

*TOWN OF BELVIDERE*  
*COUNTY OF WARREN*  
*REPORT OF AUDIT*  
*2010*

*NISIVOCCIA LLP*  
*CERTIFIED PUBLIC ACCOUNTANTS*

TOWN OF BELVIDERE

COUNTY OF WARREN

REPORT OF AUDIT

2010

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TOWN OF BELVIDERE

PART I

FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2010

## Independent Auditors' Report

The Honorable Mayor and Members  
of the Town Council  
Town of Belvidere, NJ

We have audited the financial statements of the various funds of the Town of Belvidere in the County of Warren (the "Town") as of and for the years ended December 31, 2010 and 2009, as listed in the foregoing table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audits.

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

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

In our opinion, because the Town prepares its financial statements on the basis of accounting discussed in the third paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Town as of December 31, 2010 and 2009, and the results of its operations for the years then ended.

The Honorable Mayor and Members  
of the Town Council  
Town of Belvidere  
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However, in our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of the various funds of the Town of Belvidere at December 31, 2010 and 2009, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended, in conformity with accounting principles prescribed by the Division, as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 13, 2011, on our consideration of the Town of Belvidere's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were conducted for the purpose of forming opinions on the financial statements taken as a whole. The information included in the supplementary schedules listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedules of expenditures of federal and state awards are also presented for purposes of additional analysis and are required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* and are not a required part of the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1 to the financial statements and Note 2 to the schedules of expenditures of federal and state awards.

Mount Arlington, New Jersey  
April 13, 2011



NISIVOCIA LLP



David H. Evans  
Registered Municipal Accountant No. 98  
Certified Public Accountant



TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
CURRENT FUND

TOWN OF BELVIDERE  
CURRENT FUND  
COMPARATIVE BALANCE SHEET

		December 31,	
	Ref.	2010	2009
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents:			
Cash - Treasurer	A-4	\$ 433,614.13	\$ 450,874.30
Petty Cash Fund - Treasurer		750.00	750.00
		<u>434,364.13</u>	<u>451,624.30</u>
Receivables and Other Assets With			
Full Reserves:			
Delinquent Property Taxes Receivable	A-6	159,483.17	177,591.07
Tax Title Liens Receivable	A-7	61,488.63	57,863.64
Property Acquired for Taxes		36,000.00	36,000.00
Revenue Accounts Receivable	A-8	4,714.89	4,287.44
Other Accounts Receivable		11,510.12	11,510.12
Due from:			
Other Trust Funds	B	2,062.61	2,026.93
General Capital Fund	C	81.09	185.43
Total Receivables and Other Assets		<u>275,340.51</u>	<u>289,464.63</u>
With Full Reserves			
Deferred Charges:			
Special Emergency Authorization		<u>23,000.00</u>	<u>8,000.00</u>
		<u>23,000.00</u>	<u>8,000.00</u>
Total Regular Fund		<u>732,704.64</u>	<u>749,088.93</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	A-11	205,778.93	34,055.18
Due from Current Fund	A	40,972.77	21,090.84
Due from Recycling Trust Fund	B		6,702.43
Total Federal and State Grant Fund		<u>246,751.70</u>	<u>61,848.45</u>
<u>TOTAL ASSETS</u>		<u>\$ 979,456.34</u>	<u>\$ 810,937.38</u>

TOWN OF BELVIDERE  
CURRENT FUND  
COMPARATIVE BALANCE SHEET  
(Continued)

		December 31,	
	Ref.	2010	2009
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves:			
Unencumbered	A-3;A-9	\$ 112,036.20	\$ 124,205.55
Encumbered	A-3;A-9	14,577.63	8,878.15
Total Appropriation Reserves		126,613.83	133,083.70
Prepaid Taxes		24,785.50	22,081.14
Tax Overpayments		131.13	137.81
County Taxes Payable		888.22	1,948.94
Due Federal and State Grant Fund	A	40,972.77	21,090.84
Due Other Trust - Tax Sale Premium	B	25,200.00	26,800.00
Due Other Trust - Sesquicentennial Fund	B	2,338.45	2,338.45
Due to State of New Jersey:			
Senior Citizens' and Veteran's Deductions		3,623.69	2,320.95
Marriage License Fees		375.00	225.00
Reserve for Planning Services		2,700.55	3,765.75
Reserve for Recodification of Ordinances		12,750.00	
Reserve for Reassessment		5,809.25	5,809.25
Reserve for Open Space Pilot Aid		3,430.00	
Reserve for Garden State Preservation Fund			5,145.12
		249,618.39	224,746.95
Reserve for Receivables and Other			
Assets	A	275,340.51	289,464.63
Fund Balance	A-1	207,745.74	234,877.35
Total Regular Fund		732,704.64	749,088.93
Federal and State Grant Fund:			
Appropriated Reserves	A-12	228,303.68	51,182.61
Unappropriated Reserves	A-13	18,322.02	10,539.84
Reserve for Encumbrances	A-12	126.00	126.00
Total Federal and State Grant Fund		246,751.70	61,848.45
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 979,456.34</u>	<u>\$ 810,937.38</u>

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

TOWN OF BELVIDERE  
CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

		Year Ended December 31,	
	Ref.	2010	2009
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 221,000.00	\$ 335,500.00
Miscellaneous Revenue Anticipated		1,132,366.74	1,070,021.20
Receipts from:			
Delinquent Taxes		170,302.02	223,997.97
Current Taxes		6,657,882.87	6,486,820.61
Nonbudget Revenue		53,687.11	39,028.77
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		79,669.71	44,624.38
Interfunds Returned		68.66	
Increase in Deferred School Tax		21,000.00	75,375.15
Total Income		<u>8,335,977.11</u>	<u>8,275,368.08</u>
<u>Expenditures</u>			
Budget Appropriations:			
Municipal Purposes		3,202,247.16	3,151,225.69
County Taxes		1,587,223.34	1,614,186.53
Amount Due County for Added and Omitted Taxes		888.22	1,948.94
Local School District Taxes		3,367,750.00	3,325,750.00
Senior Citizens Deductions Disallowed		1,000.00	500.00
Interfunds Advanced			371.45
Total Expenditures		<u>8,159,108.72</u>	<u>8,093,982.61</u>
Excess in Revenue		176,868.39	181,385.47
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year:			
Special Emergency Authorization		<u>17,000.00</u>	
Statutory Excess to Fund Balance		193,868.39	181,385.47
<u>Fund Balance</u>			
Balance January 1		<u>234,877.35</u>	<u>388,991.88</u>
		428,745.74	570,377.35
Decreased by:			
Utilized as Anticipated Revenue		<u>221,000.00</u>	<u>335,500.00</u>
Balance December 31	A	\$ 207,745.74	\$ 234,877.35

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

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2010

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 221,000.00		\$ 221,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	5,200.00		8,721.00	\$ 3,521.00
Fines and Costs:				
Municipal Court	41,000.00		69,808.51	28,808.51
Interest and Costs on Taxes	50,000.00		37,586.99	12,413.01 *
Consolidated Municipal Property Tax Relief	22,548.00		22,320.90	227.10 *
Energy Receipts Tax	453,592.00		453,592.00	
Garden State Preservation Trust Fund	5,145.00		5,145.12	0.12
Uniform Construction Code Fees	19,000.00		23,010.00	4,010.00
Clean Communities Grant	1,209.38	\$ 5,815.75	7,025.13	
New Jersey Transportation Grant	175,000.00		175,000.00	
Forestry Grant		6,993.00	6,993.00	
Drunk Driving Enforcement Grant	2,628.03		2,628.03	
Highlands Master Plan Grant	5,000.00		5,000.00	
Additional Construction Code Fees	52,325.00		52,325.00	
Capital Reserve for Debt Service	15,000.00		15,000.00	
Cable Franchise Fee	8,520.00		8,211.06	308.94 *
Utility Operating Surplus of Prior Year - Sewer	240,000.00		240,000.00	
Total Miscellaneous Revenue	1,096,167.41	12,808.75	1,132,366.74	23,390.58
Receipts from Delinquent Taxes	185,000.00		170,302.02	14,697.98 *
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	1,850,238.83		1,881,989.14	31,750.31
Budget Totals	3,352,406.24	12,808.75	3,405,657.90	40,442.91
Nonbudget Revenue			53,687.11	53,687.11
	\$ 3,352,406.24	\$ 12,808.75	\$ 3,459,345.01	\$ 94,130.02

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2010  
 (Continued)

Allocation of Current Tax Collections

Revenue from Collection of Current Taxes	\$ 6,657,882.87
Allocated to County and School Taxes	<u>4,955,861.56</u>
Balance for Support of Municipal Budget	1,702,021.31
Add: Appropriation - Reserve for Uncollected Taxes	<u>179,967.83</u>
Realized for Support of Municipal Budget	<u><u>\$ 1,881,989.14</u></u>
<u>Analysis of Delinquent Tax Collections:</u>	
Delinquent Taxes	<u><u>\$ 170,302.02</u></u>

Analysis of Nonbudget Revenue

Miscellaneous Revenue Not Anticipated:

Treasurer:

Interest on Investments and Deposits	\$ 1,373.00	
Clerk Fees	8,738.75	
Refunds and Reimbursements	11,731.70	
Police Receipts	2,409.69	
Police Outside Services	15,160.56	
Planning Board Fees	200.00	
Driveway Application Fees	2,000.00	
Senior Citizens and Veterans Deductions Administration Fee	630.00	
Other Miscellaneous Revenues	<u>9,029.80</u>	
		\$ 51,273.50

Tax Collector Miscellaneous Revenue	1,000.44
General Capital Fund Interest Earned	1,282.66
Other Trust Funds Interest Earned	35.68
Payroll Interest Earned	<u>94.83</u>
	<u><u>\$ 53,687.11</u></u>

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

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010

	Appropriations		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operations - Within "CAPS"				
GENERAL GOVERNMENT:				
Mayor and Council:				
Salaries & Wages	\$ 17,700.00	\$ 17,700.00	\$ 17,503.20	\$ 196.80
Other Expenses	1,000.00	1,163.92	1,163.92	
Administration (Municipal Clerk):				
Salaries & Wages	101,000.00	101,000.00	97,411.81	3,588.19
Other Expenses:				
Records Management	1.00	1.00		1.00
Miscellaneous Other Expenses	32,940.00	32,940.00	17,406.35	15,533.65
Codification (Special Emergency + \$17,000.00 )		17,000.00	17,000.00	
Financial Administration:				
Salaries & Wages	31,551.00	31,551.00	31,550.22	0.78
Other Expenses	3,600.00	3,931.68	3,931.68	
Audit	17,900.00	17,900.00	17,900.00	
Tax Assessment Administration:				
Salaries & Wages	20,164.00	20,164.00	20,163.30	0.70
Other Expenses	4,050.00	3,050.00	3,031.62	18.38
Revenue Administration (Tax Collection):				
Salaries & Wages	16,481.00	14,481.00	14,412.38	68.62
Other Expenses	3,150.00	3,150.00	1,230.90	1,919.10
Legal Services and Costs:				
Salaries & Wages	10,000.00	10,000.00	9,694.37	305.63
Other Expenses:				
Miscellaneous Other Expenses	11,001.00	11,001.00	11,000.04	0.96
Engineering Services and Costs:				
Other Expenses	10,000.00	10,000.00	8,608.75	1,391.25

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operations - Within "CAPS" (continued)				
GENERAL GOVERNMENT (continued):				
Public Buildings and Grounds:				
Salaries & Wages	\$ 20,600.00	\$ 20,600.00	\$ 19,826.91	\$ 773.09
Other Expenses:				
Repairs and Maintenance	28,000.00	28,000.00	17,866.55	10,133.45
Scout Home Maintenance	1,000.00	774.53	561.67	212.86
Economic Development:				
Other Expenses	500.00	500.00		500.00
Municipal Land Use Law (N.J.S.A. 40:55D-1):				
Planning Board:				
Salaries & Wages	4,844.00	4,844.00	4,702.10	141.90
Other Expenses	6,300.00	6,300.00	4,859.48	1,440.52
Zoning Officer:				
Salaries & Wages	5,762.00	5,762.00	5,761.50	0.50
Other Expenses	300.00			
Shade Tree Commission:				
Other Expenses	26,100.00	28,087.01	28,087.01	
PUBLIC SAFETY:				
Fire:				
Salaries & Wages	2,439.00	2,449.00	2,449.00	
Turn out Gear	4,500.00	4,500.00	4,500.00	
Donation to Volunteer Fire Company	40,000.00	40,000.00	40,000.00	



TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operations - Within "CAPS" (continued)				
PUBLIC SAFETY: (continued)				
Police:				
Salaries & Wages	\$ 615,000.00	\$ 616,000.00	\$ 615,282.43	\$ 717.57
Miscellaneous Other Expenses	36,315.00	36,315.00	27,300.65	9,014.35
Police Car	10,000.00	8,102.55	8,102.55	
Emergency Management Services:				
Salaries & Wages	4,001.00	4,001.00	3,999.96	1.04
Other Expenses	250.00	250.00		250.00
STREETS AND ROADS:				
Road Repairs and Maintenance:				
Salaries & Wages	385,000.00	386,215.14	386,215.14	
Other Expenses	86,000.00	86,000.00	64,662.85	21,337.15
HEALTH AND WELFARE:				
Rescue Squad:				
Other Expenses	30,000.00	30,000.00	30,000.00	
Animal Control:				
Salaries & Wages	4,372.00	4,372.00	4,369.92	2.08
RECREATION AND EDUCATION:				
Parks and Playgrounds:				
Salaries & Wages	5,500.00	5,500.00	5,500.00	
Other Expenses	1.00	1.00		1.00
Celebration of Holidays and Anniversaries:				
Other Expenses	2,000.00	2,000.00	1,513.00	487.00

