

TOWNSHIP OF PARSIPPANY-TROY HILLS

COUNTY OF MORRIS

NEW JERSEY

REPORT ON

EXAMINATION OF ACCOUNTS

FOR THE YEAR 2010

**SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS**

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS, NEW JERSEY

CONTENTS

<u>PART I</u>	<u>PAGE</u>
Independent Auditor's Report.....	2

FINANCIAL STATEMENTS

CURRENT FUND

EXHIBIT

A	Comparative Balance Sheets.....	4
A-1	Comparative Operations and Change in Fund Balance.....	6
A-2	Revenue.....	8
A-2a	Revenue - Analysis of Miscellaneous Revenue.....	9
A-2b	Revenue - Analysis of Certain Realized Revenue.....	11
A-2c	Revenue - Analysis of Other Licenses.....	12
A-2d	Revenue - Analysis of Other Fees and Permits.....	13
A-2e	Revenue - Analysis of Nonbudget Revenue.....	15
A-3	Expenditures.....	16

TRUST FUNDS

B	Comparative Balance Sheets.....	24
---	---------------------------------	----

GENERAL CAPITAL FUND

C	Comparative Balance Sheets.....	26
C-1	Fund Balance.....	27

WATER UTILITY

D	Comparative Balance Sheets.....	28
D-1	Comparative Operations and Change in Fund Balance - Operating Fund.....	30

FINANCIAL STATEMENTS
(Continued)

WATER UTILITY
(Continued)

<u>EXHIBIT</u>		<u>PAGE</u>
D-2	Fund Balance - Water Capital Fund	31
D-3	Revenue	32
D-4	Expenditures	33

SEWER UTILITY

E	Comparative Balance Sheets	35
E-1	Comparative Operations and Change in Fund Balance	37
E-2	Fund Balance - Sewer Capital Fund	38
E-3	Revenue	39
E-4	Expenditures	40

GOLF AND RECREATION UTILITY

F	Comparative Balance Sheets	42
F-1	Comparative Operations and Change in Fund Balance	44
F-2	Fund Balance - Capital Fund	45
F-3	Revenue	46
F-4	Expenditures	47

PUBLIC ASSISTANCE TRUST FUND

G	Comparative Balance Sheets	49
---	----------------------------------	----

PAYROLL FUND

H	Comparative Balance Sheets	50
---	----------------------------------	----

CAPITAL FIXED ASSETS

I	Comparative Balance Sheets	51
---	----------------------------------	----

FINANCIAL STATEMENTS
(Continued)

EXHIBIT

PAGE

	<u>NOTES TO FINANCIAL STATEMENTS</u>	52 - 80
--	---	---------

SUPPLEMENTARY INFORMATION

CURRENT FUND

A-4	Cash Receipts and Disbursements - Treasurer	81
A-5	Cash Receipts and Disbursements - Collector.....	82
A-6	Bank Reconciliation - December 31, 2010 - Treasurer	83
A-7	Cash - Investment Account	84
A-8	Change Funds	85
A-9	Due from State of New Jersey Per Chapter 129, P.L. 1976.....	86
A-10	Taxes Receivable and Analysis of Property Tax Levy	87
A-11	Tax Title Liens	88
A-12	Property Acquired for Taxes (At Assessed Valuation)	88
A-13	Other Liens Receivable	89
A-14	Revenue Accounts Receivable.....	90
A-15	Interfunds Receivable	93
A-16	State and Federal Grants Receivable	94
A-17	Appropriation Reserves	96
A-18	Accounts Payable	100
A-19	Due to State of New Jersey	101
A-20	Tax Overpayments	102
A-21	Reserve for Tax Appeals	102
A-22	Interfunds Payable.....	103
A-23	Special District Taxes	104
A-24	County Taxes.....	105
A-25	Local School District Taxes	105
A-26	Prepaid Taxes.....	106
A-27	Prepaid Revenue.....	107
A-28	Appropriated Reserves for State and Federal Grants	108
A-29	Accumulated Revenue - Unappropriated	111

TRUST FUNDS

B-1	Cash Receipts and Disbursements	112
B-2	Disbursements.....	113
B-3	Cash Reconciliations - December 31, 2010	114
B-4	Cash - Investment Account	115
B-5	Change Fund	116
B-6	Assets in the Hands of Plan Administrator - Workers' Compensation Plan ...	117
B-7	Federal Grants Receivable.....	118

SUPPLEMENTARY INFORMATION
(Continued)

TRUST FUNDS
(Continued)

<u>EXHIBIT</u>		<u>PAGE</u>
B-8	Due from Municipal Court.....	120
B-9	Other Accounts Receivable.....	120
B-10	Interfunds Receivable.....	121
B-11	Prepaid Licenses.....	122
B-12	Due to State of New Jersey.....	123
B-13	Special Deposits.....	124
B-14	Premiums on Tax Sale.....	125
B-15	Security Deposits.....	127
B-16	Municipal Open Space Preservation Trust Fund.....	128
B-17	Interfunds Payable.....	129
B-18	Reserve for Workers' Compensation.....	130
B-19	Reserve for Contributions.....	130
B-20	Reserve for Animal Control Trust Fund Expenditures.....	131
B-21	Reserve for Unemployment Insurance Trust Fund Expenditures.....	132
B-22	Reserve for Grant Trust Fund Expenditures.....	133

GENERAL CAPITAL FUND

C-2	Cash Receipts, Disbursements and Reconciliation - Treasurer.....	135
C-3	Analysis of Capital Cash.....	136
C-4	Grants Receivable.....	139
C-5	Interfunds Receivable.....	140
C-6	Deferred Charges to Future Taxation - Funded.....	141
C-7	Deferred Charges to Future Taxation - Unfunded.....	142
C-8	Improvement Authorizations.....	144
C-9	Capital Improvement Fund.....	148
C-10	Deposit for Regional Contribution Agreement.....	149
C-11	Interfunds Payable.....	149
C-12	Reserve for Debt Service.....	150
C-13	Reserve for Developer Contribution - Road Improvement.....	150
C-14	Reserve for Grants Receivable.....	151
C-15	Bond Anticipation Notes.....	152
C-16	Green Acres Trust Acquisition Loan Payable.....	153
C-17	Refunding Bonds.....	154
C-18	Serial Bonds.....	155
C-19	Bonds and Notes Authorized but Not Issued.....	157

WATER UTILITY

D-5	Cash Receipts and Disbursements -Treasurer.....	159
D-6	Cash Receipts and Disbursements - Collector.....	160

SUPPLEMENTARY INFORMATION
(Continued)

WATER UTILITY
(Continued)

