27</u>		
			<u>\$ 3,801,234.01</u>		
Cash Disbursements	B-2			\$ 3,553,539.79	
Interfund - Current Fund	B-9			<u>970,747.10</u>	
				<u>\$ 4,524,286.89</u>	

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
 SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>		
Balance, December 31, 2007	B		\$ 529,261.25
Increased by:			
Cash Receipts	B-2	\$ 61,460.31	
Various Reserves	B-8	<u>970,747.10</u>	
			<u>1,032,207.41</u>
			1,561,468.66
Decreased by:			
Cash Disbursed	B-2	447,835.46	
Various Reserves	B-8	<u>914,381.27</u>	
			<u>1,362,216.73</u>
Balance, December 31, 2008	B		\$ <u>199,251.93</u>

Exhibit B-10

SCHEDULE OF DUE TO STATE OF NEW JERSEY
 MARRIAGE LICENSE FEES

	<u>Ref.</u>		
Balance, December 31, 2007	B		\$ 975.00
Increased by:			
Cash Receipts	B-2		<u>3,525.00</u>
			4,500.00
Decreased by:			
Cash Disbursed	B-2		<u>3,825.00</u>
Balance, December 31, 2008	B		\$ <u>675.00</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND
 SCHEDULE OF DUE TO STATE OF NEW JERSEY
 DCA TRAINING FEES

	<u>Ref.</u>	
Balance, December 31, 2007	B	\$ 7,917.00
Increased by:		
Cash Receipts	B-2	<u>28,394.00</u>
		36,311.00
Decreased by:		
Cash Disbursed	B-2	<u>29,987.00</u>
Balance, December 31, 2008	B	<u>\$ 6,324.00</u>

SCHEDULE OF DUE TO STATE OF NEW JERSEY
 BURIAL PERMITS

	<u>Ref.</u>	
Balance, December 31, 2007	B	\$ 460.00
Increased by:		
Cash Receipts	B-2	<u>1,470.00</u>
		1,930.00
Decreased by:		
Cash Disbursed	B-2	<u>1,520.00</u>
Balance, December 31, 2008	B	<u>\$ 410.00</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

OPEN SPACE TRUST FUND
 SCHEDULE OF RESERVE FOR OPEN SPACE

	<u>Ref.</u>		
Balance, December 31, 2007	B	\$	1,138,795.41
Increased by:			
Open Space Tax Levy	B-14	\$	267,992.00
Open Space Added and Omitted Levy	B-14		1,656.47
Interest Earned	B-2		<u>19,109.16</u>
			<u>288,757.63</u>
			1,427,553.04
Decreased by:			
Cash Disbursed	B-2		<u>44,548.33</u>
Balance, December 31, 2008	B	\$	<u>1,383,004.71</u>

Exhibit B-14

SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>		
Balance, December 31, 2007	B	\$	1,610.38
Increased by:			
Open Space Tax Levy	B-13	\$	267,992.00
Open Space Added and Omitted Levy	B-13		<u>1,656.47</u>
			<u>269,648.47</u>
			271,258.85
Decreased by:			
Cash Receipts	B-2		<u>269,602.38</u>
Balance, December 31, 2008	B	\$	<u>1,656.47</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF FUNDS HELD BY TRUSTEE

	<u>Ref.</u>	
Balance, December 31, 2007	B	\$ 986,128.97
Increased by:		
Township Contributions	B-16	<u>189,041.00</u>
		1,175,169.97
Decreased by:		
Distributions		\$ 52,690.41
Losses on Contributions		<u>232,109.57</u>
	B-16	<u>284,799.98</u>
Balance, December 31, 2008	B	<u>\$ 890,369.99</u>

LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF RESERVE FOR LENGTH OF SERVICE AWARD PROGRAM

	<u>Ref.</u>	
Balance, December 31, 2007	B	\$ 986,128.97
Increased by:		
Township Contributions	B-15	<u>189,041.00</u>
		1,175,169.97
Decreased by:		
Distributions		\$ 52,690.41
Losses on Contributions		<u>232,109.57</u>
	B-15	<u>284,799.98</u>
Balance, December 31, 2008	B	<u>\$ 890,369.99</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance, December 31, 2007	C		\$ 7,742,035.99
Increased by Receipts:			
Premium on Sale of Bond Anticipation Notes	C-1	\$ 47,016.00	
Grants Receivable	C-6	220,150.92	
Interfund - Current Fund	C-7	5,569,543.98	
Bond Anticipation Notes	C-9	3,914,313.00	
Green Trust Loan Payable	C-10	289,202.77	
Budget Appropriations:			
Capital Improvement Fund	C-13	<u>250,000.00</u>	
			<u>10,290,226.67</u>
			18,032,262.66
Decreased by Disbursements:			
Interfund - Current Fund	C-7	5,588,996.80	
Improvement Authorizations	C-11	4,164,672.42	
Reserve for Debt Service	C-15	457,214.11	
Miscellaneous Reserves	C-14	6,659.75	
Capital Fund Balance	C-1	<u>12,990.78</u>	
			<u>10,230,533.86</u>
Balance, December 31, 2008	C		\$ <u><u>7,801,728.80</u></u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH

	Balance Dec. 31, 2008
Fund Balance	\$ 47,016.00
Grants Receivable	(367,875.00)
Due From NJ Environmental Infrastructure Trust Fund	(814,303.00)
Capital Improvement Fund	4,175.97
Reserve for Encumbrances	845,794.94
Accrued Interest on Bonds	3,641.27
Reserve for Debt Service	323,389.58
Miscellaneous Reserves	4,182.96
Reserve for Grants Receivable	55,000.00
Contracts Payable	3,482.36
Interfund - Current Fund	1,769.12
Improvement Authorizations:	
Ordinance	
<u>Number</u>	<u>Improvement Description</u>
96-11,96-24,97-44, Res. 00-350, Res. 03-138, Res. 03-242	Various Improvements
00-21	Various Improvements
01-03	Various 2001 Capital Improvements
02-13	Various 2002 Capital Improvements
03-09	Various 2003 Capital Improvements
04-09,06-32,07-37	Various 2004 Capital Improvements
05-04	Various Improvements
06-31	Various 2006 Capital Improvements
06-45	Contribution to County for Acquisition of Real Property for Open Space Purposes - Potter Creek
07-13	Various 2007 Capital Improvements
07-26	Removal, Closure, Disposal, and Replacement of Underground Storage Tanks and Site Remediation at the Public Works Facility
08-10	Various 2008 Capital Improvements
08-31	Water Allocation Permitting for All Outstanding Township Wells and the Acquisition and Installation of a Water Pump
	88,720.07
	\$ 7,801,728.80

Ref.

C

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>Ref.</u>		
Balance, December 31, 2007	C		\$ 23,045,219.46
Increased by:			
Improvement Costs Funded by:			
EITF Loan Issued	C-5	\$ 814,303.00	
Reserve for Debt Service	C-15	<u>289,202.77</u>	
			<u>1,103,505.77</u>
			24,148,725.23
Decreased by:			
Budget Appropriation to Pay Bonds	C-8	2,500,000.00	
Budget Appropriation to Pay Green Trust Loans	C-10	48,296.33	
Budget Appropriation to Pay EITF Loans	C-12	<u>23,022.95</u>	
			<u>2,571,319.28</u>
Balance, December 31, 2008	C		\$ <u>21,577,405.95</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2007	2008 Authorizations	Transferred to Deferred Taxation Funded	Balance Dec. 31, 2008	Analysis of Balance December 31, 2008		Unexpended Improvement Authorizations
						Bond Anticipation Notes	Expenditures	
00-21	Various Improvements	\$ 90,369.72			\$ 90,369.72	\$ 90,369.00		\$ 0.72
04-09,06-32,07-37	Various 2004 Capital Improvements	194,433.00			194,433.00		\$ 23,321.89	171,111.11
06-31	Various 2006 Capital Improvements	260,634.00			260,634.00	260,634.00		
07-13	Various 2007 Capital Improvements	5,081,684.00			5,081,684.00	5,081,684.00		
07-26	Removal, Closure, Disposal, and Replacement of Underground Storage Tanks and Site Remediation at the Public Works Facility	428,571.00			428,571.00		295,747.08	132,823.92
08-10	Various 2008 Capital Improvements	<u>428,571.00</u>	\$ 4,728,635.00	\$ 814,303.00	<u>3,914,332.00</u>	<u>3,914,313.00</u>		<u>19.00</u>
		<u>\$ 6,055,691.72</u>	<u>\$ 4,728,635.00</u>	<u>\$ 814,303.00</u>	<u>\$ 9,970,023.72</u>	<u>\$ 9,347,000.00</u>	<u>\$ 319,068.97</u>	<u>\$ 303,954.75</u>
Ref.	C		C-11/C-16	C-4	C	C-9		