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

	Appropriations		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operations - Within "CAPS" (continued)				
RECREATION AND EDUCATION (continued):				
Environmental Commission:				
Other Expenses	\$ 900.00	\$ 900.00	\$ 320.00	\$ 580.00
Recycling:				
Salaries & Wages	3,189.00	3,189.00	3,094.00	95.00
Historical Preservation Committee:				
Salaries & Wages	2,401.00	2,401.00	2,400.06	0.94
Other Expenses	540.00	540.00	175.00	365.00
Utility Expenses and Bulk Purchases:				
Electricity	70,000.00	67,000.00	60,811.69	6,188.31
Telephone	30,000.00	30,000.00	25,955.55	4,044.45
Sewer Rental	1,500.00	1,500.00		1,500.00
Bulk Fuel	50,000.00	50,000.00	48,120.05	1,879.95
Fire Hydrant Services	24,000.00	24,000.00	21,769.44	2,230.56
Municipal Court:				
Salaries & Wages	69,000.00	69,000.00	68,001.46	998.54
Other Expenses	5,000.00	5,000.00	4,310.37	689.63
Public Defender:				
Salaries & Wages	2,500.00	2,500.00	1,475.00	1,025.00
Insurance:				
General Liability	183,902.00	188,151.00	188,151.00	
Employee Group Health	206,288.00	206,288.00	206,288.00	
Uniform Construction Code:				
Salaries & Wages	26,048.00	24,493.86	23,033.16	1,460.70
Other Expenses	2,000.00	1,500.00	1,107.60	392.40
Landfill Tipping Fees:				
Other Expenses	100,000.00	100,000.00	93,538.78	6,461.22

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operations - Within "CAPS" (continued)				
Total Operations within "CAPS"	\$ 2,376,590.00	\$ 2,392,069.69	\$ 2,296,120.42	\$ 95,949.27
Contingent	1,500.00	1,500.00		1,500.00
Total Operations Including Contingent within "CAPS"	2,378,090.00	2,393,569.69	2,296,120.42	97,449.27
Detail:				
Salaries & Wages	1,347,552.00	1,346,223.00	1,336,845.92	9,377.08
Other Expenses (Including Contingent)	1,030,538.00	1,047,346.69	959,274.50	88,072.19
STATUTORY EXPENDITURES:				
Contribution to:				
Public Employees Retirement System	83,381.67	83,381.67	83,381.67	
Social Security (O.A.S.I)	105,000.00	106,520.31	106,520.31	
Unemployment Compensation Insurance	15,000.00	15,000.00	9,332.29	5,667.71
Police and Firemen's Retirement System of New Jersey	60,721.38	60,721.38	60,721.38	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	264,103.05	265,623.36	259,955.65	5,667.71
Total General Appropriations for Municipal Purposes Within "CAPS"	2,642,193.05	2,659,193.05	2,556,076.07	103,116.98
Operations - Excluded from "CAPS"				
Maintenance of Free Public Library	92,356.00	92,356.00	92,356.00	
Employee Group Health Insurance	24,712.00	24,712.00	15,792.78	8,919.22
Public Employee's Retirement System of New Jersey	7,616.33	7,616.33	7,616.33	
Police and Firemen's Retirement System of New Jersey	25,346.62	25,346.62	25,346.62	
Total Other Operations - Excluded from "CAPS"	150,030.95	150,030.95	141,111.73	8,919.22

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

	Appropriations		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operations - Excluded from "CAPS" (continued):				
Public and Private Programs Offset by Revenue:				
Clean Communities Grant (40A:4-87 + \$5,815.75 )	\$ 1,209.38	\$ 7,025.13	\$ 7,025.13	
Highlands Master Plan Grant	5,000.00	5,000.00	5,000.00	
Forestry Grant (40A:4-87 + \$6,993.00 )		6,993.00	6,993.00	
Drunk Driving Enforcement Fund	2,628.03	2,628.03	2,628.03	
Total Public and Private Programs Offset by Revenues	8,837.41	21,646.16	21,646.16	
 Total Operations - Excluded from "CAPS"	 158,868.36	 171,677.11	 162,757.89	 \$ 8,919.22
Detail:				
Other Expenses	158,868.36	171,677.11	162,757.89	8,919.22
 Capital Improvements - Excluded from "CAPS":				
Capital Improvement Fund	28,000.00	28,000.00	28,000.00	
New Jersey Transportation Program Grant	175,000.00	175,000.00	175,000.00	
 Total Capital Improvements Excluded from "CAPS"	 203,000.00	 203,000.00	 203,000.00	
 Municipal Debt Service - Excluded from "CAPS":				
Payment of Bond Principal	95,000.00	95,000.00	95,000.00	
Payment of Bond Anticipation Notes	23,888.00	23,888.00	23,888.00	
Interest on Bonds	17,675.00	17,675.00	17,675.00	
Interest on Notes	29,814.00	29,814.00	29,814.00	
 Total Municipal Debt Service - Excluded from "CAPS"	 166,377.00	 166,377.00	 166,377.00	

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Deferred Charges - Municipal - Excluded from "CAPS":				
Deferred Charges - Special Emergency Authorizations - 5 Year	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	
Total Deferred Charges - Municipal - Excluded from "CAPS"	2,000.00	2,000.00	2,000.00	
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	530,245.36	543,054.11	534,134.89	\$ 8,919.22
Total General Appropriations - Excluded from "CAPS"	530,245.36	543,054.11	534,134.89	8,919.22
Subtotal General Appropriations	3,172,438.41	3,202,247.16	3,090,210.96	112,036.20
Reserve for Uncollected Taxes	179,967.83	179,967.83	179,967.83	
Total General Appropriations	<u>\$ 3,352,406.24</u>	<u>\$ 3,382,214.99</u>	<u>\$ 3,270,178.79</u>	<u>\$ 112,036.20</u>
		<u>Ref.</u>		A

TOWN OF BELVIDERE  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

	<u>Ref.</u>	<u>Analysis of</u>	
		<u>Budget After</u>	<u>Paid or</u>
		<u>Modification</u>	<u>Charged</u>
Adopted Budget		\$ 3,352,406.24	
Added by N.J.S.A. 40A:4-87		12,808.75	
Special Emergency Authorization		17,000.00	
		<u>\$ 3,382,214.99</u>	
Reserve for Uncollected Taxes			\$ 179,967.83
Cash Disbursed			2,838,758.22
Due to Federal and State Grant Fund			196,646.16
Due to General Capital Fund			51,888.00
Deferred Charges - Special Emergency Authorization			2,000.00
Reserve for - Recodification of Ordinances			17,000.00
Encumbrances	A		14,577.63
			<u>3,300,837.84</u>
Less: Appropriation Refunds			<u>30,659.05</u>
			<u>\$ 3,270,178.79</u>

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

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
TRUST FUNDS

TOWN OF BELVIDERE  
COMPARATIVE BALANCE SHEET - TRUST FUNDS

		December 31,	
	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	\$ 7,329.29	\$ 6,621.72
Change Fund		25.00	25.00
Amount due from State Board of Health		5.40	13.20
		<u>7,359.69</u>	<u>6,659.92</u>
Unemployment Trust Fund:			
Cash and Cash Equivalents	B-4	<u>5,392.00</u>	<u>2,564.07</u>
		<u>5,392.00</u>	<u>2,564.07</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	64,244.99	80,071.29
Due From Current Fund - Tax Sale Premiums	A	25,200.00	26,800.00
Due From Current Fund - Sesquicentennial Fund	A	2,338.45	2,338.45
		<u>91,783.44</u>	<u>109,209.74</u>
<u>TOTAL ASSETS</u>		<u>\$ 104,535.13</u>	<u>\$ 118,433.73</u>



TOWN OF BELVIDERE  
COMPARATIVE BALANCE SHEET - TRUST FUNDS

		December 31,	
	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Encumbrance			\$ 406.00
Reserve for Animal Control Fund Expenditures	B-5	\$ 7,359.69	6,253.92
		<u>7,359.69</u>	<u>6,659.92</u>
Unemployment Trust Fund:			
Reserve for Unemployment Trust Fund		<u>5,392.00</u>	<u>2,564.07</u>
		<u>5,392.00</u>	<u>2,564.07</u>
Other Trust Funds:			
Due to Current Fund	A	2,062.61	2,026.93
Due to Federal and State Grant Fund	A		6,702.43
Reserve for:			
Encumbrances			482.56
Escrow Deposits		22,196.71	23,922.29
Recycling Fund		18,672.94	19,179.39
Parking Offenses Adjudication Act		592.85	788.56
Christmas Tree Lighting Fund		3,733.46	4,995.77
Shade Tree Trust Fund		858.09	856.20
Sesquicentennial Fund		2,338.45	2,338.45
Tax Sale Premiums		25,200.00	26,800.00
Recreation Trust Fund		15,483.23	20,210.43
National Night Out Trust Fund		101.70	400.73
Police Water Rescue Trust Fund		<u>543.40</u>	<u>506.00</u>
Total Other Trust Funds		<u>91,783.44</u>	<u>109,209.74</u>
<u>TOTAL LIABILITIES AND RESERVES</u>		<u>\$ 104,535.13</u>	<u>\$ 118,433.73</u>

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

TOWN OF BELVIDERE  
ASSESSMENT TRUST FUND  
STATEMENT OF FUND BALANCE  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

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

TOWN OF BELVIDERE  
ASSESSMENT TRUST FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

TOWN OF BELVIDERE  
ASSESSMENT TRUST FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

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

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
GENERAL CAPITAL FUND

TOWN OF BELVIDERE  
GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET

		December 31,	
	Ref.	2010	2009
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 561,372.35	\$ 1,035,002.38
Deferred Charges to Future Taxation:			
Funded		309,000.00	404,000.00
Unfunded	C-4	2,218,588.38	2,242,476.38
Due from White Township			300,000.00
Grants Receivable		281.25	341,058.30
<u>TOTAL ASSETS</u>		<u>\$ 3,089,241.98</u>	<u>\$ 4,322,537.06</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-7	\$ 1,709,449.00	\$ 1,733,337.00
Serial Bonds Payable	C-8	309,000.00	404,000.00
Due Current Fund	A	81.09	185.43
Improvement Authorizations:			
Funded	C-5	206,517.09	928,266.06
Unfunded	C-5	572,451.58	1,066,005.35
Reserve for:			
Reconstruction of Seventh Street		5,000.00	5,000.00
Reconstruction of Alleys		2,954.43	2,954.43
Recreation Facilities		1,000.00	1,000.00
Road Improvements		46,229.03	46,229.03
Preliminary Costs - DPW Garage		1,065.00	1,065.00
To Pay Debt Service		209,133.09	134,133.09
Capital Improvement Fund	C-6	26,361.67	361.67
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 3,089,241.98</u>	<u>\$ 4,322,537.06</u>

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

TOWN OF BELVIDERE  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE  
YEAR ENDING DECEMBER 31, 2010

NOT APPLICABLE

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

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
SEWER UTILITY FUND

TOWN OF BELVIDERE  
SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET

		December 31,	
	Ref.	2010	2009
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-5	\$ 355,364.38	\$ 572,094.04
		355,364.38	572,094.04
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7	133,913.17	136,602.13
		133,913.17	136,602.13
Total Operating Fund		489,277.55	708,696.17
Capital Fund:			
Fixed Capital	E-8	3,349,610.68	3,349,610.68
Fixed Capital Authorized and Uncompleted	E-9	39,000.00	39,000.00
Due from Sewer Utility Operating Fund	E	254,264.50	254,264.50
Total Capital Fund		3,642,875.18	3,642,875.18
<u>TOTAL ASSETS</u>		\$ 4,132,152.73	\$ 4,351,571.35



TOWN OF BELVIDERE  
SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET

		December 31,	
	Ref.	2010	2009
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	E-4; E-10	\$ 8,593.28	\$ 6,196.98
Total Appropriation Reserves		8,593.28	6,196.98
Due to Sewer Utility Capital Fund	E	254,264.50	254,264.50
Prepaid Rents		2,050.00	2,222.49
Sewer Overpayments		2,001.76	2,253.29
Accrued Interest on Bonds		1,687.50	2,062.50
		268,597.04	266,999.76
Reserve for Receivables		133,913.17	136,602.13
Fund Balance	E-1	86,767.34	305,094.28
Total Operating Fund		489,277.55	708,696.17
Capital Fund:			
Serial Bonds Payable	E-14	450,000.00	550,000.00
Capital Improvement Fund	E-12	147,683.25	147,683.25
Reserve for Amortization	E-13	2,899,610.68	2,799,610.68
Reserve for Capital Outlay			56,905.83
Deferred Reserve for Amortization	E-13A	39,000.00	39,000.00
Improvement Authorizations:			
Funded	E-11	39,578.79	39,578.79
Fund Balance	E-2	67,002.46	10,096.63
Total Capital Fund		3,642,875.18	3,642,875.18
<u>TOTAL LIABILITIES, RESERVES, AND FUND BALANCE</u>		<u>\$ 4,132,152.73</u>	<u>\$ 4,351,571.35</u>