<u>EXHIBIT</u>		<u>PAGE</u>
D-7	Analysis of Capital Cash.....	161
D-8	Interfunds Receivable.....	162
D-9	Consumer Accounts Receivable.....	163
D-10	Water Liens Receivable.....	163
D-11	Inventory - Materials and Supplies.....	164
D-12	Deferred Charges.....	165
D-13	Deferred Charges - N.J.S.A. 40A:4-53(d) Special Emergency - Water Supply Master Plan.....	166
D-14	Fixed Capital.....	167
D-15	Fixed Capital Authorized and Uncompleted.....	168
D-16	Appropriation Reserves.....	169
D-17	Accounts Payable.....	170
D-18	Reserve for Water Master Plan.....	170
D-19	Accrued Interest on Bonds.....	171
D-20	Accrued Interest on Loans.....	172
D-21	Accrued Interest on Notes.....	173
D-22	Water Rent Overpayments.....	174
D-23	Improvement Authorizations.....	175
D-24	Capital Improvement Fund.....	177
D-25	Interfunds Payable.....	178
D-26	Reserve for Debt Service.....	178
D-27	Reserve for Amortization.....	179
D-28	Deferred Reserve for Amortization.....	180
D-29	Bond Anticipation Notes.....	181
D-30	N.J. Environmental Infrastructure Trust Loan Payable.....	182
D-31	Refunding Bonds.....	183
D-32	Serial Bonds.....	184
D-33	Bonds and Notes Authorized but Not Issued.....	185

SEWER UTILITY

E-5	Cash Receipts, Disbursements and Reconciliation - Treasurer.....	186
E-6	Cash Receipts and Disbursements - Collector.....	187
E-7	Analysis of Capital Cash.....	188
E-8	Grants Receivable.....	189
E-9	Loans Receivable.....	190
E-10	Interfunds Receivable.....	191
E-11	Sewer Revenue Accounts Receivable.....	192
E-12	Sewer Liens Receivable.....	193
E-13	Inventory - Materials and Supplies.....	193
E-14	Fixed Capital.....	194
E-15	Fixed Capital Authorized and Uncompleted.....	195
E-16	Appropriation Reserves.....	196
E-17	Accounts Payable.....	197
E-18	Accrued Interest on Loans.....	198

SUPPLEMENTARY INFORMATION
(Continued)

SEWER UTILITY
(Continued)

<u>EXHIBIT</u>		<u>PAGE</u>
E-19	Accrued Interest on Bonds	199
E-20	Accrued Interest on Notes	200
E-21	Sewer Overpayments	201
E-22	Improvement Authorizations	202
E-23	Capital Improvement Fund	204
E-24	Interfunds Payable	205
E-25	Reserve for Amortization	206
E-26	Deferred Reserve for Amortization	207
E-27	Bond Anticipation Notes	208
E-28	N.J. Environmental Infrastructure Trust Loan Payable.....	209
E-29	Refunding Bonds	213
E-30	Sewer Serial Bonds	214
E-31	Bonds and Notes Authorized but Not Issued	216

GOLF AND RECREATION UTILITY

F-5	Cash Receipts, Disbursements and Reconciliation - Treasurer.....	217
F-6	Cash Receipts and Disbursements - Collector.....	218
F-7	Cash - Money Market Account	219
F-8	Analysis of Capital Cash and Investments	220
F-9	Interfunds Receivable	221
F-10	Revenue Accounts Receivable.....	222
F-11	Fixed Capital.....	223
F-12	Fixed Capital Authorized and Uncompleted	224
F-13	Appropriation Reserves	225
F-14	Accounts Payable	226
F-15	Sales Tax Payable.....	226
F-16	Accrued Interest on Bonds	227
F-17	Accrued Interest on Notes	228
F-18	Membership Overpayments	229
F-19	Prepaid Revenue.....	229
F-20	Security Deposit.....	230
F-21	Improvement Authorizations.....	231
F-22	Capital Improvement Fund	233
F-23	Interfunds Payable.....	234
F-24	Reserve for Amortization	235
F-25	Deferred Reserve for Amortization	236
F-26	Bond Anticipation Notes	237
F-27	Refunding Bonds	238
F-28	Serial Bonds	239
F-29	Bonds and Notes Authorized but Not Issued	240

SUPPLEMENTARY INFORMATION
(Continued)

PUBLIC ASSISTANCE TRUST FUND
(Continued)

<u>EXHIBIT</u>		<u>PAGE</u>
G-1	Cash Receipts, Disbursements and Reconciliation.....	241
G-2	Interfunds Payable.....	242
G-3	Reserve for Public Assistance Trust Fund Expenditures.....	243

PART II

REPORT ON INTERNAL CONTROL AND SINGLE AUDIT ATTACHMENTS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Statutory Basis Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	245
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with Federal OMB Circular A-133 and State Circular Letter 04-04 OMB.....	247
Schedule of Expenditures of Federal Awards for the Year Ended December 31, 2010.....	249
Schedule of Expenditures of State Financial Assistance for the Year Ended December 31, 2010.....	251
Notes to the Schedules of Federal Awards and State Financial Assistance - December 31, 2010.....	255
Schedule of Findings and Questioned Costs - Year Ended December 31, 2010.....	256
Summary Schedule of Prior Year Audit Findings.....	258

ROSTER OF OFFICIALS, LETTER OF TRANSMITTAL, COMMENTS AND RECOMMENDATIONS

Roster of Officials and Certain Employees for the Year 2010 and Report on Surety Bonds.....	259
Letter of Transmittal.....	260
Comments.....	261
Recommendations.....	267

PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
AND
SUPPLEMENTARY EXHIBITS
YEAR ENDED DECEMBER 31, 2010

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-4543
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 301
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the
Township Council
Township of Parsippany-Troy Hills
Parsippany, New Jersey 07054

We have audited the accompanying statutory basis financial statements of the various funds of the

TOWNSHIP OF PARSIPPANY-TROY HILLS COUNTY OF MORRIS

as of and for the year ended December 31, 2010, as listed in the table of contents, and for the year ended December 31, 2009. These statutory basis financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

These statutory basis financial statements have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which 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. These practices differ in certain respects, which in some instances may be material, from generally accepted accounting principles applicable to local government units. The more significant of these practices are described in Note 1 to the financial statements.

In our opinion, because of the Municipality's policy to prepare its financial statements on the basis of accounting discussed in the third paragraph of this report, the financial statements referred to above do not present fairly, in conformity with generally accepted accounting principles, the financial position of the Township of Parsippany-Troy Hills as of December 31, 2010 and 2009 or the results of its operations for the years then ended.