Ref.

Improvement Authorizations Unfunded C-11 \$ 6,251,204.84

Less: Unexpended Proceeds of Bond Anticipation Notes:

Ordinance	
00-21	\$ 4,069.68
06-31	260,634.00
07-13	1,832,146.73
08-10	<u>3,850,399.68</u>
	<u>5,947,250.09</u>
	<u>\$ 303,954.75</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF GRANTS RECEIVABLE

Ordinance Number	Grant Description	Balance December 31, 2007	2008 Grant Awards	Decreased		Balance December 31, 2008
				Cash Receipts	Canceled	
04-38	NJ DEP Green Acres - Park Improvements	\$ 125,000.00		\$ 96,400.92	\$ 28,599.08	
06-31	NJ DEP Green Acres - Bayview Park	86,625.00				\$ 86,625.00
07-13	NJ DOT - Wheaton Avenues	165,000.00		123,750.00		41,250.00
08-10	NJ DOT - Virginia and Hoover Avenues		\$ 150,000.00			150,000.00
08-10	CDBG - Stanford Drive		35,000.00			35,000.00
Unappropriated	CDBG - Pembroke Lane (Reserved)		55,000.00			55,000.00
		<u>\$ 376,625.00</u>	<u>\$ 240,000.00</u>	<u>\$ 220,150.92</u>	<u>\$ 28,599.08</u>	<u>\$ 367,875.00</u>
		Ref. C		C-2	C-15	C
	Improvement Autorizations	C-11	\$ 185,000.00			
	Reserve for Grants Receivable	C	<u>55,000.00</u>			
			<u>\$ 240,000.00</u>			

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$ 21,221.94
Increased by:		
Cash Receipts	C-2	<u>5,569,543.98</u>
		5,590,765.92
Decreased by:		
Cash Disbursed	C-2	<u>5,588,996.80</u>
Balance, December 31, 2008	C	<u><u>\$ 1,769.12</u></u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2008	Interest Rate	Balance Dec. 31, 2007	Paid by Budget Appropriation	Balance Dec. 31, 2008	
General Improvement Bonds	04-01-98	\$ 6,027,000.00	04/01/09-10	\$ 550,000.00	4.50%	\$ 1,650,000.00	\$ 550,000.00	\$ 1,100,000.00
General Obligation Bonds	04-15-01	6,285,000.00	04/15/09	615,000.00	4.25%	3,240,000.00	590,000.00	2,650,000.00
			04/15/10	645,000.00	4.25%			
			04/15/11	680,000.00	4.30%			
			04/15/12	710,000.00	4.35%			
General Obligation Bonds	05-15-04	8,103,000.00	05/15/09	690,000.00	4.00%	6,453,000.00	640,000.00	5,813,000.00
			05/15/10	730,000.00	4.00%			
			05/15/11	780,000.00	4.00%			
			05/15/12	830,000.00	4.00%			
			05/15/13	880,000.00	4.00%			
			05/15/14	930,000.00	4.125%			
			05/15/15	973,000.00	4.25%			
General Obligation Bonds	07-01-06	9,384,000.00	07/01/09-12	720,000.00	4.00%	9,359,000.00	720,000.00	8,639,000.00
			07/01/13	720,000.00	4.25%			
			07/01/14-19	720,000.00	4.50%			
			07/01/20	719,000.00	4.50%			
						<u>\$ 20,702,000.00</u>	<u>\$ 2,500,000.00</u>	<u>\$ 18,202,000.00</u>
				Ref.	C	C-4	C	