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

TOWN OF BELVIDERE  
SEWER UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES  
IN UTILITY OPERATING FUND BALANCE

		Year Ended December 31,	
	Ref.	2010	2009
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized			\$ 85,000.00
Sewer Rents		\$ 775,943.71	782,715.77
Miscellaneous		12,662.23	11,723.54
Other Credits to Income:			
Appropriation Reserves Lapsed		4,511.12	2,766.78
Total Income		<u>793,117.06</u>	<u>882,206.09</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		644,274.00	663,736.00
Debt Service		125,170.00	129,670.00
Deferred Charges and Statutory Expenditures		2,000.00	2,000.00
Total Expenditures		<u>771,444.00</u>	<u>795,406.00</u>
Excess in Revenue		21,673.06	86,800.09
<u>Fund Balance</u>			
Balance January 1	E	305,094.28	405,294.19
		<u>326,767.34</u>	<u>492,094.28</u>
Decreased by:			
Utilization as Anticipated Revenue			85,000.00
Utilization as Anticipated Revenue - Current Fund Budget		240,000.00	102,000.00
Balance December 31	E	<u>\$ 86,767.34</u>	<u>\$ 305,094.28</u>

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

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE

	<u>Ref.</u>	
Balance December 31, 2009	E	\$ 10,096.63
Increased by:		
Cancellation of Reserve for Capital Outlay		<u>56,905.83</u>
Balance December 31, 2010	E	<u>\$ 67,002.46</u>

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

TOWN OF BELVIDERE  
SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2010

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Sewer Rents	<u>\$ 771,819.00</u>	<u>\$ 775,943.71</u>	<u>\$ 4,124.71</u>
	771,819.00	775,943.71	4,124.71
Nonbudget Revenue	<u>12,662.23</u>	<u>12,662.23</u>	<u>12,662.23</u>
	<u>\$ 771,819.00</u>	<u>\$ 788,605.94</u>	<u>\$ 16,786.94</u>
<u>Analysis of Nonbudget Revenue</u>			
Interest on Sewer Rents		\$ 10,026.19	
Miscellaneous Other		1,593.01	
Interest Income		1,043.03	
		<u>\$ 12,662.23</u>	

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

TOWN OF BELVIDERE  
SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Mod- ification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 24,774.00	\$ 26,495.04	\$ 24,772.92	\$ 1,722.12	
Other Expenses	619,500.00	617,778.96	611,012.71	6,766.25	
Debt Service:					
Payment of Bond Principal	100,000.00	100,000.00	100,000.00		
Interest on Bonds	25,545.00	25,545.00	25,170.00		\$ 375.00
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	2,000.00	2,000.00	1,895.09	104.91	
	<u>\$ 771,819.00</u>	<u>\$ 771,819.00</u>	<u>\$ 762,850.72</u>	<u>\$ 8,593.28</u>	<u>\$ 375.00</u>
<u>Ref.</u>			E		
		Cash Disbursed	\$ 737,680.72		
		Accrued Interest on Bonds	25,170.00		
			<u>\$ 762,850.72</u>		

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

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
SWIMMING POOL UTILITY FUND

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY FUND  
COMPARATIVE BALANCE SHEET

		December 31,	
	Ref.	2010	2009
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	F-5	\$ 22,711.54	\$ 1,849.68
Change Fund		250.00	250.00
Due from Swimming Pool Utility Capital Fund	F	3.33	0.90
Deferred Charges:			
Operating Deficit	F-1		3,834.94
Emergency Authorization		5,000.00	
Total Operating Fund		27,964.87	5,935.52
Capital Fund:			
Cash and Cash Equivalents	F-5	21,492.04	4,000.90
Fixed Capital	F-8	608,886.93	605,522.00
Fixed Capital Authorized and Uncompleted	F-9	120,000.00	
Total Capital Fund		750,378.97	609,522.90
<u>TOTAL ASSETS</u>		<u>\$ 778,343.84</u>	<u>\$ 615,458.42</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves - Unencumbered	F-4;F-10	\$ 2,941.12	\$ 811.76
		2,941.12	811.76
Accrued Interest on Loans		460.53	460.53
		3,401.65	1,272.29
Fund Balance	F-1	24,563.22	4,663.23
Total Operating Fund		27,964.87	5,935.52
Capital Fund:			
Loans Payable	F-15	92,917.80	105,166.38
Bond Anticipation Notes Payable	F-16	114,000.00	
Capital Improvement Fund	F-12		4,000.00
Improvement Authorizations - Unfunded	F-11	21,488.71	
Due to Swimming Pool Utility Operating Fund	F	3.33	0.90
Deferred Reserve for Amortization	F-14	6,000.00	
Reserve for Amortization	F-13	515,969.13	500,355.62
Total Capital Fund		750,378.97	609,522.90
<u>TOTAL LIABILITIES, RESERVES, AND FUND BALANCE</u>		<u>\$ 778,343.84</u>	<u>\$ 615,458.42</u>

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

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN UTILITY OPERATING FUND BALANCE

		Year Ended December 31,	
	Ref.	2010	2009
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized			\$ 17,300.00
Pool Memberships and Admission Fees		\$ 93,334.57	75,394.67
Snack Bar Proceeds		25,442.68	25,946.56
Nonbudget Revenues		344.62	84.64
Other Credits to Income:			
2009 Appropriation Reserves Lapsed		778.06	3,088.17
Total Income		<u>119,899.93</u>	<u>121,814.04</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		79,365.00	92,348.98
Capital Outlay		4,000.00	15,000.00
Debt Service		14,300.00	14,300.00
Deferred Charges and Statutory Expenditures		7,334.94	4,000.00
Total Expenditures		<u>104,999.94</u>	<u>125,648.98</u>
Excess/(Deficit) in Revenue		<u>14,899.99</u>	(3,834.94)
Adjustments Before Fund Balance:			
Expenditures Included Above Which are by			
Statute Deferred Charges to Budget of			
Succeeding Year		5,000.00	
		<u>19,899.99</u>	
Operating Deficit			<u>(3,834.94)</u>
<u>Fund Balance</u>			
Balance January 1		<u>4,663.23</u>	<u>21,963.23</u>
		24,563.22	21,963.23
Decreased by:			
Utilization as Anticipated			
Revenue			<u>17,300.00</u>
Balance December 31	F	\$ 24,563.22	\$ 4,663.23

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



TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

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

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY OPERATING FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2010

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Revenues:			
Pool Memberships and Admission Fees	\$ 75,000.00	\$ 93,334.57	\$ 18,334.57
Miscellaneous Revenues	<u>25,000.00</u>	<u>25,442.68</u>	<u>442.68</u>
	100,000.00	118,777.25	18,777.25
Nonbudget Revenue		<u>344.62</u>	<u>344.62</u>
	<u>\$ 100,000.00</u>	<u>\$ 119,121.87</u>	<u>\$ 19,121.87</u>

Analysis of Nonbudget Revenue

Interest on Investments - Swimming Pool Utility Capital Fund	\$ 49.02
Interest on Investments - Swimming Pool Utility Operating Fund	61.57
Miscellaneous	<u>234.03</u>
	<u>\$ 344.62</u>

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

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2010

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modi- fication	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 43,000.00	\$ 44,000.00	\$ 43,796.57	\$ 203.43	
Other Expenses ( Emergency \$5,000.00 )	31,865.00	35,365.00	33,414.78	1,950.22	
Capital Outlay	4,000.00	4,000.00	3,364.93	635.07	
Debt Service:					
Rehabilitation Loan	14,300.00	14,300.00	14,300.00		
Deferred Charges:					
Deficit in Prior Year	3,835.00	3,835.00	3,834.94		\$ 0.06
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	3,000.00	3,500.00	3,347.60	152.40	
	<u>\$ 100,000.00</u>	<u>\$ 105,000.00</u>	<u>\$ 102,058.82</u>	<u>\$ 2,941.12</u>	<u>\$ 0.06</u>

Ref.

F

	Cash Disbursed	\$ 98,223.88
	Deferred Charges	3,834.94
		<u>\$ 102,058.82</u>
Analysis of Budet After Modification		
Adopted Budget	\$ 100,000.00	
Emergency	5,000.00	
	<u>\$ 105,000.00</u>	

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

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
GENERAL FIXED ASSETS ACCOUNT GROUP

TOWN OF BELVIDERE  
GENERAL FIXED ASSETS ACCOUNT GROUP  
COMPARATIVE BALANCE SHEET

	December 31,	
	2010	2009
<u>ASSETS</u>		
Land	\$ 1,486,800.00	\$ 1,486,800.00
Buildings	1,863,700.00	1,863,700.00
Machinery and Equipment	3,036,706.60	2,072,026.00
<u>TOTAL ASSETS</u>	<u>\$ 6,387,206.60</u>	<u>\$ 5,422,526.00</u>
 <u>RESERVES</u>		
Investments in General Fixed Assets	\$ 6,387,206.60	\$ 5,422,526.00
<u>TOTAL RESERVES</u>	<u>\$ 6,387,206.60</u>	<u>\$ 5,422,526.00</u>

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

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of the Town of Belvidere include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Town of Belvidere, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Town of Belvidere do not include the operations of the Volunteer Fire and First Aid Squads or the Municipal Library.

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

B. Description of Funds

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

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

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

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

Sewer Operating Fund - Account for the operations and acquisition of capital facilities of the municipally owned sewer utility.

Swimming Pool Utility Fund - Account for the operating and acquisition of capital facilities of the municipally-owned Swimming Pool Utility.

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

General Fixed Asset Account Group - Estimated values of land, buildings and certain fixed assets of the Town as discussed in Note 1D - "Basis of Accounting".

C. Basis of Accounting

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

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

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Federal and state grants are generally recognized on the cash basis, except for certain assistance which is not realized until anticipated in the Town's budget. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Other amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

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

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

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

C. Basis of Accounting (Cont'd)

Had the Town of Belvidere's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, inventories would not be reflected as expenditures at the time of purchase and fixed assets purchased by the capital funds would be depreciated.

D. Other significant accounting policies include:

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

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

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

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

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

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

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

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

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



TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

General Fixed Assets- In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, the Town has developed a fixed assets accounting and reporting system based on the following:

General fixed assets are recorded at cost, except for land which is recorded at assessed value, and buildings, which are recorded at cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the general fixed assets account group may also be recorded in the current fund, general capital fund, swimming pool utility fund and sewer utility fund. The values recorded in the general fixed asset account group, the current fund, the general capital fund, sewer utility fund and swimming pool utility fund may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Capital assets are reviewed for impairment.

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

Note 2: Long-Term Debt

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

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

Summary of Municipal Debt

	December 31,		
	2010	2009	2008
<u>Issued:</u>			
General:			
Bonds and Notes	\$ 2,018,449.00	\$ 2,137,337.00	\$ 1,451,450.00
Sewer Utility:			
Serial Bonds Payable	450,000.00	550,000.00	650,000.00
Swimming Pool Utility:			
Bond Anticipation Notes	114,000.00		
Loans Payable	92,917.80	105,166.38	117,173.62
Total Issued	<u>2,675,366.80</u>	<u>2,792,503.38</u>	<u>2,218,623.62</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	509,139.38	509,139.38	93,289.38
Total Authorized but not Issued	<u>509,139.38</u>	<u>509,139.38</u>	<u>93,289.38</u>
Less: Reserve to Pay Debt Service	<u>209,133.09</u>	<u>134,133.09</u>	<u>115,000.00</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 2,975,373.09</u>	<u>\$ 3,167,509.67</u>	<u>\$ 2,196,913.00</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .83%.

	Gross Debt	Deductions	Net Debt
General Debt	\$ 2,527,588.38	\$ 209,133.09	\$ 2,318,455.29
Sewer Utility Debt	450,000.00	450,000.00	
Swimming Pool Utility Debt	206,917.80	206,917.80	
	<u>\$ 3,184,506.18</u>	<u>\$ 866,050.89</u>	<u>\$ 2,318,455.29</u>

Net Debt \$2,318,455.29 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$278,538,651 = .83%.

Borrowing Power Under N.J.S. 40A:2-5 As Amended

3-1/2% Average Equalized Valuation of Real Property	\$ 9,748,852.79
Net Debt	<u>2,318,455.29</u>
Remaining Borrowing Power	<u>\$ 7,430,397.50</u>

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 788,605.94
Deductions:		
Operating and Maintenance Costs	\$ 646,274.00	
Debt Service Costs	125,170.00	
		771,444.00
Excess in Revenue		\$ 17,161.94

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 119,121.87
Deductions:		
Operating and Maintenance Costs	\$ 86,865.00	
Debt Service Costs	14,300.00	
		101,165.00
Excess in Revenue		\$ 17,956.87

Note: If there is a deficit in revenue, sewer and swimming pool utility debt is not deductible to the extent of 20 times of said deficit or total debt service, whichever is smaller (40A:2-48).

The foregoing information is in agreement with the annual debt statement as filed by the Chief Financial Officer.