However, in our opinion, the statutory basis financial statements referred to above present fairly, in all material respects, the financial position of the Township of Parsippany-Troy Hills in the County of Morris, as of December 31, 2010 and December 31, 2009, and the results of operations of such funds for the years then ended, in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and described in Note 1 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 2, 2011 on our consideration of the Township of Parsippany-Troy Hills internal control structure over financial reporting and our test 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 conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the statutory basis financial statements of the Township of Parsippany-Troy Hills taken as a whole. The accompanying supplementary schedules presented in the "Supplementary" sections, and the accompanying schedules of expenditures of Federal and State Awards are not required parts of the financial statements and are presented for purposes of additional analysis as required by New Jersey State Division of Local Government Services; U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Government, and Nonprofit Organizations*, and New Jersey State Office of Management and Budget Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Such information has been subjected to the auditing procedures applied in the audit of the statutory basis financial statements and, in our opinion, is fairly presented in all material respects in relation to the statutory basis financial statements taken as a whole.


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS


JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
June 2, 2011

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COMPARATIVE BALANCE SHEETS

A
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Regular Fund</u>			
Cash - Checking Account	A-4	\$ 8,948,391.01	\$ 8,179,564.64
Cash - Investment Account	A-7	3,280,494.02	5,320,674.31
Change Funds	A-8	815.00	815.00
		<u>12,229,700.03</u>	<u>13,501,053.95</u>
Due from State of New Jersey per Ch. 129, P.L. 1976	A-9	61,555.83	65,720.47
		<u>12,291,255.86</u>	<u>13,566,774.42</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes	A-10	1,233,153.71	1,480,992.52
Tax Title Liens	A-11	100,496.76	87,540.43
Property Acquired for Taxes at Assessed Valuations	A-12	1,428,800.00	1,428,800.00
Other Liens Receivable	A-13	193,906.95	192,506.95
Revenue Accounts Receivable	A-14	308,410.00	473,949.63
Interfunds Receivable	A-15	2.70	
		<u>3,264,770.12</u>	<u>3,663,789.53</u>
		<u>15,556,025.98</u>	<u>17,230,563.95</u>
<u>State and Federal Grant Fund</u>			
Cash - Checking Account	A-4	312,920.05	228,241.63
State and Federal Grants Receivable	A-16	515,609.89	432,907.74
		<u>828,529.94</u>	<u>661,149.37</u>
		<u>\$ 16,384,555.92</u>	<u>\$ 17,891,713.32</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COMPARATIVE BALANCE SHEETS

A
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Regular Fund</u>			
Liabilities and Reserves:			
Appropriation Reserves:			
Encumbered	A-3,17	\$ 953,247.38	\$ 857,242.62
Unencumbered	A-3,17	2,220,355.26	2,904,169.18
Accounts Payable	A-18	24,720.99	335,000.00
Due to State of New Jersey	A-19	16,843.00	18,765.00
Tax Overpayments	A-20	219,079.94	296,924.14
Reserve for Tax Appeals	A-21	672,357.13	272,357.13
Interfunds Payable	A-22	403,424.16	760,641.83
County Taxes Payable	A-24	38,805.76	144,019.46
Prepaid Taxes	A-26	1,413,162.47	1,459,958.44
Prepaid Revenue	A-27	110,818.83	120,359.60
Accumulated Revenue Unappropriated	A-29	55,178.00	808,532.91
		<u>6,127,992.92</u>	<u>7,977,970.31</u>
Reserves for Receivables and Other			
Assets		3,264,770.12	3,663,789.53
Fund Balance	A-1	6,163,262.94	5,588,804.11
		<u>15,556,025.98</u>	<u>17,230,563.95</u>
 <u>State and Federal Grant Fund</u>			
Appropriated Reserves for State and			
Federal Grants	A-28	543,061.20	556,006.87
Accumulated Revenue Unappropriated	A-29	285,468.74	105,142.50
		<u>828,529.94</u>	<u>661,149.37</u>
		<u>\$ 16,384,555.92</u>	<u>\$ 17,891,713.32</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE

A-1
Sheet #1

	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	A-2	\$ 3,250,000.00	\$ 3,300,000.00
Miscellaneous Revenue Anticipated	A-2a	15,926,872.10	15,585,973.07
Receipts from Delinquent Taxes	A-2b	1,491,192.72	1,248,655.69
Receipts from Current Taxes	A-2b	182,917,252.71	177,178,888.71
Nonbudget Revenue	A-2e	956,486.03	752,118.53
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	A-17	1,302,168.96	1,414,922.59
Due to State of New Jersey Cancelled			25.00
Tax Overpayments Cancelled	A-20	113,822.26	63,206.83
Special District Taxes Cancelled	A-23	28,550.39	31,217.34
		<u>205,986,345.17</u>	<u>199,575,007.76</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operations:			
Salaries and Wages		24,325,092.00	24,518,654.00
Other Expenses		21,799,214.15	21,046,157.97
Capital Improvements		286,225.00	274,850.00
Debt Service		8,732,829.03	7,108,865.60
Statutory Expenditures		4,411,782.00	4,310,955.00
Deferred Charges		138.00	
	A-3	<u>59,555,280.18</u>	<u>57,259,482.57</u>
Prior Year Revenue Refunded	A-4	6,406.14	6,470.70
Prior Year Senior Citizen Deductions			
Disallowed by Tax Collector	A-9	13,500.00	3,500.00
Interfund Charges	A-15	2.70	
Reserve for Tax Appeals Established	A-21	400,000.00	
Grants Receivable Cancelled	A-22	1,292.99	
Dedicated Open Space Taxes	A-22	1,485,771.60	1,509,262.04
Special District Taxes	A-23	2,781,633.39	2,490,039.34
County Taxes	A-24	21,925,197.34	22,532,872.77
Local School District Taxes	A-25	115,992,802.00	112,326,004.00
		<u>202,161,886.34</u>	<u>196,127,631.42</u>
 Excess in Revenue (Carried Forward)		<u>3,824,458.83</u>	<u>3,447,376.34</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE

A-1
Sheet #2

	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
Excess in Revenue (Brought Forward)		\$ 3,824,458.83	\$ 3,447,376.34
<u>Fund Balance</u>			
Balance January 1	A	<u>5,588,804.11</u>	<u>5,441,427.77</u>
		9,413,262.94	8,888,804.11
Decreased by:			
Utilized as Anticipated Revenue	A-2	<u>3,250,000.00</u>	<u>3,300,000.00</u>
Balance December 31	A	<u><u>\$ 6,163,262.94</u></u>	<u><u>\$ 5,588,804.11</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF MISCELLANEOUS REVENUE