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2007	Increased	Balance Dec. 31, 2008
00-21	Various Improvements	11-21-07	11-20-08	11-19-09	3.50%	\$ 90,369.00		\$ 90,369.00
06-31	Various 2006 Capital Improvements	11-21-07	11-20-08	11-19-09	3.50%	260,634.00		260,634.00
07-13	Various 2007 Capital Improvements	11-21-07	11-20-08	11-19-09	3.50%	5,081,684.00		5,081,684.00
08-10	Various 2008 Capital Improvements	11-20-08	11-20-08	11-19-09	3.50%		\$ 3,914,313.00	3,914,313.00
						<u>\$ 5,432,687.00</u>	<u>\$ 3,914,313.00</u>	<u>\$ 9,347,000.00</u>
					Ref.	C	C-2	C

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$ 1,023,219.46
Increased by:		
Loan Issued	C-2	<u>289,202.77</u>
		1,312,422.23
Decreased by:		
Paid by Budget Appropriation	C-4	<u>48,296.33</u>
Balance, December 31, 2008	C	<u>\$ 1,264,125.90</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Amount	Balance December 31, 2007			2008 Authorizations	Expended	Reappropriated Bond Proceeds	Balance December 31, 2008		
				Encumbered	Funded	Unfunded				Encumbered	Funded	Unfunded
92-29	Construction or Reconstruction of Roadway			\$ 251.77				\$ 251.77				
92-38, Res. 00-320	Various Improvements				3,499.18			3,499.18				
92-46	Improvements to Various Roads				1,709.96			1,709.96				
93-31	Fire Suppression System				7,598.83			7,598.83				
93-40	Various Improvements		\$ 21,175.32						\$ 21,175.32			
93-44	Police and Fire Equipment				9,500.00			9,500.00				
94-25, 03-19	Various Improvements			15,583.16	12,463.38		\$ 15,583.16	12,463.38				
94-38, 99-43	Various Improvements				2,117.99			2,117.99				
96-11, 96-24, 97-44												
Res. 00-350,												
Res. 03-138,												
Res. 03-242	Various Improvements				21,557.90		5,816.70	15,721.20		\$ 20.00		
97-20, 97-23	Various Improvements			50,006.09						50,006.09		
97-40	Road Improvements - Lawrence Avenue and East Holly Park				213.40			213.40				
99-15, 00-17,												
Res. 03-30	Various Improvements				8,305.69			8,305.69				
00-11, 00-37	Acquisition of a Road Grader	04-11-00	\$ 180,000.00		3,175.65			3,175.65				
00-21	Various Improvements	06-13-00	1,543,000.00			\$ 4,070.40					\$ 4,070.40	
Res. 00-133	Various Improvements	04-11-00	280,409.00		7,093.00			7,093.00				
01-03	Various 2001 Capital Improvements	03-13-01	1,744,800.00	42,013.77	67,454.30		3,547.69		42,013.77	63,906.61		
02-13	Various 2002 Capital Improvements	03-26-02	2,376,000.00	45,355.61	27,188.40		20,976.48		24,379.13	27,188.40		
03-09	Various 2003 Capital Improvements	03-11-03	2,640,800.00	26,764.50	62,630.35		3,505.50		11,271.52	26,764.50	47,853.33	
04-08	Refunding of Pension Liabilities	03-09-04	865,000.00		6,298.50				6,298.50			
04-09, 06-32, 07-37	Various 2004 Capital Improvements	03-23-04	3,695,939.00	34,333.87		183,380.61		21,239.50		25,363.87	171,111.11	
04-38	Various Improvements	12-28-04	1,077,500.00	619.22	39,528.49			39,528.49		619.22		
05-04	Various Improvements	02-22-05	3,721,829.00	4,034.35	479,941.24			130,758.49		1,791.60	351,425.50	
06-31	Various 2006 Capital Improvements	05-23-06	5,849,102.00	703,045.23	1,633,199.44	260,634.00		796,369.13		75,519.86	1,464,355.68	
06-45	Contribution to County for Acquisition of Real Property for Open Space Purposes	09-26-06	2,350,000.00		24,303.89			500.00			23,803.89	
07-13	Various 2007 Capital Improvements	04-10-07	5,500,773.00	650,000.69		3,154,781.17		1,620,402.10		352,233.03	1,832,146.73	
07-26	Removal, Closure, Disposal, and Replacement of Underground Storage Tanks and Site Remediation at the Public Works Facility	10-09-07	562,557.15	352,875.00		199,731.33		419,782.41			132,823.92	
08-10	Various 2008 Capital Improvements	04-09-08	5,162,510.00				\$ 5,162,510.00	1,086,162.77		225,928.55	3,850,418.68	
08-31	Water Allocation Permitting for All Outstanding Township Wells and the Acquisition and Installation of a Water Pump	12-09-08	89,220.07				89,220.07	500.00			88,720.07	
				<u>\$ 1,945,806.81</u>	<u>\$ 2,418,031.36</u>	<u>\$ 3,802,597.51</u>	<u>\$ 5,251,730.07</u>	<u>\$ 4,164,672.42</u>	<u>\$ 89,220.07</u>	<u>\$ 845,794.94</u>	<u>\$ 2,067,273.48</u>	<u>\$ 6,251,204.84</u>