Summary of Municipal Debt Issued and Outstanding – Current Year

	Balance 12/31/2009	Issued	Retirements	Balance 12/31/2010
Serial Bonds:				
General Capital Fund	\$ 404,000.00		\$ 95,000.00	\$ 309,000.00
Sewer Utility Capital Fund	550,000.00		100,000.00	450,000.00
Bond Anticipation Notes:				
General Capital Fund	1,733,337.00	\$ 1,709,449.00	1,733,337.00	1,709,449.00
Swimming Pool Capital Fund		114,000.00		114,000.00
Loans Payable:				
Swimming Pool Capital Fund	105,166.38		12,248.58	92,917.80
Total	\$ 2,792,503.38	\$ 1,823,449.00	\$ 1,940,585.58	\$ 2,675,366.80

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

Summary of Municipal Debt Issued and Outstanding Prior Year (Cont'd)

	<u>Balance</u> <u>12/31/2008</u>	<u>Issued</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2009</u>
Serial Bonds:				
General Capital Fund	\$ 494,000.00		\$ 90,000.00	\$ 404,000.00
Sewer Utility Capital Fund	650,000.00		100,000.00	550,000.00
Bond Anticipation Notes:				
General Capital Fund	957,450.00	\$ 1,733,337.00	957,450.00	1,733,337.00
Loans Payable:				
Swimming Pool Capital Fund	<u>117,173.62</u>		<u>12,007.24</u>	<u>105,166.38</u>
Total	<u>\$ 2,218,623.62</u>	<u>\$ 1,733,337.00</u>	<u>\$ 1,159,457.24</u>	<u>\$ 2,792,503.38</u>

The Town's debt issued and outstanding on December 31, 2010 is described as follows:

General Capital Fund:

<u>Purpose</u>	<u>Maturities of Bonds</u> <u>Outstanding</u>		<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
	<u>Date</u>	<u>Amount</u>		
Construction of Municipal Building and Purchase of a Fire Truck	11/1/2011	\$ 100,000.00	4.375%	
	11/1/2012	100,000.00	4.375%	
	11/1/2013	109,000.00	4.375%	<u>\$ 309,000.00</u>

Sewer Utility Capital Fund:

<u>Purpose</u>	<u>Maturities of Bonds</u> <u>Outstanding</u>		<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
	<u>Date</u>	<u>Amount</u>		
General Obligation Refunding Bonds	12/1/2011	\$ 105,000.00	4.600%	
	12/1/2012	115,000.00	4.650%	
	12/1/2013	115,000.00	4.700%	
	12/1/2014	115,000.00	4.750%	<u>\$ 450,000.00</u>

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

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

<u>Calendar Year</u>	<u>Serial Bonds and Loans Payable</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2011	\$ 217,494.78	\$ 36,359.94	\$ 253,854.72
2012	227,745.93	26,903.80	254,649.73
2013	237,002.12	16,867.60	253,869.72
2014	128,263.47	6,490.01	134,753.48
2015	13,530.06	760.92	14,290.98
2016-2017	27,881.44	700.50	28,581.94
	<u>\$ 851,917.80</u>	<u>\$ 88,082.77</u>	<u>\$ 940,000.57</u>

General Capital Bond Anticipation Notes

<u>Purpose</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>
	<u>Outstanding Dec. 31, 2010 Date</u>	<u>Amount</u>		
Road and Drainage Improvement Projects	7/21/2011	\$ 137,500.00	1.72%	\$ 137,500.00
Purchase of Public Works Equipment and Building Improvement Projects	7/21/2011	77,500.00	1.72%	77,500.00
Improvements to Hardwick and Fourth Streets	7/21/2011	321,362.00	1.72%	321,362.00
Purchase of Refuse Collection and Transport Vehicle	7/21/2011	140,000.00	1.72%	140,000.00
Purchase of Public Safety Equipment	7/21/2011	134,337.00	1.72%	134,337.00
Improvements to Franklin Street	7/21/2011	115,000.00	1.72%	115,000.00
Water Street Improvement Project	7/21/2011	475,000.00	1.72%	475,000.00
Improvements to Third and Fourth Streets	7/21/2011	308,750.00	1.72%	308,750.00
				<u>1,709,449.00</u>

Swimming Pool Capital Bond Anticipation Note

Acquisition and Installation of Pool Liner	7/21/2011	114,000.00	1.72%	<u>114,000.00</u>
				<u>114,000.00</u>
Total Debt Outstanding and Issued				<u>\$ 2,675,366.80</u>

New Jersey Department of Environmental Protection Loan Payable –

A loan agreement was entered into with the New Jersey Department of Environmental Protection in 2002 for renovations to the swimming pool and surrounding areas. The loan is payable over 15 years and the original principal amount of the loan was \$200,000.

TOWN OF BELVIDERE  
NOTES TO FINACIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

Note 3: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010, the following deferred charge is shown on the balance sheets of the various funds.

	Balance Dec. 31, 2010	Required 2011 Budget Appropriation	Balance to Succeeding Years' Budget
Current Fund:			
Special Emergency Authorization	\$ 23,000.00	\$ 5,400.00	\$ 17,600.00
	<u>\$ 23,000.00</u>	<u>\$ 5,400.00</u>	<u>\$ 17,600.00</u>

The 2011 Budget Appropriation will not be less than that required by statute.

Note 4: Fund Balance Appropriated

As of the date of this report, the budget for 2011 has not been introduced. Thus, the amount of fund balance at December 31, 2010, which will be introduced in the Current Fund, Sewer Utility Operating Fund and Swimming Pool Operating Fund budgets for the year ending December 31, 2011, is not known at this time.

Note 5: Local School District Taxes

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

Local District Tax has been raised and liabilities deferred by statutes (under provisions of C.63, P.L. 1991, as amended), resulting in the school taxes payable set forth in the current fund liabilities as follows:

	<u>Local School Tax</u>	
	Balance 12/31/2010	Balance 12/31/2009
Balance of Tax	\$ 1,682,875.15	\$ 1,661,875.15
Deferred	<u>1,682,875.15</u>	<u>1,661,875.15</u>
Tax Payable	<u>\$ -</u>	<u>\$ -</u>

Note 6: Pension Plans

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

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

Note 6: Pension Plans (Cont'd)

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

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

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Employee contributions are based on percentages of 5.50% for PERS and 8.50% for PFRS of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits.

Town contributions to PERS amounted to \$90,998.00, \$80,562.00 and \$55,681.64 for 2010, 2009 and 2008 respectively. The annual pension cost ("APC") for PERS differed from the annual required contribution ("NPO") due to the enactment of Chapter 114, P.L. 1997 for 2008 as the APC was \$69,602.05 and the NPO was \$55,681.64.

Town contributions for PFRS amounted to \$86,068.00, \$58,668.00 and \$45,860.00 for 2010, 2009 and 2008 respectively.

Note 7: Selected Tax Information

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

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

Note 7: Selected Tax Information (Cont'd)

Comparative Schedule of Tax Rate Information

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Tax Rate</u>	\$ 4.78	\$ 4.66	\$ 4.55

Apportionment of Tax Rate:

Municipal	1.298	1.198	1.101
County	1.115	1.131	1.125
Local School Tax	2.363	2.326	2.319

Assessed Valuations:

2010	<u>\$ 142,514,288</u>		
2009		<u>\$ 142,936,508</u>	
2008			<u>\$ 143,775,045</u>

Comparison of Tax Levies and Collection Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2010	\$ 6,810,286.97	\$ 6,657,882.87	97.76%
2009	6,661,717.94	6,486,820.61	97.37%
2008	6,554,930.67	6,281,587.75	95.82%

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

Note 8: Cash and Cash Equivalents

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

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

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



TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

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

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

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

Deposits:

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

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

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

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

Investments

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

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

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

As of December 31, 2010, cash and cash equivalents of the Town of Belvidere consisted of the following:

	Checking Accounts	New Jersey Cash Management Fund	Cash on Hand	Total
Current Fund	\$ 425,307.51	\$ 8,306.62	\$ 750.00	\$ 434,364.13
Animal Control Fund	7,329.29		25.00	7,354.29
Unemployment Trust Fund	5,392.00			5,392.00
Other Trust Funds	64,244.99			64,244.99
General Capital Fund	561,372.35			561,372.35
Sewer Utility:				
Operating Fund	354,820.72	543.66		355,364.38
Swimming Pool:				
Operating Fund	22,711.54		250.00	22,961.54
Capital Fund	21,492.04			21,492.04
	<u>\$ 1,462,670.44</u>	<u>\$ 8,850.28</u>	<u>\$ 1,025.00</u>	<u>\$ 1,472,545.72</u>

During the year ended December 31, 2010, the Town did not hold any investments. The carrying amount of the Town's cash and cash equivalents at December 31, 2010, was \$1,472,545.72 and the bank balance was \$1,458,168.69. The \$8,850.28 in the New Jersey Cash Management Fund is uninsured and unregistered.

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

Note 9: Risk Management:

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health Benefits are provided to employees through Public Alliance Insurance Coverage Fund.

The Town of Belvidere is currently a member of the Public Alliance Insurance Coverage (the "Fund"). The Fund is risk-sharing public entity risk pool that is an insured and self administered group of governmental entities established for the purpose of providing low-cost insurance coverage for their respective members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund is elected.

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

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

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

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

The December 31, 2010 audit report for the Fund is not filed as of the date of this audit. Selected, summarized financial information for the Fund as of December 31, 2009 is as follows:

	Public Alliance Insurance Coverage Fund Dec. 31, 2009
Total Assets	\$ 11,989,120
Net Assets	\$ 3,300,087
Total Revenue	\$ 8,513,112
Total Expenses	\$ 10,761,326
Change in Net Assets	\$ (2,248,214)
Net Assets Distribution to Participating Members	\$ 200,000

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

Public Entity Group Administrative Services  
51 Everett Drive  
Suite 40B  
West Windsor, NJ 08550  
(609) 275-1155

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010  
(Continued)

Note 9: Risk Management (Cont'd)

New Jersey Unemployment Compensation Insurance

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

The following is a summary of Town and employee contributions, interest earned and amounts reimbursed to the State for benefits paid and the ending balance of the Town's expendable trust fund for the current and previous two years.

<u>Year</u>	<u>Town Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010	\$ -0-	\$ 2,821.69	\$ 6.24	\$ -0-	\$ 5,392.00
2009	-0-	2,752.78	44.03	14,809.40	2,564.07
2008	-0-	2,551.65	12.89	-0-	14,576.66

Note 10: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2010:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current	\$ 2,143.70	\$ 68,511.22
Federal and State Grant	40,972.77	
Other Trust	27,538.45	2,062.61
General Capital		81.09
Sewer Utility Operating Fund		254,264.50
Sewer Utility Capital Fund	254,264.50	
Swimming Pool Utility Operating Fund	3.33	
Swimming Pool Utility Capital Fund		3.33
	<u>\$ 324,922.75</u>	<u>\$ 324,922.75</u>

Interfund activity between the Current Fund and the Federal and State Grant Fund consisted mostly of revenue and expenditures flowing through the Current Fund during the year. There was funding between the Sewer Utility Operating Fund and the Current Fund in 2010 for budgeted revenue. The amount due Other Trusts from Current Fund consists mainly of tax sale premiums collected. The interfund between the Sewer Operating and the Sewer Capital Funds is budgeted Capital Improvement Fund appropriations not yet transferred.

Note 11: Economic Dependency

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

TOWN OF BELVIDERE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2010

16

(Continued)

Note 12: Contingent Liabilities

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

The Town had two tax appeals from its larger taxpayers at the end of 2009. During 2011, one of those appeals has been settled and one remains unsettled. On March 9<sup>th</sup>, 2011, the Town received approval to borrow funds to settle the tax appeal that was settled during 2011. The Town received approval for a repayment period of seven years. The outcome of the other appeal is unknown at this time.

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

Note 13: Deferred Compensation

The Town offers its employees the following deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is administered by the entity listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrator is as follows:

- Variable Annuity Life Insurance Company

Note 14: Accrued Sick and Vacation Benefits

The Town has permitted full-time employees to accrue unused vacation and sick pay and carry over all unused sick days. Sick days may be carried forward up to a maximum of \$15,000. The current cost of such unpaid compensation has been estimated at approximately \$174,553 at December 31, 2010, and is not reported either as an expenditure or liability. However, it is expected that the cost of such unpaid compensation would be included in the Town's budget operating expenditures in the year in which it is used.

TOWN OF BELVIDERE

SUPPLEMENTARY DATA

TOWN OF BELVIDERE  
SCHEDULE OF OFFICIALS IN OFFICE AND SURETY BONDS  
YEAR ENDED DECEMBER 31, 2010

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

Name	Title	Amount of Bond	Name of Corporate or Personal Surety
Charles J. Liegel, Sr.	Mayor		
Robert Claussen	Council President		
Linda Stettler	Member of Council		
A. Morris Scott Jr.	Member of Council		
Howard Thompson	Member of Council		
Robert Haupin	Member of Council		
Sylvia McInerney	Member of Council		
Teresa A. DeMont	Clerk Administrator, Assessment Search Officer, and Registrar		
Kathleen Reinalda	Treasurer and Chief Financial Officer	\$ 1,000,000	* Selective Insurance Company of America
Dawn M. Laird	Sewer Utility Clerk, Sewer Assessment Search Officer, Violations Clerk and Court Administrator	1,000,000	Selective Insurance Company of America
Wendy Riley	Deputy Court Administrator		
Rita Kelley	Tax Collector	1,000,000	Selective Insurance Company of America
Susan Luthringer	Tax Collector	1,000,000	Selective Insurance Company of America
David Gill	Tax Assessor and Variance Search Officer		
J. Edward Palmer	Magistrate	1,000,000	* Selective Insurance Company of America
Dominick Santini	Attorney		

\* There is a bond that covers the Chief Financial Officer, the Magistrate and all other public employees in the amount of \$950,000 through the MELJIF and \$50,000 through Public Alliance Insurance Fund.

All bonds were examined and were properly executed.

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
CURRENT FUND



TOWN OF BELVIDERE  
CURRENT FUND  
SCHEDULE OF CASH

Ref.