A-2a
Sheet #1

	Ref.	Budget	Realized	Excess or (Deficit)
<u>Miscellaneous Revenue</u>				
Licenses:				
Alcoholic Beverages	A-14	\$ 74,500.00	\$ 88,470.00	\$ 13,970.00
Other	A-2c	184,000.00	161,025.50	(22,974.50)
Fees and Permits:				
Construction Code Official	A-14	1,600,000.00	1,898,715.50	298,715.50
Other	A-2d	835,000.00	984,089.52	149,089.52
Fines and Costs:				
Municipal Court	A-14	780,000.00	816,952.75	36,952.75
Interest and Cost on Taxes	A-5	273,310.00	371,138.82	97,828.82
Interest on Investments and Deposits	A-14	140,000.00	111,674.79	(28,325.21)
Payment in Lieu of Taxes - New Jersey Housing				
Finance Agency - Senior Citizens' Apartment	A-14	143,000.00	144,491.00	1,491.00
Garbage and Trash Removal Fees	A-14	1,450,000.00	1,690,191.23	240,191.23
Special Police Services	A-14	7,500.00	5,533.25	(1,966.75)
Community Center Revenue - Concession Rents	A-14	165,600.00	150,930.00	(14,670.00)
Hotel Tax	A-14	1,675,000.00	1,701,432.43	26,432.43
Ambulance Service Billing	A-14	375,000.00	476,146.73	101,146.73
Consolidated Municipal Property Tax Relief Aid	A-14	838,323.00	838,323.00	
Energy Receipts Tax	A-14	3,656,700.00	3,656,700.00	
Garden State Preservation Trust	A-29	916.00	916.04	0.04
Watershed Moratorium Offset	A-29	55,178.00	55,178.00	
State and Federal Revenues Offset with				
Appropriations:				
Public Health Priority Funding	A-16	8,656.00	8,656.00	
Drunk Driving Enforcement Fund	A-16	12,407.66	12,407.66	
Clean Communities Act	A-16	86,296.52	86,296.52	
Pedestrian Safety Education and Enforcement Grant	A-16	31,600.00	31,600.00	
Over the Limit, Under Arrest	A-16	5,000.00	5,000.00	
Click It or Ticket	A-16	4,000.00	4,000.00	
Hang Up Just Drive	A-16	4,000.00	4,000.00	
Body Armor Grant	A-16	3,063.88	3,063.88	
Recycling Tonnage Grant	A-16	62,600.38	62,600.38	
Emergency Management Assistance	A-16	5,000.00	5,000.00	
Municipal Alliance	A-16	28,901.00	28,901.00	
N.J. Highlands Water Protection and Planning				
Council:				
Initial Assessment Grant	A-16	5,224.46	5,224.46	
Juvenile Accountability Incentive Block Grant	A-16	3,120.00	3,120.00	
Green Communities Grant	A-16	3,000.00	3,000.00	
U.S. Department of Energy:				
ARRA - Energy Efficiency and Conservation				
Block Grant	A-16	523,800.00	523,800.00	
N.J. Board of Public Utilities:				
Local Governmental Energy Audit Program	A-16	9,072.25	9,072.25	
Municipal Storm Water Regulation Program	A-16	10,310.00	10,310.00	
Other Special Items:				
Uniform Fire Safety Code (Ch. 383, P.L. 1985)	A-14	131,259.00	137,352.61	6,093.61
Cablevision Franchise Fees	A-14	217,000.00	217,161.06	161.06

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF MISCELLANEOUS REVENUE

A-2a
Sheet #2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Miscellaneous Revenue</u>				
Other Special Items:				
Current Capital Surplus	A-15	\$ 154,000.00	\$ 154,000.00	\$
Accumulated Revenue - Unappropriated - Sharkey's Landfill	A-29	752,439.00	752,438.87	(0.13)
Reserve for Uniform Fire Penalties	A-15	20,000.00	20,000.00	
Reserve for Developer Contribution - Road Improvements	A-15	17,000.00	17,000.00	
Reserve to Pay Debt Service	A-15	417,998.00	417,998.00	
Rescue and Recovery Contribution for Capital	A-14	9,000.00	9,000.00	
Health Insurance Offset	A-14	180,000.00	235,960.85	55,960.85
Concert Donations	A-14	8,000.00	8,000.00	
	A-1,2	<u>\$ 14,966,775.15</u>	<u>\$ 15,926,872.10</u>	<u>\$ 960,096.95</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF CERTAIN REALIZED REVENUE

A-2b

	<u>Ref.</u>		
<u>Receipts from Delinquent Taxes</u>			
Collections of Delinquent Taxes:			
2010 Collections:			
Taxes	A-10	\$ 1,486,902.37	
Tax Title Liens	A-11	2,040.35	
Due from State of New Jersey	A-9	<u>2,250.00</u>	
	A-1,2		<u>\$ 1,491,192.72</u>
 <u>Allocation of Current Tax Collections</u>			
Collections of Current Taxes:			
2010 Collections	A-10	\$ 180,875,061.46	
2009 Collections	A-26	1,459,958.44	
Due from State of New Jersey	A-9	430,728.19	
Tax Overpayments Applied	A-20	<u>151,504.62</u>	
	A-1		\$ 182,917,252.71
 Allocated to:			
Open Space Tax	A-22	1,485,771.60	
Special District Tax	A-23	2,781,633.39	
County Taxes	A-24	21,925,197.34	
Local School District Tax	A-25	<u>115,992,802.00</u>	
			<u>142,185,404.33</u>
			40,731,848.38
 Plus: Appropriation for Reserve for Uncollected Taxes			
	A-3		<u>1,700,000.00</u>
 Realized for Support of Municipal Budget			
	A-2		<u>\$ 42,431,848.38</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF OTHER LICENSES

A-2c

	<u>Ref.</u>		
<u>Clerk</u>			
Amusement Games		\$ 4,250.00	
Motel		53,700.00	
Sales		3,162.50	
Taxi and Limousine Drivers and Licenses		4,745.00	
Auction		100.00	
Truck Terminal		100.00	
Entertainment		<u>3,000.00</u>	
	A-14		\$ 69,057.50
 Bingo and Raffle Licenses	 A-14		 7,830.00
 <u>Health</u>			
Food Handler		76,815.00	
Swimming Pool		6,000.00	
Fertilizer License		400.00	
Sewerage Construction		<u>125.00</u>	
	A-14		83,340.00
 <u>Registrar of Vital Statistics</u>			
Marriage Licenses		786.00	
Civil Union Licenses		<u>12.00</u>	
	A-14		<u>798.00</u>
	A-2a		<u>\$ 161,025.50</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF OTHER FEES AND PERMITS

A-2d
Sheet #1

	<u>Ref.</u>		
<u>Engineer</u>			
Soil Removal Permit		\$ 860.00	
Inspection Fees		6,327.43	
Road Opening Permit		4,650.00	
Flood Certifications		15.00	
	A-14	\$ 11,852.43	\$ 11,852.43
 <u>Collector</u>			
Tax Searches	A-14		440.00
 <u>Police Department</u>			
Accident and Complaint Reports and Fingerprinting Fees		9,701.40	
Gun Permits		883.00	
Towing Application Fee		300.00	
	A-14	10,884.40	10,884.40
 <u>Registrar of Vital Statistics</u>			
Burial Permit		30,360.00	
Certificate Fees		8,030.00	
Corrections on Certificates		110.00	
	A-14	38,500.00	38,500.00
 <u>Housing Department</u>			
Inspection Fees	A-14		181,380.00
 <u>Zoning Board</u>			
Zoning Permits		27,225.00	
Sign Permits		9,773.06	
Special Event		935.00	
Banner Permits		175.00	
Other Fees		1,700.00	
	A-14	39,808.06	39,808.06
 <u>Board of Adjustments</u>			
Variance Fee		12,770.38	
Site Plans		3,950.00	
	A-14	16,720.38	16,720.38