Detail:	Ref.	C	C	C	C-2	C-11	C	C	C
Deferred Charges to Future Taxation - Unfunded	C-5				\$ 4,728,635.00				
Grants Receivable	C-6				185,000.00				
Capital Improvement Fund	C-13				248,875.00				
Reappropriated Bond Proceeds	C-11				89,220.07				
					<u>\$ 5,251,730.07</u>				

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST FUND LOAN

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$ 1,320,000.00
Increased by:		
Loan Issued	C	<u>814,303.00</u>
		2,134,303.00
Decreased by:		
Paid by Budget Appropriation	C-4	<u>23,022.95</u>
Balance, December 31, 2008	C	<u>\$ 2,111,280.05</u>

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$ 3,050.97
Increased by:		
2008 Budget Appropriation	C-2	<u>250,000.00</u>
		253,050.97
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-11	<u>248,875.00</u>
Balance, December 31, 2008	C	<u>\$ 4,175.97</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF MISCELLANEOUS RESERVES

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Increased by</u> <u>Contracts Payable</u>	<u>Decreased by:</u>		<u>Balance</u> <u>Dec. 31, 2008</u>
			<u>Cash Disbursed</u>	<u>Contracts Payable</u>	
Reserve for Hovsons - Construction Improvements at Holiday City	\$ 10,062.07	\$ 3,000.00	\$ 6,659.75	\$ 3,000.00	\$ 3,402.32
Reserve for Purchase of Computer - Streets and Roads	<u>1,263.00</u>	<u> </u>	<u> </u>	<u>482.36</u>	<u>780.64</u>
	<u>\$ 11,325.07</u>	<u>\$ 3,000.00</u>	<u>\$ 6,659.75</u>	<u>\$ 3,482.36</u>	<u>\$ 4,182.96</u>
<u>Ref.</u>	C	C	C-2	C	C

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$ 520,000.00
Increased by:		
Deferred Charges - Funded	C-4	<u>289,202.77</u>
		809,202.77
Decreased by:		
Anticipated as Budget Revenue	C-2	\$ 457,214.11
Grants Receivable Canceled	C-6	<u>28,599.08</u>
		<u>485,813.19</u>
Balance, December 31, 2008	C	<u>\$ 323,389.58</u>