Balance December 31, 2009	A	\$ 450,874.30
Increased by Receipts:		
Tax Collector Account	\$ 7,017,581.20	
Revenue Accounts Receivable	892,988.47	
Miscellaneous Revenue Not Anticipated	51,273.50	
Due to Federal and State Grant Fund:		
Unappropriated Reserves	27,798.83	
Federal and State Grants Receivable	4,905.76	
Interfund Returned - Recycling Trust Fund	6,702.43	
Due from State of N.J.:		
Veterans' and Senior Citizens' Deductions	31,500.00	
Marriage License Fees	375.00	
Due General Capital Fund:		
Interest Earned	1,387.00	
Due Payroll Account:		
Interest Earned	94.83	
Reserve for Open Space Pilot	3,430.00	
Appropriation Refunds	30,659.05	
		<u>8,068,696.07</u>
		8,519,570.37
Decreased by Disbursements:		
2010 Appropriation Expenditures	2,838,758.22	
2009 Appropriation Reserve Expenditures	53,413.99	
Local School District Taxes	3,346,750.00	
County Taxes	1,589,172.28	
Tax Overpayments Refunded	1,392.66	
Third Party Liens Redeemed	177,915.80	
Due General Capital:		
Capital Improvement Fund	28,000.00	
Bond Anticipation Note Principal	23,888.00	
Due to State of New Jersey:		
Marriage License Fees	225.00	
Due from Federal and State Grant Fund:		
Appropriated Reserves	19,525.09	
Reserve for Recodification of Ordinances	4,250.00	
Reserve for Planning Services	1,065.20	
Reserve for Tax Sale Premium	1,600.00	
		<u>8,085,956.24</u>
Balance December 31, 2010	A	<u>\$ 433,614.13</u>

TOWN OF BELVIDERE  
CURRENT FUND  
SCHEDULE OF CASH - COLLECTOR  
FOR THE YEAR ENDED DECEMBER 31, 2010

## Increased by Receipts:

Taxes Receivable	\$ 6,774,906.49	
2011 Prepaid Taxes	24,785.50	
Interest and Costs on Taxes	37,586.99	
Tax Overpayments	1,385.98	
Third Party Liens Redemption	199,886.95	
Miscellaneous	<u>1,000.44</u>	
		<u>\$ 7,039,552.35</u>

## Decreased by:

Payments for Third Party Lien Redemptions	21,971.15	
Payments to Treasurer	<u>7,017,581.20</u>	
		<u>\$ 7,039,552.35</u>

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

Year	Balance Dec. 31, 2009	2010 Levy	Added Taxes	Collections		State of NJ Veterans' and Senior Citizens' Deductions	County Appeals	Trans- ferred to Tax Title Liens	Balance Dec. 31, 2010
				2009	2010				
2008	\$ 5,151.61				\$ 2,984.64				\$ 2,166.97
2009	172,439.46		\$ 3,312.91		167,317.38	\$ (1,000.00)			9,434.99
	177,591.07		3,312.91		170,302.02	(1,000.00)			11,601.96
2010		\$ 6,810,286.97		\$ 22,081.14	6,604,604.47	31,197.26	\$ 897.90	\$ 3,624.99	147,881.21
	\$ 177,591.07	\$ 6,810,286.97	\$ 3,312.91	\$ 22,081.14	\$ 6,774,906.49	\$ 30,197.26	\$ 897.90	\$ 3,624.99	\$ 159,483.17

Ref. A

A

Analysis of 2010 Property Tax Levy

General Purpose Tax	\$ 6,806,482.46	
Added Taxes (54:4-63.1 et seq.)	3,804.51	
		\$ 6,810,286.97
Tax Levy:		
Local School District Taxes		3,367,750.00
County Taxes:		
County Taxes	1,587,223.34	
Due County for Added and Omitted Taxes	888.22	
		1,588,111.56
		4,955,861.56
Local Tax for Municipal Purposes	1,850,238.83	
Add: Additional Tax Levied	4,186.58	
		1,854,425.41
		\$ 6,810,286.97

TOWN OF BELVIDERE  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 57,863.64
Increased by:		
Transferred From Taxes Receivable		<u>3,624.99</u>
Balance December 31, 2010	A	<u>\$ 61,488.63</u>

TOWN OF BELVIDERE  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2009	Accrued in 2010	Collected by Tax Collector	Collected by Treasurer	Balance Dec. 31, 2010
Clerk:					
ABC Licenses		\$ 8,721.00		\$ 8,721.00	
Municipal Court:					
Fines and Courts	\$ 4,287.44	70,235.96		69,808.51	\$ 4,714.89
Interest and Costs on Taxes		37,586.99	\$ 37,586.99		
Consolidated Municipal Property Tax Relief		22,320.90		22,320.90	
Energy Receipts Tax		453,592.00		453,592.00	
Uniform Construction Code Fees		23,010.00		23,010.00	
Additional Construction Code Fees		52,325.00		52,325.00	
Capital Reserve for Debt Service		15,000.00		15,000.00	
Cable TV Franchise Fee		8,211.06		8,211.06	
Sewer Operating Fund Balance		240,000.00		240,000.00	
	<u>\$ 4,287.44</u>	<u>\$ 931,002.91</u>	<u>\$ 37,586.99</u>	<u>\$ 892,988.47</u>	<u>\$ 4,714.89</u>

Ref.

A

A

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

	Balance Dec. 31, 2009	Balance After Modi- fication	Paid or Charged	Balance Lapsed
Mayor and Council:				
Salaries and Wages	\$ 241.80	\$ 241.80		\$ 241.80
Other Expenses	2,025.84	2,025.84	\$ 33.00	1,992.84
Administration (Municipal Clerk):				
Salaries and Wages	15.28	15.28		15.28
Other Expenses:				
Telephone Expense	924.91	1,991.45	1,991.45	
Records Management	1.00	1.00		1.00
Miscellaneous Other Expenses	11,612.39	11,612.39	723.47	10,888.92
Financial Administration (Treasury):				
Salaries and Wages	2,425.00	2,425.00		2,425.00
Other Expenses	381.45	381.45		381.45
Assessment of Taxes:				
Miscellaneous Other Expenses	1,160.08	1,160.08	845.62	314.46
Collection of Taxes:				
Salaries and Wages	1,813.97	1,813.97		1,813.97
Other Expenses	82.00	94.99	42.99	52.00
Legal Services:				
Miscellaneous Other Expenses	10,000.00	10,000.00		10,000.00
Engineering Services and Costs:				
Other Expenses	4,197.50	4,197.50	680.00	3,517.50
Bulk Purchases:				
Other Expenses	20,822.16	7,134.25	4,877.59	2,256.66
Public Buildings and Grounds:				
Salaries and Wages	657.80	657.80		657.80
Other Expenses - Maintenance and Repairs	253.00	887.07	887.07	
Other Expenses - Scout Home Maintenance	483.34	483.34		483.34
Economic Development:				
Other Expenses	1,639.50	1,639.50		1,639.50
Planning Board:				
Salaries and Wages	98.01	98.01		98.01
Other Expenses - Miscellaneous	1,422.50	1,422.50	1,207.80	214.70
Zoning Officer:				
Salaries and Wages	5.20	5.20		5.20
Other Expenses	300.00	300.00		300.00
Shade Tree Commission:				
Other Expenses	6,842.47	6,842.47	4,960.00	1,882.47
Fire:				
Salaries and Wages	2,439.00	2,439.00	2,439.00	
Police:				
Salaries and Wages	6,148.21	6,148.21		6,148.21
Other Expenses	14,813.94	14,813.94	4,577.30	10,236.64
Emergency Management Services:				
Other Expenses	451.00	451.00		451.00

TOWN OF BELVIDERE  
CURRENT FUND  
SCHEDULE OF 2009 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2010

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>After Modi-</u> <u>fication</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Streets and Roads:				
Other Expenses	\$ 1,930.01	\$ 12,821.86	\$ 12,722.86	\$ 99.00
Recreation:				
Other Expenses	1.00	1.00		1.00
Celebration of Holidays and Anniversaries:				
Other Expenses	338.00	1,063.00	725.00	338.00
Uniform Construction Code:				
Other Expenses	475.02	784.00	784.00	
Historical Preservation Committee:				
Other Expenses	550.00	550.00		550.00
Environmental Commission:				
Other Expenses	1,000.00	1,000.00	159.50	840.50
Garbage and Trash Removal:				
Other Expenses	16,824.57	16,824.57	7,505.41	9,319.16
Recycling:				
Salaries and Wages	155.00	155.00		155.00
Utility Expenses and Bulk Purchases:				
Fire Hydrant Services	1,930.56	1,979.04	1,979.04	
Electricity	3,837.76	3,837.76	2,563.93	1,273.83
Municipal Court:				
Salaries and Wages	740.73	740.73		740.73
Other Expenses	2,118.74	2,118.74	126.00	1,992.74
Public Defender:				
Salaries and Wages	1,075.00	1,075.00		1,075.00
Contingent	1,500.00	1,500.00		1,500.00
Maintenance of Free Public Library	3,582.96	3,582.96	3,582.96	
Insurance:				
General Liability	5,767.00	5,767.00		5,767.00
	<u>\$ 133,083.70</u>	<u>\$ 133,083.70</u>	<u>\$ 53,413.99</u>	<u>\$ 79,669.71</u>

Analysis of Balance December 31, 2009

	<u>Ref.</u>	
Unencumbered	A	\$ 124,205.55
Encumbered	A	<u>8,878.15</u>
		<u>\$ 133,083.70</u>

TOWN OF BELVIDERE  
CURRENT FUND  
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

Balance December 31, 2009:	
Local School Tax Deferred	\$ 1,661,875.15
	<u>1,661,875.15</u>
Increased by:	
Levy - School Year July 1, 2010	
through June 30, 2011	<u>3,367,750.00</u>
	<u>5,029,625.15</u>
Decreased by:	
Payments to Local School District	<u>3,346,750.00</u>
	<u>\$ 1,682,875.15</u>
Balance December 31, 2010:	
Local School Tax Deferred	<u>1,682,875.15</u>
	<u>\$ 1,682,875.15</u>
<u>Analysis of Increase - Deferred School Tax:</u>	
Balance December 31, 2010	\$ 1,682,875.15
Balance December 31, 2009	<u>1,661,875.15</u>
Net Increase Credited to Operations	<u>\$ 21,000.00</u>



TOWN OF BELVIDERE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE

	Balance Dec. 31, 2009	Cash Receipts	2010 Budget Revenue Realized	Transferred From Unappropriated Reserves	Balance Dec. 31, 2010
Local Aid Pedestrian/School Safety Program 2000	\$ 2,360.40				\$ 2,360.40
Recreation Trail Grant 2002	19,289.02				19,289.02
Municipal Alliance Grant: 2009	4,905.76	\$ 4,905.76			
Department of Transportation Grant			\$ 175,000.00		175,000.00
Reserve for Drunk Driving Enforcement			2,628.03	\$ 2,628.03	
Forestry Grant			6,993.00	6,993.00	
Warren County Open Space Grants - Warren Lodge	7,500.00				7,500.00
Clean Communities Grant			7,025.13	7,025.13	
Reserve for Highlands Master Plan Grant			5,000.00	3,370.49	1,629.51
	<u>\$ 34,055.18</u>	<u>\$ 4,905.76</u>	<u>\$ 196,646.16</u>	<u>\$ 20,016.65</u>	<u>\$ 205,778.93</u>
<u>Ref</u>	A				A

TOWN OF BELVIDERE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2009	Transferred from 2010 Budget	Cash Disbursed	Encumbrances Payable	Balance Dec. 31, 2010
Recycling Tonnage Grant:					
2002	\$ 5,194.34		\$ 227.50		\$ 4,966.84
2004	788.52				788.52
2005	1,510.71				1,510.71
2006	1,948.00				1,948.00
2007	2,606.35				2,606.35
2008	6,849.45				6,849.45
Community Stewardship Incentive Program Grant	1,596.90		1,596.90		
Department of Transportation		\$ 175,000.00			175,000.00
Municipal Court Alcohol Education and Rehabilitation Grant:					
2004	2,971.69		2,446.80		524.89
2005	62.46				62.46
2006	227.00				227.00
2008	380.49				380.49
Green Communities Grant - 2004	929.21		929.21		
Clean Communities Program:					
2009	2,860.46		2,860.46		
2010		7,025.13	2,358.96	\$ 126.00	4,540.17
Forestry Grant - 2005	2,059.95		2,059.95		
Forestry Grant - 2010		6,993.00			6,993.00
SLAHEOP Grant - 2005	2,405.72				2,405.72
Emergency Management Grant - 2006	4,000.00				4,000.00
Highland Master Plan Grant		5,000.00	4,301.76		698.24
Body Armor Replacement Grant:					
2007	443.43		443.43		
2008	1,205.39		271.57		933.82
Drunk Driving Enforcement Fund Grant:					
2008	165.57		165.57		
2010		2,628.03	1,698.43		929.60
Warren County Open Space - Warren Lodge	12,500.00				12,500.00
Speed Crackdown Grant	415.47				415.47
Stormwater Management Grant:					
2009	187.50		164.55		22.95
	<u>\$ 51,308.61</u>	<u>\$ 196,646.16</u>	<u>\$ 19,525.09</u>	<u>\$ 126.00</u>	<u>\$ 228,303.68</u>

<u>Ref.</u>	A
Appropriated Reserve	\$ 51,182.61
Encumbrances Payable	126.00
	<u>\$ 51,308.61</u>

A

TOWN OF BELVIDERE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF UNAPPROPRIATED RESERVES

	Balance Dec. 31, 2009	Cash Receipts	Transfer to 2010 Budget Revenue	Balance Dec. 31, 2010
Clean Communities Grant	\$ 1,209.38	\$ 5,815.75	\$ 7,025.13	
Body Armor Replacement Grant		1,619.59		\$ 1,619.59
Drunk Driving Enforcement Grant	2,581.62		2,581.62	
Highlands Master Plan Grant		3,370.49	3,370.49	
Recycling Tonnage Grant	6,702.43			6,702.43
Municipal Court Alcohol Education and Rehabilitation	46.41		46.41	
Forestry Grant		6,993.00	6,993.00	
Comcast Grant		10,000.00		10,000.00
	<u>\$ 10,539.84</u>	<u>\$ 27,798.83</u>	<u>\$ 20,016.65</u>	<u>\$ 18,322.02</u>
<u>Ref.</u>	A			A