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF OTHER FEES AND PERMITS

A-2d
Sheet #2

	<u>Ref.</u>		
<u>Planning Board</u>			
Site Plans		\$ 7,275.00	
Variance Fee		3,300.00	
Subdivision Filing Fee		<u>2,675.00</u>	
	A-14		\$ 13,250.00
 <u>Fire Prevention</u>			
Inspection Fees		112,025.00	
Permits		44,658.00	
Smoke Detectors		<u>46,950.00</u>	
	A-14		203,633.00
 <u>Recreation Department</u>			
Fees and Permits	A-14		337,234.50
 <u>Purchasing Department</u>			
Plans and Specifications	A-14		13,350.00
 <u>Mayor's Office</u>			
Victory Garden Fee	A-14		1,760.00
 <u>Public Works Department</u>			
Leaf Bags	A-14		38,280.00
 <u>Treasurer</u>			
Administrative Fee:			
Off-Duty Police Officers		75,046.00	
Special Police		<u>1,950.75</u>	
	A-14		<u>76,996.75</u>
	A-2a		<u>\$984,089.52</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF NONBUDGET REVENUE

A-2e

	<u>Ref.</u>	
Prior Year Appropriation Refunds		\$ 63,980.33
Reimbursements		54,755.57
MEL Buyout Agreement		30,000.00
Refunding Bond Sale		20,323.22
Appropriation Refunds		17,473.02
Health Clinic Fees		16,702.18
Sale of Township Assets		14,779.09
False Alarm Fees		14,130.00
Division of Motor Vehicles - Inspection Fines		12,700.25
State of New Jersey:		
Administrative Fee for Senior Citizens and Veterans		8,472.86
Rental of Township Property		6,000.00
Copy Fees		3,102.80
Donations		2,950.00
Property Owner Lists		2,240.00
Return Check Fees		1,500.00
Sale of Maps		294.30
Duplicate Tax Certificates		100.00
Miscellaneous		<u>7,198.52</u>
	A-5	\$ 276,702.14
<u>Other Sources</u>		
Revenue Accounts Receivable	A-14	<u>679,783.89</u>
	A-1,2	<u>\$ 956,486.03</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #1

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT</u>						
General Administration:						
Salaries and Wages	\$ 537,727.00	\$ 537,727.00	\$ 498,205.41	\$ 717.40	\$ 39,521.59	\$
Other Expenses	43,000.00	43,000.00	40,493.06		1,789.54	
Township Council:						
Salaries and Wages	39,245.00	39,245.00	39,243.84		1.16	
Other Expenses	3,500.00	3,500.00			3,500.00	
Municipal Clerk:						
Salaries and Wages	159,855.00	159,855.00	156,845.56		3,009.44	
Other Expenses	53,500.00	53,500.00	47,232.69	1,061.42	5,205.89	
Treasury:						
Salaries and Wages	111,365.00	111,365.00	106,040.81		5,324.19	
Other Expenses	9,100.00	9,100.00	7,294.17	862.04	943.79	
Audit	69,500.00	69,500.00	63,174.00		6,326.00	
Tax Collection:						
Salaries and Wages	152,663.00	152,663.00	145,589.34		7,073.66	
Other Expenses	32,950.00	32,950.00	21,401.95	61.00	11,487.05	
Tax Assessing:						
Salaries and Wages	249,442.00	249,442.00	244,795.78		4,646.22	
Other Expenses	51,900.00	71,900.00	56,664.13	6,293.45	8,942.42	
Department of Law:						
Other Expenses	486,500.00	466,500.00	403,673.24	9,015.25	53,811.51	
Division of Engineering:						
Salaries and Wages	468,280.00	468,280.00	413,361.13		54,918.87	
Other Expenses	36,615.00	36,615.00	18,416.31	8,658.74	9,539.95	
	<u>2,505,142.00</u>	<u>2,505,142.00</u>	<u>2,262,431.42</u>	<u>26,669.30</u>	<u>216,041.28</u>	
<u>LAND USE ADMINISTRATION</u>						
Department of Planning:						
Salaries and Wages	40,467.00	40,467.00	39,716.36		750.64	
Other Expenses	62,400.00	62,400.00	12,516.11	46,050.00	3,833.89	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #2

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>LAND USE ADMINISTRATION</u>						
Board of Adjustment:						
Salaries and Wages	\$ 56,986.00	\$ 56,986.00	\$ 56,041.84	\$ 944.16	\$	
Other Expenses	25,550.00	25,550.00	14,460.30	1,810.00	9,279.70	
	<u>185,403.00</u>	<u>185,403.00</u>	<u>122,734.61</u>	<u>47,860.00</u>	<u>14,808.39</u>	
<u>CODE ENFORCEMENT AND ADMINISTRATION</u>						
Housing and Zoning Code Enforcement:						
Salaries and Wages	403,336.00	403,336.00	389,978.50	322.78	13,357.50	
Other Expenses	19,420.00	19,420.00	11,375.43	322.78	7,721.79	
	<u>422,756.00</u>	<u>422,756.00</u>	<u>401,353.93</u>	<u>322.78</u>	<u>21,079.29</u>	
<u>INSURANCE</u>						
Unemployment Insurance	48,000.00	48,000.00	48,000.00			
Liability Insurance	591,150.00	591,150.00	576,188.80		14,961.20	
Worker Compensation	407,900.00	582,900.00	488,148.49		94,751.51	
Employee Health and Group Life	6,432,688.00	6,432,688.00	6,333,399.83	935.00	98,353.17	
	<u>7,479,738.00</u>	<u>7,654,738.00</u>	<u>7,445,737.12</u>	<u>935.00</u>	<u>208,065.88</u>	
<u>PUBLIC SAFETY</u>						
Police Department:						
Salaries and Wages	14,130,342.00	14,060,342.00	13,835,266.00		225,076.00	
Other Expenses	685,496.00	685,496.00	494,449.39	109,077.88	81,968.73	
Office of Emergency Management:						
Salaries and Wages	24,085.00	24,085.00	20,259.96		3,825.04	
Other Expenses	29,800.00	29,800.00	22,565.19	6,722.66	512.15	
Aid to First Aid Organizations	210,000.00	210,000.00	210,000.00			
Fire Prevention Bureau:						
Salaries and Wages	271,782.00	271,782.00	267,312.04		4,469.96	
Other Expenses	45,949.00	45,949.00	21,349.82	648.17	23,951.01	
Municipal Court:						
Salaries and Wages	402,123.00	402,123.00	397,774.18		4,348.82	
Other Expenses	18,730.00	18,730.00	12,952.03	2,367.46	3,410.51	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #3