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2007	2008 Authorizations	Bond Anticipation Notes Issued	EITF Loan Issued	Balance Dec. 31, 2008
00-21	Various Improvements	\$ 0.72				\$ 0.72
04-09	Various 2004 Capital Improvements	194,433.00				194,433.00
07-26	Removal, Closure, Disposal, and Replacement of Underground Storage Tank and Site Remediation at the Public Works Facility	428,571.00				428,571.00
08-10	Various 2008 Capital Improvements	<u> </u>	\$ 4,728,635.00	\$ 3,914,313.00	\$ 814,303.00	<u>19.00</u>
		\$ <u>623,004.72</u>	\$ <u>4,728,635.00</u>	\$ <u>3,914,313.00</u>	\$ <u>814,303.00</u>	\$ <u>623,023.72</u>
	Ref.		C-5	C-9	C-12	(Footnote C)

TOWNSHIP OF BERKELEY
 COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSET ACCOUNT GROUP
 SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS

	Balance <u>Dec. 31, 2007</u>	Additions	Balance <u>Dec. 31, 2008</u>
General Fixed Assets:			
Land	\$ 6,523,802.28	\$ 8,000.00	\$ 6,531,802.28
Buildings and Improvements	7,226,556.71	362,083.00	7,588,639.71
Furniture, Fixtures and Equipment	<u>22,160,709.12</u>	<u>961,219.10</u>	<u>23,121,928.22</u>
	<u>\$ 35,911,068.11</u>	<u>\$ 1,331,302.10</u>	<u>\$ 37,242,370.21</u>
Ref.	D		D

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN
SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2008

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	\$3.268	\$3.117	\$2.958
Apportionment of Tax Rate			
Municipal	.906	.831	.736
Municipal Open Space	.010	.010	.010
County	.738	.699	.660
Local School District	.957	.939	.902
Regional School District	.657	.638	.650
Assessed Valuation			
2008	\$2,679,924,665		
2007		\$2,656,968,666	
2006			\$2,629,485,784

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 levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collection</u>	<u>Percentage of Collection</u>
2008	\$88,097,099	\$86,427,505	98.10%
2007	83,291,421	81,912,967	98.34%
2006	78,363,792	76,983,206	98.23%

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.

<u>Year Ended December 31</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Percentage of Tax Levy</u>	
			<u>Total Delinquent</u>	<u>of Tax Levy</u>
2008	\$129,212	\$1,602,034	\$1,731,246	1.96%
2007	118,066	1,343,373	1,461,439	1.75%
2006	111,079	1,339,224	1,450,303	1.85%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2008	\$6,340,914
2007	6,340,914
2006	6,599,776

COMPARATIVE SCHEDULE OF FUND BALANCES

<u>Year</u>	<u>Balance</u> <u>December 31</u>	<u>Utilized In</u> <u>Budget of</u> <u>Succeeding Year</u>
<u>Current Fund</u>		
2008	\$1,102,816	\$ *
2007	2,159,188	2,130,000
2006	2,241,221	1,850,000
2005	2,830,344	2,560,000
2004	4,294,148	4,180,000

* The 2009 municipal budget has not been introduced as of the date of this report.

SUMMARY OF MUNICIPAL DEBT
(Excluding Current and Operating Debt and Type II School Debt)

	<u>Year 2008</u>	<u>Year 2007</u>	<u>Year 2006</u>
<u>Issued and Outstanding</u>			
General Bonds, Notes and Loans	\$30,924,405	\$28,477,906	\$26,378,819
Total Issued	<u>30,924,405</u>	<u>28,477,906</u>	<u>26,378,819</u>
Less:			
Deductions:			
Open Space Trust (N.J.S.A. 40A:2-44(h))	1,296,977	1,320,000	2,350,000
Refunding Bonds (N.J.S.A. 40A:2-52)	323,390	-	245,000
Reserve for Debt Service	<u>-</u>	<u>520,000</u>	<u>-</u>
	<u>1,620,367</u>	<u>1,840,000</u>	<u>2,595,000</u>
Net Debt Issued	<u>29,304,038</u>	<u>26,637,906</u>	<u>23,783,819</u>
Authorized but Not Issued:			
General Bonds and Notes	<u>623,024</u>	<u>623,005</u>	<u>545,437</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$29,927,062</u>	<u>\$27,260,911</u>	<u>\$24,329,256</u>