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
TRUST FUNDS

TOWN OF BELVIDERE  
TRUST FUNDS  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Unemployment Trust Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2009	B	\$ 6,621.72	\$ 2,564.07	\$ 80,071.29
Increased by Receipts:				
Municipal Licensing Fees		\$ 5,385.20		
Due State Board of Health		614.40		
Due Current Fund:				
Interest Earned				\$ 35.68
Employee Contributions			\$ 2,821.69	
Parking Offenses Adjudication Act				111.79
Escrow Deposits				15,296.92
Recycling Trust Fund				7,015.00
Recreation Trust Fund				3,296.98
Shade Tree Fund				1.89
Christmas Tree Trust Fund				12.13
National Night Out Trust Fund				0.97
Police Water Rescue Trust Fund				650.00
Interest Earned		16.87	6.24	
		<u>6,016.47</u>	<u>2,827.93</u>	<u>26,421.36</u>
		12,638.19		106,492.65
Decreased by Disbursements:				
Expenditures under R.S. 4:19 - 15.11		4,702.30		
Parking Offenses Adjudication Act Expenditures				307.50
Escrow Deposit Expenditures				17,022.50
Recycling Trust Fund Expenditures				7,521.45
Due Federal and State Grant Fund - Recycling Trust				6,702.43
Recreation Trust Fund Expenditures				8,506.74
Christmas Tree Trust Fund Expenditures				1,274.44
National Night Out Trust Fund Expenditures				300.00
Police Water Rescue Trust				612.60
Due to State Board of Health		606.60		
		<u>5,308.90</u>		<u>42,247.66</u>
Balance December 31, 2010	B	<u>\$ 7,329.29</u>	<u>\$ 5,392.00</u>	<u>\$ 64,244.99</u>

TOWN OF BELVIDERE  
ANIMAL CONTROL FUND  
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 6,253.92
Increased by:		
2010 Dog License Fees Collected	\$ 5,385.20	
Return of Encumbrance Payable	406.00	
Interest Earned	<u>16.87</u>	
		<u>5,808.07</u>
		12,061.99
Decreased by:		
Expenditures under R.S.4:19-15.11:		
Cash Disbursements	<u>4,702.30</u>	
		<u>4,702.30</u>
Balance December 31, 2010	B	<u><u>\$ 7,359.69</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2009	\$ 2,756.10
2008	<u>6,103.30</u>
Maximum Allowable Reserve	<u><u>\$ 8,859.40</u></u>

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
GENERAL CAPITAL FUND

TOWN OF BELVIDERE  
GENERAL CAPITAL FUND  
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2009	C	\$ 1,035,002.38
Increased by Receipts:		
Budget Appropriation:		
Capital Improvement Fund	\$ 28,000.00	
Principal on Bond Anticipation Note	23,888.00	
Toll Bridge Grant Receivable	340,777.05	
Bond Anticipation Notes Issued	1,709,449.00	
Local Contributions:		
White Township	300,000.00	
Reserve to Pay Debt Service	90,000.00	
Due Current Fund:		
Interest Earned	1,282.66	
		<u>2,493,396.71</u>
		3,528,399.09
Decreased by Disbursements:		
Improvement Authorization Expenditures	1,215,302.74	
Bond Anticipation Notes Matured	1,733,337.00	
Due Current Fund:		
Reserve to Pay Debt Service - Anticipated Budget Revenue	15,000.00	
Interest Earned	1,387.00	
Due Swimming Pool Utility Capital Fund	2,000.00	
		<u>2,967,026.74</u>
Balance December 31, 2010	C	<u>\$ 561,372.35</u>



## Receipts

		Receipts			Disbursements			Transfers		Balance/(Deficit)
	Balance/(Deficit) December 31, 2009	Bond Anticipation Notes	Grants Receivable	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	December 31, 2010
Capital Improvement Fund	\$ 361.67			\$ 28,000.00			\$ 2,000.00			\$ 26,361.67
Grants Receivable	(341,058.30)		\$ 340,777.05							(281.25)
Due Current Fund	185.43			25,170.66			1,387.00	\$ 23,888.00		81.09
Due White Township	(300,000.00)			300,000.00						
Reserve for:										
Reconstruction of Seventh Street	5,000.00									5,000.00
Reconstruction of Alleys	2,954.43									2,954.43
Recreation Facilities	1,000.00									1,000.00
Debt Service	134,133.09			90,000.00			15,000.00			209,133.09
Improvements to Roads	46,229.03									46,229.03
Preliminary Expenses	1,065.00									1,065.00
Ordinance Date	Improvement Description									
03/15/93	Resurface Oxford Street and Manunkachunk Road			(10,709.79)						(10,709.79)
10/20/97	Reconstruction of Alleys			7,043.16						7,043.16
07/17/00	Various Improvements			(66,372.79)						(66,372.79)
04/18/02	Road and Drainage Improvement Projects	\$ 137,500.00		34,966.40	\$ 140,000.00			\$ 2,500.00		34,966.40
04/18/02	Purchase of Public Works Equipment and Building	77,500.00			82,500.00			5,000.00		
03/17/03	Purchase of Public Safety Equipment	134,337.00			139,337.00			5,000.00		
03/15/04	Improvements to Fourth Street			(16,206.80)						(16,206.80)
12/19/05	Public Works and Safety Equipment			487.04						487.04
08/21/06	Improvements to Buildings and Grounds			71.88						71.88
08/21/06	Facilities Improvements to Scout Home			3,733.12						3,733.12
11/20/06	Improvements to Water Street			193,258.55	\$ 1,632.50					191,626.05
12/04/06	Improvements to Franklin Street	115,000.00		3,699.52		117,500.00		2,500.00		3,699.52
06/18/07	Improvements to Hardwick and Fourth Streets	321,362.00		7,944.88		327,750.00		6,388.00		7,944.88
06/18/07	Purchase of Refuse Collection and Transport Vehicle	140,000.00		24,384.99		142,500.00		2,500.00		24,384.99
04/20/09	Improvements to Water Street	475,000.00		278,170.61		475,000.00				278,170.61
05/18/09	Improvements to Third and Fourth Streets	308,750.00		300,988.95	248,873.17	308,750.00				52,115.78
09/21/09	Acquisition of Aerial Fire Vehicle			720,000.00	964,680.60					(244,680.60)
11/02/09	Various Capital Improvements			481.34	116.47					364.87
10/19/09	Acquisition of DPW Lift Truck			3,190.97						3,190.97
	\$ 1,035,002.38	\$ 1,709,449.00	\$ 340,777.05	\$ 443,170.66	\$ 1,215,302.74	\$ 1,733,337.00	\$ 18,387.00	\$ 23,888.00	\$ 23,888.00	\$ 561,372.35

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

Date of Ordinance	Improvement Description	Balance Dec. 31, 2009	Paid by Budget Appropriation	Balance Dec. 31, 2010	Analysis of Balance December 31, 2010		
					Expenditures	Bond Anticipation Notes	Unexpended Improvement Authorizations
03/15/93	Resurface Oxford and Manunkachunk Road	\$ 10,709.79		\$ 10,709.79	\$ 10,709.79		
07/17/00	Various Improvements	66,372.79		66,372.79	66,372.79		
04/18/02	Road and Drainage Improvement Projects	140,000.00	\$ 2,500.00	137,500.00		\$ 137,500.00	
04/18/02	Purchase of Public Works Equipment and Building Improvements Project	82,500.00	5,000.00	77,500.00		77,500.00	
03/17/03	Purchase of Public Safety Equipment	139,337.00	5,000.00	134,337.00		134,337.00	
03/15/04	Improvements to Fourth Street	16,206.80		16,206.80	16,206.80		
12/04/06	Improvements to Franklin Street	117,500.00	2,500.00	115,000.00		115,000.00	
06/18/07	Improvements to Hardwick and Fourth Streets	327,750.00	6,388.00	321,362.00		321,362.00	
06/18/07	Purchase of Refuse Collection and Transport Vehicle	142,500.00	2,500.00	140,000.00		140,000.00	
04/20/09	Improvements to Water Street	475,000.00		475,000.00		475,000.00	
05/18/09	Improvements to Third and Fourth Streets	308,750.00		308,750.00		308,750.00	
09/21/09	Acquisition of Aerial Fire Truck	280,000.00		280,000.00	244,680.60		\$ 35,319.40
11/02/09	Various Capital Improvements	61,750.00		61,750.00			61,750.00
10/19/09	Acquisition of DPW Lift Truck	74,100.00		74,100.00			74,100.00
		<u>\$ 2,242,476.38</u>	<u>\$ 23,888.00</u>	<u>\$ 2,218,588.38</u>	<u>\$ 337,969.98</u>	<u>\$ 1,709,449.00</u>	<u>\$ 171,169.40</u>

Ref.

C

C

Improvement Authorizations Unfunded

\$ 572,451.58

Less: Unexpended Proceeds of Bond Anticipation Notes Issued:

Ordinance	2002-03	\$ 34,966.40
Ordinance	2006-22	3,699.52
Ordinance	2007-13	7,944.88
Ordinance	2007-15	24,384.99
Ordinance	2009-02	278,170.61
Ordinance	2009-04	52,115.78

401,282.18

\$ 171,169.40

TOWN OF BELVIDERE  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Number	Ordinance Date	Amount	Balance December 31, 2009		Paid or Charged	Balance December 31, 2010	
				Funded	Unfunded		Funded	Unfunded
Reconstruction of Alleys	97-22	10/20/97	\$ 29,450.00	\$ 7,043.16			\$ 7,043.16	
Road and Drainage Improvement Projects	02-03	04/18/02	700,000.00		\$ 34,966.40			\$ 34,966.40
Public Works and Safety Equipment	05-19	12/19/05	25,000.00	487.04			487.04	
Improvements to Buildings and Grounds	06-13	08/21/06	9,000.00	71.88			71.88	
Facilities Improvements to Scout Home	06-15	08/21/06	4,531.37	3,733.12			3,733.12	
Improvements to Water Street	06-03,06-21	11/20/06	617,000.00	193,258.55		\$ 1,632.50	191,626.05	
Improvements to Franklin Street	06-22	12/04/06	290,000.00		3,699.52			3,699.52
Improvements to Hardwick and Fourth Streets	07-13	06/18/07	345,000.00		7,944.88			7,944.88
Purchase of Refuse Collection and Transport Vehicle	07-15	06/18/07	150,000.00		24,384.99			24,384.99
Improvements to Water Street	09-02	04/20/09	500,000.00		278,170.61			278,170.61
Improvements to Third and Fourth Streets	09-04	05/18/09	325,000.00		300,988.95	248,873.17		52,115.78
Acquisition of Aerial Fire Vehicle	09-10	09/21/09	1,000,000.00	720,000.00	280,000.00	964,680.60		35,319.40
Various Capital Improvements	09-11	11/02/09	65,000.00	481.34	61,750.00	116.47	364.87	61,750.00
Acquisition of DPW Lift Truck	09-14	10/19/09	78,000.00	3,190.97	74,100.00		3,190.97	74,100.00
				<u>\$ 928,266.06</u>	<u>\$ 1,066,005.35</u>	<u>\$ 1,215,302.74</u>	<u>\$ 206,517.09</u>	<u>\$ 572,451.58</u>
				C	C		C	C

TOWN OF BELVIDERE  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2009	C	\$ 361.67
Increased By:		
Budget Appropriation		<u>28,000.00</u>
		28,361.67
Decreased By:		
Appropriation to Finance		
Improvement Authorizations - Swimming Pool Utility Capital Fund		<u>2,000.00</u>
Balance December 31, 2010	C	<u><u>\$ 26,361.67</u></u>

TOWN OF BELVIDERE  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ordinance Number	Improvement Description	Date of			Interest Rate	Balance	Issued	Matured	Balance
		Original Issue	Issue	Maturity		Dec. 31, 2009			Dec. 31, 2010
2002-03	Road and Drainage Improvement Projects	07/27/06	07/22/10	07/21/11	1.72%		\$ 137,500.00		\$ 137,500.00
		07/27/06	07/24/09	07/23/10	1.72%	\$ 140,000.00		\$ 140,000.00	
2002-04	Purchase of Public Works Equipment and Building Improvement Projects	07/27/06	07/22/10	07/21/11	1.72%		77,500.00		77,500.00
		07/27/06	07/24/09	07/23/10	1.72%	82,500.00		82,500.00	
2007-13	Improvements to Hardwick and Fourth Streets	07/26/07	07/22/10	07/21/11	1.72%		321,362.00		321,362.00
		07/26/07	07/24/09	07/23/10	1.72%	327,750.00		327,750.00	
2007-15	Purchase of Refuse Collection and Transport Vehicle	07/26/07	07/22/10	07/21/11	1.72%		140,000.00		140,000.00
		07/26/07	07/24/09	07/23/10	1.72%	142,500.00		142,500.00	
2003-04	Purchase of Public Safety Equipment	07/25/08	07/22/10	07/21/11	1.72%		134,337.00		134,337.00
		07/25/08	07/24/09	07/23/10	1.72%	139,337.00		139,337.00	
2006-03; 2006-21	Improvements to Franklin Street	07/25/08	07/22/10	07/21/11	1.72%		115,000.00		115,000.00
		07/25/08	07/24/09	07/23/10	1.72%	117,500.00		117,500.00	
2009-02	Water Street Improvement Project	07/24/09	07/22/10	07/21/11	1.72%		475,000.00		475,000.00
		07/24/09	07/24/09	07/23/10	1.72%	475,000.00		475,000.00	
2009-04	Improvements to Third and Fouth Streets	07/24/09	07/22/10	07/21/11	1.72%		308,750.00		308,750.00
		07/24/09	07/24/09	07/23/10	1.72%	308,750.00		308,750.00	
						<u>\$ 1,733,337.00</u>	<u>\$ 1,709,449.00</u>	<u>\$ 1,733,337.00</u>	<u>\$ 1,709,449.00</u>
						Ref.	C		C
						Renewals	\$ 1,709,449.00	\$ 1,709,449.00	
						Paid By Budget Appropriation		23,888.00	
							<u>\$ 1,709,449.00</u>	<u>\$ 1,733,337.00</u>	