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PUBLIC SAFETY</u>						
Public Defender:						
Other Expenses	\$ 1,500.00	\$ 1,500.00	\$ 125.00	\$ 150.00	\$ 1,225.00	\$
Prosecutor:						
Other Expenses	45,500.00	45,500.00	21,287.00	19,208.00	5,005.00	
	<u>15,865,307.00</u>	<u>15,795,307.00</u>	<u>15,303,340.61</u>	<u>138,174.17</u>	<u>353,792.22</u>	
<u>PUBLIC WORKS</u>						
Street and Road Maintenance:						
Salaries and Wages	1,797,465.00	1,797,465.00	1,701,561.88		95,903.12	
Other Expenses	671,740.00	671,740.00	521,051.61	128,323.30	22,365.09	
Garbage and Trash Removal:						
Salaries and Wages	1,499,911.00	1,439,911.00	1,385,561.72		54,349.28	
Other Expenses	462,250.00	462,250.00	353,568.25	9,257.95	99,423.80	
Buildings and Grounds:						
Salaries and Wages	317,293.00	300,293.00	262,438.56		37,854.44	
Other Expenses	280,300.00	297,300.00	261,643.47	26,168.79	9,487.74	
Vehicle Maintenance:						
Other Expenses	648,460.00	623,460.00	457,327.31	153,103.22	13,029.47	
Condominium Cost	295,000.00	295,000.00			295,000.00	
	<u>5,972,419.00</u>	<u>5,887,419.00</u>	<u>4,943,152.80</u>	<u>316,853.26</u>	<u>627,412.94</u>	
<u>HEALTH AND HUMAN SERVICES</u>						
Public Health Services:						
Salaries and Wages	684,456.00	684,456.00	620,901.19	7,959.99	63,554.81	
Other Expenses	106,500.00	106,500.00	82,813.53		15,726.48	
Senior Citizen Center:						
Salaries and Wages	147,564.00	147,564.00	146,158.11		1,405.89	
Other Expenses	62,000.00	62,000.00	57,034.94	3,022.85	1,942.21	
Animal Control:						
Other Expenses	170,000.00	170,000.00	170,000.00			
Contribution to Day Care Center	60,000.00	60,000.00	60,000.00			
	<u>1,230,520.00</u>	<u>1,230,520.00</u>	<u>1,136,907.77</u>	<u>10,982.84</u>	<u>82,629.39</u>	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #4

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS":</u>						
<u>PARKS AND RECREATION</u>						
Recreation Services:						
Salaries and Wages	\$ 430,962.00	\$ 430,962.00	\$ 368,110.07	\$ 62,851.93	\$	
Other Expenses	111,150.00	111,150.00	101,314.07	9,510.53	325.40	
Maintenance of Parks:						
Salaries and Wages	1,586,364.00	1,586,364.00	1,496,202.25	90,161.75		
Other Expenses	299,225.00	299,225.00	146,944.79	77,278.76	75,001.45	
	<u>2,427,701.00</u>	<u>2,427,701.00</u>	<u>2,112,571.18</u>	<u>86,789.29</u>	<u>228,340.53</u>	
<u>OTHER COMMON OPERATING FUNCTIONS</u>						
Celebration of Public Events	27,200.00	27,200.00	25,378.70	1,821.30		
<u>UTILITY EXPENSES</u>						
Electricity	479,000.00	479,000.00	339,569.79	47,415.67	92,014.54	
Street Lighting	657,500.00	657,500.00	529,343.44	43,099.53	85,057.03	
Telephone	245,000.00	245,000.00	208,604.08	16,949.00	19,446.92	
Gas (Natural or Propane)	139,000.00	139,000.00	85,116.45	17,692.55	36,191.00	
Gasoline	593,000.00	593,000.00	484,491.99	50,509.75	57,998.26	
	<u>2,113,500.00</u>	<u>2,113,500.00</u>	<u>1,647,125.75</u>	<u>175,666.50</u>	<u>290,707.75</u>	
<u>SOLID WASTE DISPOSAL COSTS</u>						
	1,500,000.00	1,500,000.00	1,313,861.40	146,963.31	39,175.29	
<u>UNIFORM CONSTRUCTION CODE</u>						
Department of Buildings and Inspections:						
Salaries and Wages	960,379.00	960,379.00	930,038.01		30,340.99	
Other Expenses	593,691.00	593,691.00	566,281.11	2,030.93	25,378.96	
	<u>1,554,070.00</u>	<u>1,554,070.00</u>	<u>1,496,319.12</u>	<u>2,030.93</u>	<u>55,719.95</u>	
<u>UNCLASSIFIED</u>						
Salary Adjustment	20,000.00					
	<u>15,000.00</u>	<u>15,000.00</u>	<u>2,000.00</u>		<u>13,000.00</u>	
<u>CONTINGENT</u>						

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #5

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
APPROPRIATIONS WITHIN "CAPS"						
Total Operations	\$ 41,318,756.00	\$ 41,318,756.00	\$ 38,212,914.41	\$ 953,247.38	\$ 2,152,594.21	\$
Detail:						
Salaries and Wages	24,492,092.00	24,325,092.00	23,521,402.54		803,689.46	
Other Expenses	16,826,664.00	16,993,664.00	14,691,511.87	953,247.38	1,348,904.75	
STATUTORY EXPENDITURES						
Contribution to:						
Social Security System (OASDI)	1,137,000.00	1,137,000.00	1,079,545.06		57,454.94	
Police and Firemen's Retirement System of NJ	2,418,638.00	2,418,638.00	2,418,638.00			
Public Employees' Retirement System	768,146.00	768,146.00	768,146.00			
DCRP Pension	4,200.00	4,200.00	643.89		3,556.11	
	4,327,984.00	4,327,984.00	4,266,972.95		61,011.05	
Total Appropriations Within "CAPS"	45,646,740.00	45,646,740.00	42,479,887.36	953,247.38	2,213,605.26	
APPROPRIATIONS EXCLUDED FROM "CAPS"						
OTHER OPERATIONS						
Ch. 541, P.L. 1985:						
Maintenance of Free Public Library	3,236,886.00	3,236,886.00	3,236,886.00			
Contribution to LOSAP	60,000.00	60,000.00	54,500.00		5,500.00	
Insurance:						
Employee Health and Group Life	694,112.00	694,112.00	694,112.00			
Matching Funds for Supplemental Municipal Alliance Grant	1,250.00	1,250.00			1,250.00	
Contribution to:						
Public Employees' Retirement System	83,798.00	83,798.00	83,798.00			
	4,076,046.00	4,076,046.00	4,069,296.00		6,750.00	
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES						
Public Health Priority Funding Act of 1977	8,656.00	8,656.00	8,656.00			