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarization 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 0.48%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$20,635,100	\$20,635,100	\$ -
Regional School District Debt	4,766,433	4,766,433	-
General Debt	<u>31,547,429</u>	<u>1,620,367</u>	<u>29,927,062</u>
	<u>\$56,948,962</u>	<u>\$27,021,900</u>	<u>\$29,927,062</u>

Net Debt \$29,927,062 divided by Equalized Valuation basis per N.J.S.A. 40A:2-6 as amended \$6,203,839,249 = 0.48%.

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

3 1/2% of Equalized Valuation Basis	\$217,134,374
Net Debt	<u>29,927,062</u>
Remaining Borrowing Power	<u>\$187,207,312</u>

The Chief Financial Officer should file an amended annual debt statement.

TOWNSHIP OF BERKELEY - COUNTY OF OCEAN

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under review:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Jason Varano	Mayor	
Peter J. Mustardo	Council President	
Anne Wolff	Council Vice President	
Nathan Abbe	Councilperson	
Carmen F. Amato, Jr.	Councilperson	
Karen Davis	Councilperson	
Glennon Depetris	Councilperson	
John Napurano	Councilperson	
Leonard Roeber	Administrator	
Beverly Carle	Township Clerk	
Geraldine Dorso	Tax Collector	\$442,000.00
Frederick C. Ebenau	Chief Financial Officer	100,000.00
John J. Sheehy	Municipal Court Judge	38,000.00*
Aileen Alonzo	Court Administrator	38,000.00*
Patrick Sheehan	Township Attorney	

A public employee dishonesty blanket bond covering municipal employees in the amount of \$250,000 was in effect with the Garden State Municipal Joint Insurance Fund. This bond is subject to deductibles based upon other required coverages.

* Municipal Court Blanket Bond

TOWNSHIP OF BERKELEY
COUNTY OF OCEAN
PART II
COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2008

GENERAL COMMENTS

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

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

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

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

- Moorage Avenue Park Improvements
- Cedar Creek Turf Supplies
- 2009 or Newer 29 Yard Trash Truck
- Robo Cans
- 2008 644 J-Loader or Equal
- Lease of 11 Police Vehicles
- 2008/2010 Recap Tires/Service/Repairs
- Deep Tine Fairway Aerator for Cedar Creek Golf Course
- Wheaton Avenue Reconstruction
- Enclosed Cab Four Wheel Drive Tractor
- Replacement of 2 South End Bulkheads on Carlyle Drive
- 2009/2010 Snow Seasons Snow Plowing
- Gravel Roadway Improvement Program

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.

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

Our examination of expenditures did not reveal individual payments in excess of the bid threshold "for the provision or performance of any goods or services" 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. 40A:11-6.

GENERAL COMMENTS (continued)

Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states, "For all contracts that in the aggregate are less than the bid threshold but exceed 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L. 1971, c. 198 (C.40A:11-5), except for paragraph (a) of that subsection concerning professional services and paragraph (b) of that subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered".

Collection of Interest on Delinquent Taxes and Assessments

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

The Governing Body adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

NOW, THEREFORE, BE IT RESOLVED, by the Municipal Council of the Township of Berkeley, County of Ocean, State of New Jersey as follows:

1. The Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st. An additional penalty of 6% shall be charged against the delinquency, except that the rate of interest to be fixed and charged for the non-payment of the third quarterly tax payment due August 1, 2008 shall not be assessed until after twenty-five (25) days from the date of mailing of said third quarter tax bills.
2. This resolution shall not alter the past practice of the Township in so far as payment of any installments made within the tenth calendar day following the date upon which the tax assessment is due and payable, except for the quarterly real estate tax payment due August 1, 2008.
3. Effective January 1, 2008 there will be a ten (10) day grace period for quarterly tax payments made by check, cash or money order.
4. Any payments not made in accordance with paragraph two of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.