TOWN OF BELVIDERE  
GENERAL CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2010		Interest Rate	Balance December 31, 2009		Balance December 31, 2010
			Date	Amount			Matured	
Construction of Municipal Building and Acquisition of a Fire Truck	11/1/1998	\$ 1,239,000.00	11/1/2011	\$100,000.00	4.375%	\$ 404,000.00	\$ 95,000.00	\$ 309,000.00
			11/1/2012	100,000.00	4.375%			
			11/1/2013	109,000.00	4.375%			
						<u>\$ 404,000.00</u>	<u>\$ 95,000.00</u>	<u>\$ 309,000.00</u>
					<u>Ref.</u>	C		C

TOWN OF BELVIDERE  
GENERAL CAPITAL FUND  
SCHEDULE OF LOANS PAYABLE  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

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

<u>Ordinance</u>		<u>Improvement Description</u>	<u>Balance</u>	<u>Balance</u>
<u>Number</u>	<u>Date</u>		<u>December 31, 2009</u>	<u>December 31, 2010</u>
93-05	03/15/93	Resurface Oxford Street and Manunkachuck Road	\$ 10,709.79	\$ 10,709.79
00-11	07/17/00	Various Improvements	66,372.79	66,372.79
04-03	03/15/04	Improvements to Fourth Street	16,206.80	16,206.80
09-10	09/21/09	Acquisition of Aerial Fire Vehicle	280,000.00	280,000.00
09-11	11/02/09	Various Capital Improvements	61,750.00	61,750.00
09-14	10/19/09	Acquisition of DPW Lift Truck	74,100.00	74,100.00
			<u>\$ 509,139.38</u>	<u>\$ 509,139.38</u>



TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
SEWER UTILITY FUND

TOWN OF BELVIDERE  
SEWER UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Sewer Operating</u>
Balance December 31, 2009	E	\$ 572,094.04
Increased by Receipts:		
Consumer Accounts Receivable		\$ 771,467.93
Prepaid Sewer Rents		2,050.00
Sewer Overpayments		4,453.83
Interest on Sewer Rents		10,026.19
Interest Income		1,043.03
Miscellaneous Revenue		1,593.01
		<u>790,633.99</u>
		1,362,728.03
Decreased by Disbursements:		
2010 Appropriation Expenditures		737,680.72
2009 Appropriation Reserves		1,685.86
Interest on Bonds		25,545.00
Refund Overpayments		2,452.07
Due to Current Fund:		
Anticipated Revenue		240,000.00
		<u>1,007,363.65</u>
Balance December 31, 2010	E	<u>\$ 355,364.38</u>

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
ANALYSIS OF CASH  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

TOWN OF BELVIDERE  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2009	<u>Ref.</u> E	\$ 136,602.13
Increased by:		
Sewer Rents Levied		<u>773,254.75</u>
		909,856.88
Decreased by:		
Collections	\$ 771,467.93	
Sewer Rent Overpayments Applied	2,253.29	
Sewer Prepaid Rents Applied	<u>2,222.49</u>	
		<u>775,943.71</u>
Balance December 31, 2010	E	<u>\$ 133,913.17</u>

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2009	Balance Dec. 31, 2010
Sanitary Sewer System	\$ 3,349,610.68	\$ 3,349,610.68
	<u>\$ 3,349,610.68</u>	<u>\$ 3,349,610.68</u>
<u>Ref.</u>	E	E

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>Ordinance</u>			<u>Balance</u>	<u>Balance</u>
	<u>No.</u>	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2009</u>	<u>Dec. 31, 2010</u>
Acquisition of DPW Lift Truck	09-13	11/04/09	\$ 39,000.00	\$ 39,000.00	\$ 39,000.00
				<u>\$ 39,000.00</u>	<u>\$ 39,000.00</u>
			<u>Ref.</u>	E	E

TOWN OF BELVIDERE  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF 2009 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2010

	Balance Dec. 31, 2009	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Other Expenses	\$ 5,950.53	\$ 5,950.53	\$ 1,685.86	\$ 4,264.67
Social Security O.A.S.I.	246.45	246.45		246.45
	<u>\$ 6,196.98</u>	<u>\$ 6,196.98</u>	<u>\$ 1,685.86</u>	<u>\$ 4,511.12</u>

Ref.

Balance December 31, 2009:

Unencumbered	E	<u>\$ 6,196.98</u>
		<u>\$ 6,196.98</u>

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Number	Ordinance		Balance December 31, 2009	Balance December 31, 2010
		Date	Amount	Funded	Funded
Purchase of Equipment	05-17	11/07/05	\$ 68,316.75	\$ 258.65	\$ 258.65
Purchase of Equipment	08-04	06/02/08	15,000.00	320.14	320.14
Acquisition of DPW Lift Truck	09-13	11/04/09	39,000.00	39,000.00	39,000.00
				<u>\$ 39,578.79</u>	<u>\$ 39,578.79</u>
			<u>Ref.</u>	E	E



TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2009	E	<u>\$ 147,683.25</u>
Balance December 31, 2010	E	<u><u>\$ 147,683.25</u></u>

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Balance Dec. 31, 2009</u>	<u>Payment of Bond Principal</u>	<u>Balance Dec. 31, 2010</u>
Sanitary Sewer System	\$ 2,799,610.68	\$ 100,000.00	\$ 2,899,610.68
	<u>\$ 2,799,610.68</u>	<u>\$ 100,000.00</u>	<u>\$ 2,899,610.68</u>
<u>Ref.</u>	E		E

TOWN OF BELVIDERE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2009</u>	<u>Balance Dec. 31, 2010</u>
09-13	Acquisition of DPW Lift Truck	11/04/09	\$ 39,000.00	\$ 39,000.00
			<u>\$ 39,000.00</u>	<u>\$ 39,000.00</u>
		<u>Ref.</u>	, E	E

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2009	Matured	Balance December 31, 2010
			Date	Amount				
General Obligation Refunding Bonds	2/15/1998	\$ 1,500,000.00	12/1/2011	\$ 105,000.00	4.600%	\$ 550,000.00	\$ 100,000.00	\$ 450,000.00
			12/1/2012	115,000.00	4.650%			
			12/1/2013	115,000.00	4.700%			
			12/1/2014	115,000.00	4.750%			
						<u>\$ 550,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ 450,000.00</u>
					<u>Ref.</u>	E		E

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

TOWN OF BELVIDERE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

TOWN OF BELVIDERE  
COUNTY OF WARREN  
2010  
SWIMMING POOL UTILITY FUND

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Swimming Pool Operating</u>	<u>Capital</u>
Balance December 31, 2009	F	\$ 1,849.68	\$ 4,000.90
Increased by Receipts:			
Pool Membership and Admission Fees		\$ 93,334.57	
Snack Bar Proceeds		25,442.68	
Miscellaneous Revenue Not Anticipated		234.03	\$ 49.02
Swimming Pool Operating Interest Earned		61.57	
Bond Anticipation Note Proceeds			114,000.00
Capital Improvement Fund - General Capital Fund			2,000.00
Amount due Swimming Pool Utility Capital Fund		46.59	
		<u>119,119.44</u>	<u>116,049.02</u>
		120,969.12	120,049.92
Decreased by Disbursements:			
2010 Appropriations		98,223.88	
2009 Appropriation Reserves		33.70	
Improvement Authorizations			98,511.29
Amount due Swimming Pool Utility Operating Fund			46.59
		<u>98,257.58</u>	<u>98,557.88</u>
Balance December 31, 2010	F	<u>\$ 22,711.54</u>	<u>\$ 21,492.04</u>



TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
ANALYSIS OF CASH

		Receipts				Disbursements		Transfers		Balance
		Balance	Interest	Bond		Improvement		From	To	Dec. 31, 2010
		Dec. 31, 2009	Earned	Anticipation	Miscellaneous	Authorizations	Miscellaneous			
				Notes						
Capital Improvement Fund		\$ 4,000.00			\$ 2,000.00			\$ 6,000.00		
Due Swimming Pool Operating Fund		0.90	\$ 49.02				\$ 46.59			\$ 3.33
Ordinance	Improvement Description									
Date										
3/1/2010	Acquisition and Installation of Pool Liner			\$ 114,000.00		\$ 98,511.29			\$ 6,000.00	21,488.71
		<u>\$ 4,000.90</u>	<u>\$ 49.02</u>	<u>\$ 114,000.00</u>	<u>\$ 2,000.00</u>	<u>\$ 98,511.29</u>	<u>\$ 46.59</u>	<u>\$ 6,000.00</u>	<u>\$ 6,000.00</u>	<u>\$ 21,492.04</u>
Ref.	F									
										F

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2010

NOT APPLICABLE

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

<u>Account</u>	<u>Balance December 31, 2009</u>	<u>Capital Outlay Expenditures</u>	<u>Balance December 31, 2010</u>
Swimming Pool Utility	<u>\$ 605,522.00</u>	<u>\$ 3,364.93</u>	<u>\$ 608,886.93</u>
Ref.	F		F

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
FOR THE YEAR ENDED DECEMBER 31, 2010

<u>Improvement Description</u>	<u>Ord. Date</u>	<u>Ordinance Amount</u>	<u>2010 Authorizations</u>	<u>Balance Dec. 31, 2010</u>
Acquisition and Installation of Swimming Pool Liner	03/01/10	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00
			\$ 120,000.00	\$ 120,000.00
		<u>Ref.</u>		F

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY OPERATING FUND  
SCHEDULE OF 2009 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2010

	Balance Dec. 31, 2009	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Social Security O.A.S.I.	\$ 811.76	\$ 811.76	\$ 33.70	\$ 778.06
	<u>\$ 811.76</u>	<u>\$ 811.76</u>	<u>\$ 33.70</u>	<u>\$ 778.06</u>

Ref.

Balance December 31, 2009:

Unencumbered	F	<u>\$ 811.76</u>
		<u>\$ 811.76</u>

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2010

Improvement Description	Number	Ordinance		2010 Authorizations		Paid or Charged	Balance December 31, 2010 Unfunded
		Date	Amount	Capital Improvement Fund	Deferred Charges to Future Revenue		
Acquisition and Installation of Pool Liner	10-03	03/01/10	\$ 120,000.00	\$ 6,000.00	\$ 114,000.00	\$ 98,511.29	\$ 21,488.71
				<u>\$ 6,000.00</u>	<u>\$ 114,000.00</u>	<u>\$ 98,511.29</u>	<u>\$ 21,488.71</u>

Ref.

F

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2009	F	\$ 4,000.00
Increased by:		
Due General Capital Fund		<u>2,000.00</u>
		6,000.00
Decreased by:		
Improvement Authorization Funded		<u>6,000.00</u>
Balance December 31, 2010	F	<u><u>\$ -</u></u>

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2009	F	\$ 500,355.62
Increased by:		
Loans Paid by Operating Budget		\$ 12,248.58
Capital Outlay		<u>3,364.93</u>
		<u>15,613.51</u>
Balance December 31, 2010	F	<u>\$ 515,969.13</u>



TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>2010 Authorizations</u>	<u>Balance Dec. 31, 2010</u>
10-03	Acquisition and Installation of Pool Liner	\$ 6,000.00	\$ 6,000.00
		<u>\$ 6,000.00</u>	<u>\$ 6,000.00</u>
	<u>Ref.</u>		F

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF ENVIRONMENTAL PROTECTION LOAN PAYABLE

	<u>Ref.</u>	
Balance December 31, 2009	F	\$ 105,166.38
Decreased by:		
Loan Repayments		<u>12,248.58</u>
Balance December 31, 2010	F	<u><u>\$ 92,917.80</u></u>

SCHEDULE OF PRINCIPAL PAYMENTS  
OUTSTANDING DECEMBER 31, 2010

<u>Payment Number</u>	<u>Date</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Principal Amount</u>
20	03/07/11	2.00%	\$ 929.18	\$ 6,216.31
21	09/07/11	2.00%	867.01	6,278.47
22	03/07/12	2.00%	804.23	6,341.26
23	09/07/12	2.00%	740.82	6,404.67
24	03/07/13	2.00%	676.77	6,468.72
25	09/07/13	2.00%	612.08	6,533.40
26	03/07/14	2.00%	546.75	6,598.74
27	09/07/14	2.00%	480.76	6,664.73
28	03/07/15	2.00%	414.12	6,731.37
29	09/07/15	2.00%	346.80	6,798.69
30	03/07/16	2.00%	278.81	6,866.67
31	09/07/16	2.00%	210.15	6,935.34
32	03/07/17	2.00%	140.79	7,004.69
33	09/07/17	2.00%	70.75	7,074.74
			<u><u>\$ 7,119.02</u></u>	<u><u>\$ 92,917.80</u></u>