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #6

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
APPROPRIATIONS EXCLUDED FROM "CAPS"						
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES						
Drunk Driving Enforcement Fund	\$ 12,407.66	\$ 12,407.66	\$ 12,407.66	\$	\$	\$
Clean Communities Act	86,296.52	86,296.52	86,296.52			
Body Armor Grant	3,063.88	3,063.88	3,063.88			
Green Communities Grant	3,000.00	3,000.00	3,000.00			
Recycling Tonnage Grant	62,600.38	62,600.38	62,600.38			
Click It or Ticket	4,000.00	4,000.00	4,000.00			
Pedestrian Safety Education and Enforcement Grant	31,600.00	31,600.00	31,600.00			
Hang Up Just Drive	4,000.00	4,000.00	4,000.00			
Over the Limit, Under Arrest	5,000.00	5,000.00	5,000.00			
County of Morris:						
Municipal Alliance	28,901.00	28,901.00	28,901.00			
Matching Funds for the Municipal Alliance Grant	7,250.00	7,250.00	7,250.00			
N.J. Highlands Water Protection and Planning Council:						
Initial Assessment Grant	5,224.46	5,224.46	5,224.46			
Juvenile Accountability Incentive Block Grant	3,120.00	3,120.00	3,120.00			
N.J. Board of Public Utilities:						
Local Governmental Energy Audit Program	9,072.25	9,072.25	9,072.25			
Storm Water Regulation Program	10,310.00	10,310.00	10,310.00			
Emergency Management Grant	5,000.00	5,000.00	5,000.00			
U.S. Department of Energy:						
ARRA - Energy Efficiency and Conservation Block Grant	523,800.00	523,800.00	523,800.00			
	813,302.15	813,302.15	813,302.15			
Total Operations	4,889,348.15	4,889,348.15	4,882,598.15		6,750.00	
Detail:						
Other Expenses	4,889,348.15	4,889,348.15	4,882,598.15		6,750.00	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #7

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Cancelled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	\$ 286,225.00	\$ 286,225.00	\$ 286,225.00	\$	\$	\$
<u>DEBT SERVICE</u>						
Payment of Bond Principal	6,274,810.00	6,284,810.00	6,284,809.86			0.14
Interest on Bonds	2,334,591.00	2,324,591.00	2,256,619.18			67,971.82
Interest on Notes	191,400.00	191,400.00	191,399.99			0.01
	<u>8,800,801.00</u>	<u>8,800,801.00</u>	<u>8,732,829.03</u>			<u>67,971.97</u>
<u>DEFERRED CHARGES</u>						
Unfunded Improvement Authorizations:						
Ordinance #04:23f	33.00	33.00	33.00			
Ordinance #04:23g	105.00	105.00	105.00			
	<u>138.00</u>	<u>138.00</u>	<u>138.00</u>			
Total Appropriations Excluded from "CAPS"	<u>13,976,512.15</u>	<u>13,976,512.15</u>	<u>13,901,790.18</u>		<u>6,750.00</u>	<u>67,971.97</u>
Sub-Total	59,623,252.15	59,623,252.15	56,381,677.54	953,247.38	2,220,355.26	67,971.97
Reserve for Uncollected Taxes	1,700,000.00	1,700,000.00	1,700,000.00			
Total Appropriations	<u>\$ 61,323,252.15</u>	<u>\$ 61,323,252.15</u>	<u>\$ 58,081,677.54</u>	<u>\$ 953,247.38</u>	<u>\$ 2,220,355.26</u>	<u>\$ 67,971.97</u>

Reference A-2 Sheet #8 A A

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #8

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget		\$ 60,773,259.90	\$
Added by N.J.S.A. 40A:4-87		549,992.25	
Cash Disbursed:			
Salaries and Wages			23,521,402.54
Township's Matching Funds for Grants	A-28		7,250.00
Other Expenditures			<u>31,852,113.86</u>
	A-4		55,380,766.40
Accounts Payable	A-18		24,720.99
Interfunds Payable	A-22		170,138.00
Reserve for Grant Expenditures	A-28		806,052.15
Reserve for Uncollected Taxes	A-2b		<u>1,700,000.00</u>
	<u>Sheet #7</u>	<u>\$ 61,323,252.15</u>	<u>\$ 58,081,677.54</u>
<u>Analysis of Charges to Operations</u>			
Paid or Charged	Above		\$ 58,081,677.54
Appropriation Reserves:			
Encumbered	Sheet #7	\$ 953,247.38	
Unencumbered	Sheet #7	<u>2,220,355.26</u>	
			<u>3,173,602.64</u>
			61,255,280.18
Less: Reserve for Uncollected Taxes	Above		<u>1,700,000.00</u>
	A-1		<u>\$ 59,555,280.18</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

COMPARATIVE BALANCE SHEETS

B
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Animal Control Trust Fund:			
Change Fund	B-5	\$ 50.00	\$ 50.00
Due from Municipal Court	B-8	200.00	75.00
Interfunds Receivable	B-10	51,968.33	25,788.34
		52,218.33	25,913.34
General Trust Fund:			
Cash - Checking Accounts	B-1	11,473,761.63	10,724,264.26
Cash - Investment Account	B-4	1,470,442.31	1,690,831.13
		12,944,203.94	12,415,095.39
Assets in the Hands of Plan Administrator:			
Workers' Compensation Plan	B-6	48,130.48	19,244.14
Due from Municipal Court	B-8	589.50	1,877.50
Other Accounts Receivable	B-9	117,320.00	21,160.00
Interfunds Receivable	B-10	308,158.48	261,166.76
		13,418,402.40	12,718,543.79
Grant Trust Fund:			
Federal Grants Receivable	B-7	318,806.52	279,664.65
		\$13,789,427.25	\$13,024,121.78