It appears, from an examination of the Tax Collector's records, that interest was collected in accordance with the foregoing resolution and statutes.

GENERAL COMMENTS (continued)

Delinquent Taxes and Tax Title Liens

The detail of all unpaid taxes for 2008 and prior years and tax title liens is being properly carried in the Tax Collector's records. An abstract taken from these records as of December 31, 2008, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

The last tax sale was held on October 1, 2008 and it was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable on December 31st of the last three (3) years.

<u>Year</u>	<u>Number of Liens</u>
2008	40
2007	41
2006	30

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis. Certain liens have been in existence for greater than two years.

Verification of Delinquent Taxes

Verification of delinquent charges and current payments was done for the period under audit in accordance with the regulations of the Division of Local Government Services, on December 31, 2008 and consisted of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>	<u>Number Returned</u>
Dates of Payments of Taxes	25	5
Delinquent Taxes	47	5

Through examination of those notices that were returned, and by alternative procedures for notices unreturned, no irregularities were noted.

OTHER COMMENTS

Cash Balances

The cash balances in all funds were verified by independent certifications obtained from the depositories as of December 31, 2008.

OTHER COMMENTS (continued)

Cash Balances (continued)

Cash counts were made at various dates in all departments of the Township and bank balances were independently reconciled to the book records or to such schedules of receipts and disbursements provided for audit.

The change funds and petty cash funds were counted.

Revenues

Receipts from licenses, fees, fines and costs, etc., for all departments, including the Municipal Court, were checked to the records maintained to the extent deemed necessary.

General Fixed Asset Account Group

Condition: The Township's Fixed Asset listing is a roll forward of additions and deletions each year. There is no central database where a summary is maintained.

Criteria: Maintenance of a complete summarized listing of Fixed Assets is essential to maintaining control of the Township's Fixed Asset Account Group.

Cause: The Township has not implemented a complete fixed asset reporting system.

Effect: Lack of a summarized Fixed Asset listing supported by detailed subsidiary records may result in incorrect reporting of financial status internally or to outside agencies.

Recommendation: That the Fixed Asset database be maintained in one central location and provide summary information.

Township Response: The Township will reconcile and summarize its Fixed Asset listing.

Financial Administration

Comment: Interfunds receivable and payable are reflected on the various balance sheets of the funds at December 31, 2008.

Recommendation: That all interfunds be liquidated prior to year end.

Comment: Subsidiary records for taxes receivable, tax title liens, and tax overpayments were not reconciled to the Current Fund general ledger. Subsidiary records for tax title lien exemptions, tax sale premiums and developer's application review fees were not reconciled to the Trust Other Fund general ledger.

Recommendation: That subsidiary records be reconciled to general ledgers.

OTHER COMMENTS (continued)

Expenditures

The vouchers for all funds were examined to the extent deemed necessary to determine that they carried the properly executed certifications as required by statute.

Payroll

An examination was made of the employee's compensation records for the year 2008 to determine that salaries were paid in conformity with the amounts of salaries and wages authorized by ordinance. Vouchers for overtime and part-time wages were checked.

Miscellaneous Comments

The confirmations sent to the Local Board of Education and Regional Board of Education verified the correct school taxes payable at December 31, 2008.

Appreciation

I desire to express my appreciation for the cooperation received from the Township Officials and Employees and the courtesies extended during the course of the audit.

RECOMMENDATIONS

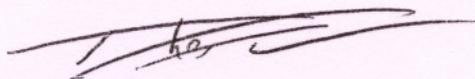
It is recommended:

- 08-1. That the Fixed Asset database be maintained in one central location and provide summary information.
- 08-2. That all interfunds be liquidated prior to year end.
- 08-3. That subsidiary records be reconciled to general ledger.

Of the above recommendations, numbers 08-1, 08-2 and 08-3 are similar to those in the 2007 audit.

Should any questions arise as to my comments or recommendations, or should you desire assistance in implementing my recommendations, please do not hesitate to contact me.

Very truly yours,



Thomas P. Fallon
Registered Municipal Accountant # 465

For the Firm
FALLON & LARSEN LLP