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2010

Ordinance Number	Improvement Description	Date of			Interest Rate	Issued	Balance Dec. 31, 2010
		Original Issue	Issue	Maturity			
10-03	Acquisition and Installation of Pool Liner	07/22/10	07/22/10	07/21/11	1.72%	\$ 114,000.00	\$ 114,000.00
						<u>\$ 114,000.00</u>	<u>\$ 114,000.00</u>
					<u>Ref.</u>		F

TOWN OF BELVIDERE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>2010 Authorization</u>	<u>Bond Anticipation Notes Issued</u>
10-03	Acquisition and Installation of Pool Liner	\$ 114,000.00	\$ 114,000.00
		<u>\$ 114,000.00</u>	<u>\$ 114,000.00</u>

TOWN OF BELVIDERE

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2010

TOWN OF BELVIDERE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2010

Name of State Agency or Department	Name of Program	Pass-Through Entity ID#	C.F.D.A. Number	Grant Period		Grant Award Amount	Amount Received	Program Expenditures	Cumulative Expenditures
				From	To				
Environmental Protection Agency: (Pass Through New Jersey Department of Environmental Protection)	Municipal Stormwater Regulation Program	4801-100-042-4801- 444-VB78-6110	66.454	1/1/2009	12/31/2010	\$ 3,000.00		164.55	2,977.05
Total Environmental Protection Agency								164.55	2,977.05
Total Federal Awards							\$ -	\$ 164.55	\$ 2,977.05

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

TOWN OF BELVIDERE  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED DECEMBER 31, 2010

Name of State Agency or Department	Name of Program	Program Account No.	Grant Award Amount	Grant Period		Receipts	Expenditures	Total Cumulative Expenditures	
				From	To				
Department of Environmental Protection	Clean Communities Grant	765-042-4900- 004-VCMC-6020	\$ 4,384.76	1/1/2009	12/31/2009		\$ 2,860.46	\$ 4,384.76	
			7,025.13	1/1/2010	12/31/2010		2,358.96	2,358.96	
			5,815.75	1/1/2011	12/31/2011	\$ 5,815.75			
			17,225.64			5,815.75	5,219.42	6,743.72	
	Recycling Grant	752-042-4900-001-6020	5,194.34	1/1/2002	12/31/2010		227.50	227.50	
			5,194.34				227.50	227.50	
	(Passed Through N.J. Division of Parks and Forestry) Forestry Grant	4870-100-042-4870- 038-V42F-6120	2,059.95	1/1/2005	12/31/2010		2,059.95	2,059.95	
			6,993.00	1/1/2010	12/31/2010	6,993.00			
	(Passed Through N.J. Division of Parks and Forestry)		9,052.95			6,993.00	2,059.95	2,059.95	
	Community Stewardship Incentive Program	4870-100-042-4870- 074-V42F-6120	2,751.90	1/1/2009	12/31/2010		1,596.90	2,751.90	
			2,751.90				1,596.90	2,751.90	
	(Passed Through N.J. Division of Parks and Forestry) Green Communities Grant		929.21	1/1/2004	12/31/2010		929.21	929.21	
			929.21				929.21	929.21	
	Total Department of Environmental Protection			35,154.04			12,808.75	10,032.98	12,712.28
New Jersey Highlands Council Total New Jersey Highlands Council	Highlands Council Grant	06-033-04-2100	5,000.00	1/1/2009	12/31/2010	3,370.49	4,301.76	4,301.76	
			5,000.00			3,370.49	4,301.76	4,301.76	
Department of Law and Public Safety: Division of Criminal Justice	Drunk Driving Enforcement Fund Grant	4250-760-0500000-63	2,010.48	1/1/2008	12/31/2010		165.57	2,010.48	
			2,628.03	1/1/2010	12/31/2010		1,698.43	1,698.43	
			4,638.51				1,864.00	3,708.91	
	Body Annor Replacement Grant	1020-718-066-YC5S	443.43	1/1/2007	12/31/2010		443.43	443.43	
			1,205.39	1/1/2008	12/31/2010		271.57	271.57	
			1,619.59	1/1/2011	12/31/2011	1,619.59			
			3,268.41			1,619.59	715.00	715.00	
	Total Department of Law and Public Safety			7,906.92			1,619.59	2,579.00	4,423.91
	Department of the Treasury (Passed Through the County of Warren) Total Department of the Treasury	Municipal Alliance on Alcoholism and Drug Abuse	2000-475-995120-60	2,971.69	1/1/2004	12/31/2010		2,446.80	2,446.80
				4,905.76	1/1/2009	12/31/2010			
				7,877.45				2,446.80	2,446.80
				\$ 52,670.00			\$ 17,798.83	\$ 19,360.54	\$ 23,169.75

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

TOWN OF BELVIDERE  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2010

Note 1: GENERAL

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

Note 2: BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal and State Awards are presented using the cash basis of accounting. The information in these schedules is presented in accordance with the requirements of federal OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*.

Note 3: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 4: DEPARTMENT OF ENVIRONMENTAL PROTECTION LOANS PAYABLE

At December 31, 2010, the Town has \$92,917.80 of New Jersey Department of Environmental Protection Loans Payable outstanding which are recorded in the Swimming Pool Utility Capital Fund. The projects which related to the loan are complete and there were no current year receipts or expenditures on the loan.





Mount Arlington Corporate Center  
200 Valley Road, Suite 300  
Mt. Arlington, NJ 07856  
973-328-1825 | 973-328-0507 Fax  
  
Lawrence Business Center  
11 Lawrence Road  
Newton, NJ 07860  
973-383-6699 | 973-383-6555

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

The Honorable Mayor and Members  
of the Town Council  
Town of Belvidere, New Jersey

We have audited the financial statements of the Town of Belvidere, in the County of Warren (the "Town") as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated April 13, 2011, which indicated that the financial statements have been prepared on an other comprehensive basis of accounting. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

The Honorable Mayor and Members  
of the Town Council  
Town of Belvidere  
Page 2

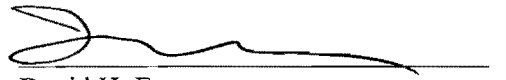
Compliance and Other Matters

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

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

Mount Arlington, New Jersey  
April 13, 2011

  
NISIVOCIA LLP

  
David H. Evans  
Certified Public Accountant  
Registered Municipal Accountant No. 98

TOWN OF BELVIDERE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

Summary of Auditors' Results:

- An unqualified report was issued on the Town's financial statements for 2010 prepared on an other comprehensive basis of accounting.
- The audit did not disclose any material weaknesses or significant deficiencies in the internal controls of the Town..
- The audit did not disclose any noncompliance that is material to the financial statements of the Town.
- The Town was not subject to the single audit provisions of Federal OMB Circular A-133 and New Jersey Circular's OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* for 2010 as grant expenditures were less than the single audit thresholds of \$500,000 identified in the circulars.
- The threshold for distinguishing Type A and Type B programs was \$300,000.

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

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not applicable.

Findings and Questioned Costs for State Awards:

- Not applicable

TOWN OF BELVIDERE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

Status of Prior Year Findings:

There were no prior year findings.

TOWN OF BELVIDERE

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2010

TOWN OF BELVIDERE  
COMMENTS AND RECOMMENDATIONS

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

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

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

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

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

N.J.S. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective July 1, 2005 the bid threshold in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 is \$21,000, and with a qualified purchasing agent the threshold may be up to \$29,000.

Effective July 1, 2010 the bid threshold in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 is \$26,000, and with a qualified purchasing agent the threshold may be up to \$36,000.

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

TOWN OF BELVIDERE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

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

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

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

Collection of Interest on Delinquent Taxes

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes on or before the date when they would become delinquent. On January 1, 2010, the governing body adopted a resolution authorizing interest to be charged at the rate of 8% per annum on the first \$1,500 of delinquent taxes and 18% per annum for delinquent taxes in excess of \$1,500, and allows an additional penalty of 6% be collected against a delinquency in excess of \$10,000 on properties that fail to pay the delinquency prior to the end of the calendar year.

From our testing of the Tax Collector's records, it appeared that interest was charged for delinquent tax payments in accordance with the above resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on October 25, 2010, and was complete. Inspection of tax sale certificates 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 31, of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2010	10
2009	10
2008	11

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and payments was made in accordance with the regulations of the Division of Local Government Services, consisting of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payments of 2011 Taxes	20
Payments of 2010 Taxes	20
Delinquent Taxes	11
Tax Title Liens	3
Payments of 2010 Sewer Utility Rents	20
Unpaid Sewer Utility Rents	10

TOWN OF BELVIDERE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

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

Verification notices were mailed to confirm balances as of December 31, 2010. The items that were returned were checked and in agreement with the Town's records. For receivable items not returned, alternative procedures were performed.

Technical Accounting Directives

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

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

The Town maintains an encumbrance, a fixed asset accounting and reporting system and a general ledger accounting system.

Federal and State Grant Fund

During our review of federal and state grants, we noted several grants receivable and appropriated reserve balances that have been on the balance sheet for several years. It is recommended that a review of the federal and state grants receivable and reserves be performed to identify those grants which will be collected or expended and which grants should be cancelled.

Management's Response

A review of all federal and state grants receivable and reserves will be done to ensure that all grants will be either received, expended or cancelled.

Animal Control Fund

1. During the course of our fieldwork, we noted several instances where animal control funds were misposted throughout the year. There were also only three deposits made in the animal control fund throughout the course of the year. It is recommended that the animal control account be reviewed by the Chief Financial Officer in a timely manner to ensure that the correct procedures are being performed in the posting and the depositing of cash received by the Town.



TOWN OF BELVIDERE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Animal Control Fund (Cont'd)

Management's Response

The Chief Financial Officer will review the animal control fund on a monthly basis to ensure proper posting and deposits of funds.

2. During the course of our fieldwork we also noted that State reports were not being filed on a monthly basis. It is recommended that animal control reports due to the State be filed on a monthly basis.

Management's Response

The Town will send all dog license reports to the State on a monthly basis.

Swimming Pool Utility

1. During our fieldwork, we were unable to reconcile the total number of tags issued and the number of remaining tags to the total number of tags purchased. It is recommended that a periodic reconciliation be performed of tags issued and remaining to the total purchased during the year.

Management's Response

A reconciliation of swimming pool tags will be performed.

2. We noted during our testing that there were weaknesses in the collection and the issuance of daily tags at the pool. There were also inadequate controls over voids which took place at the pool. It is recommended that a pre-numbered sign in sheet as well as oversight by managers at the pool be utilized in order to properly account for daily pool passes sold and that the managers also sign off and oversee any instances in which voids were made.

Management's Response

A better tracking of daily pool passes will be implemented by the Town.

3. We noted during our testing that there were volunteers throughout the swimming pool utility department that were handling cash collected, and were not employees of the Town. It is recommended that only employees of the Town are handling all cash transactions.

Management's Response

All cash and checks will only be handled by employees of the Town who are covered under the surety bond insurance policy of the Town.

4. We have found that an inventory of items remaining at the end of the year was not available. The Town purchases items for resale at the swimming pool and when the swimming pool closes for the year, there should be a final count of the inventory made in order to ensure that items can be accounted for. It is recommended that a final inventory of all goods at the swimming pool be accounted for at the close of the swimming pool season.

TOWN OF BELVIDERE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Swimming Pool Utility (Cont'd)

Management's Response

An inventory of all goods will be performed at year end.

5. We found during our testing of pool assets, that there was equipment which was not able to be located. We found that the Town swimming pool equipment was kept at a swimming pool volunteers home rather than maintained on Town property. It is recommended that all pool equipment be held on Town property.

Management's Response

The Town will ensure that all of its equipment is held at a Town in the possession of the Town at one of its Town locations.

Municipal Court

The Report of the Municipal Court has been forwarded to the Division of Local Government Services and the Town's Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2010:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2010

<u>Agency</u>	<u>Balance Dec. 31, 2009</u>	<u>Cash Received</u>	<u>Cash Disbursed</u>	<u>Balance Dec. 31, 2010</u>
Municipal Treasurer:				
Fines and Costs	\$ 4,287.44	\$ 70,235.96	\$ 69,808.51	\$ 4,714.89
Restitution		1,115.99	1,115.99	
POAA	6.00	114.00	110.00	10.00
Miscellaneous	2.45	40.58	45.52	(2.49)
County Treasurer:				
Fines and Costs	1,961.00	26,289.50	26,966.50	1,284.00
State Treasurer:				
Motor Vehicle Fines/Violations	2,760.06	43,515.51	43,148.96	3,126.61
Bail	1,501.32	23,124.24	22,494.05	2,131.51
	<u>\$ 10,518.27</u>	<u>\$ 164,435.78</u>	<u>\$ 163,689.53</u>	<u>\$ 11,264.52</u>

Corrective Action Plan

The Town has initiated a corrective action plan to resolve comments and recommendations from the 2009 audit report. Recommendations 2, 3 and 6 were resolved during 2010 and recommendations 1, 4, 6, 7, 8, 9 and 10 are included in the current year recommendations and are in the process of being resolved.

TOWN OF BELVIDERE  
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. A review of the federal and state grants receivable be performed to identify those grants which will be collected or expended and which grants should be cancelled.
2. The animal control account be reviewed by the chief financial officer in a timely manner to ensure that the correct procedures are being performed in the posting and the depositing of cash received by the Town.
3. The animal control reports due to the state be filed on a monthly basis.
4. A periodic reconciliation be performed to tags issued and remaining to total purchased during the year.
5. A pre-numbered sign in sheet as well as oversight by managers at the pool be utilized in order to properly account for daily pool passes sold and that the managers also sign off and oversee any instances in which voids were made.
6. Only employees of the Township are handling all cash transactions.
7. A final inventory of all goods at the swimming pool be accounted for at the close of the swimming pool for the season.
8. All swimming pool equipment be held on Town property.

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