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

COMPARATIVE BALANCE SHEETS

B
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Animal Control Trust Fund:			
Prepaid Licenses	B-11	\$ 9,218.40	\$ 7,541.60
Due to State of New Jersey	B-12	974.40	1,252.20
Security Deposits	B-15	225.00	225.00
Reserve for:			
Contributions	B-19	9,525.92	7,241.92
Animal Control Trust Fund Expenditures	B-20	32,274.61	9,652.62
		<u>52,218.33</u>	<u>25,913.34</u>
General Trust Fund:			
Special Deposits	B-13	7,375,514.95	7,535,774.15
Premiums on Tax Sale	B-14	364,600.00	360,700.00
Security Deposits	B-15	12,071.97	12,040.51
Municipal Open Space Preservation Trust Fund	B-16	5,496,054.67	4,686,554.68
Reserve for:			
Workers' Compensation	B-18	48,130.48	19,244.14
Unemployment Insurance Trust Fund Expenditures	B-21	122,030.33	104,230.31
		<u>13,418,402.40</u>	<u>12,718,543.79</u>
Grant Trust Fund:			
Reserve for Grant Trust Fund Expenditures	B-22	318,806.52	279,664.65
		<u>\$13,789,427.25</u>	<u>\$13,024,121.78</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Cash - Checking Account	C-2,3	\$ 6,107,500.95	\$ 5,724,845.44
Grants Receivable	C-4	445,000.00	320,000.00
Interfunds Receivable	C-5	138.00	
Deferred Charges to Future Taxation:			
Funded	C-6	64,164,199.87	55,230,145.16
Unfunded	C-7	<u>6,716,918.69</u>	<u>15,703,781.69</u>
		<u>\$ 77,433,757.51</u>	<u>\$ 76,978,772.29</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-18	\$ 49,596,000.00	\$ 50,046,000.00
Refunding Bonds	C-17	13,834,000.00	4,331,809.86
Green Acres Trust Acquisition Loan Payable	C-16	734,199.87	852,335.30
Bond Anticipation Notes	C-15		9,570,000.00
Improvement Authorizations:			
Funded	C-8	5,787,008.06	1,465,641.12
Unfunded	C-8	7,071,229.95	10,193,247.08
Capital Improvement Fund	C-9	5,357.00	5,357.00
Deposit for Regional Contribution Agreement	C-10	261,420.19	261,420.19
Reserve for:			
Debt Service	C-12	29,295.79	1,998.79
Developer Contributions - Road Improvement	C-13	79,652.68	96,652.68
Fund Balance	C-1	<u>35,593.97</u>	<u>154,310.27</u>
		<u>\$ 77,433,757.51</u>	<u>\$ 76,978,772.29</u>
 Bonds and Notes Authorized but Not Issued	 C-19	 <u>\$ 6,716,918.69</u>	 <u>\$ 6,133,781.69</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE

C-1

	<u>Ref.</u>	
Balance December 31, 2009	C	\$154,310.27
Increased by:		
Premium on Sale of Bonds	C-2	<u>35,283.70</u>
		189,593.97
Decreased by:		
Anticipated as Current Fund Revenue	C-11	<u>154,000.00</u>
Balance December 31, 2010	C	<u>\$ 35,593.97</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

COMPARATIVE BALANCE SHEETS

D
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash - Checking Account	D-5	\$ 1,478,263.03	\$ 857,474.25
Interfunds Receivable	D-8	30,361.69	87,887.13
		<u>1,508,624.72</u>	<u>945,361.38</u>
 Assets with Full Reserves:			
Consumer Accounts Receivable	D-9	292,878.86	226,781.95
Water Liens Receivable	D-10	252.57	252.57
Inventory - Materials and Supplies	D-11	109,200.00	95,800.00
		<u>402,331.43</u>	<u>322,834.52</u>
 Deferred Charges:			
Operating Deficit	D-12		7,641.33
Special Emergency Authorization (N.J.S.A. 40A:4-53)	D-13	75,000.00	100,000.00
		<u>75,000.00</u>	<u>107,641.33</u>
		<u>1,985,956.15</u>	<u>1,375,837.23</u>
 <u>Capital Fund</u>			
Cash - Checking Account	D-5,7	931,738.28	1,396,152.72
Fixed Capital	D-14	31,608,448.10	30,903,448.10
Fixed Capital Authorized and Uncompleted	D-15	4,375,000.00	4,815,000.00
		<u>36,915,186.38</u>	<u>37,114,600.82</u>
		<u>\$ 38,901,142.53</u>	<u>\$ 38,490,438.05</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

COMPARATIVE BALANCE SHEETS

D
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4,16	\$ 86,657.01	\$ 191,696.93
Unencumbered	D-4,16	296,301.30	422,931.51
Accounts Payable	D-17		30,000.00
Reserve for Water Master Plan	D-18	27,612.50	113,000.00
Accrued Interest on Bonds	D-19	62,873.76	65,604.59
Accrued Interest on Loans	D-20	3,468.75	3,697.92
Accrued Interest on Notes	D-21		2,376.39
Water Rent Overpayments	D-22	33,624.75	53,845.54
		<u>510,538.07</u>	<u>883,152.88</u>
Reserve for Receivables and Inventory		402,331.43	322,834.52
Fund Balance	D-1	<u>1,073,086.65</u>	<u>169,849.83</u>
		<u>1,985,956.15</u>	<u>1,375,837.23</u>
<u>Capital Fund</u>			
Serial Bonds	D-32	3,834,000.00	3,736,000.00
Refunding Bonds	D-31	3,281,000.00	2,324,266.15
N.J. Environmental Infrastructure			
Loans Payable	D-30	305,644.43	327,803.64
Bond Anticipation Notes	D-29		855,500.00
Improvement Authorizations:			
Funded	D-23	653,406.58	540,759.57
Unfunded	D-23	101,750.00	1,564,015.00
Capital Improvement Fund	D-24	14,498.22	14,498.22
Reserves for:			
Debt Service	D-26	204,438.21	204,438.21
Amortization	D-27	27,133,553.67	26,142,878.31
Deferred Amortization	D-28	1,327,500.00	1,349,500.00
Fund Balance	D-2	59,395.27	54,941.72
		<u>36,915,186.38</u>	<u>37,114,600.82</u>
		<u>\$ 38,901,142.53</u>	<u>\$ 38,490,438.05</u>
Bonds and Notes Authorized but Not Issued	D-33	<u>\$ 101,750.00</u>	<u>\$ 982,500.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - OPERATING FUND

D-1

	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 60,000.00	\$ 200,000.00
Water Rents	D-3	7,439,148.02	6,011,261.04
Interest on Investments	D-3	20,389.49	34,097.78
Nonbudget Revenue	D-3	57,837.52	217,103.99
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	D-16	114,038.36	60,205.65
		<u>7,691,413.39</u>	<u>6,522,668.46</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operating:			
Salaries and Wages	D-4	2,067,016.00	1,937,395.00
Other Expenses	D-4	3,071,323.00	3,064,243.00
Capital Improvements	D-4	13,250.00	49,500.00
Debt Service	D-4	1,250,956.24	1,173,509.79
Deferred Charges	D-4	32,641.33	25,000.00
Statutory Expenditures	D-4	292,990.00	280,662.00
		<u>6,728,176.57</u>	<u>6,530,309.79</u>
Excess in Revenue		963,236.82	
Deficit in Revenue			7,641.33
Deficit in Operations to be Raised in Budget of Succeeding Year			\$ 7,641.33
Statutory Excess to Surplus		963,236.82	
 <u>Fund Balance</u>			
Balance January 1	D	169,849.83	\$ 369,849.83
		<u>1,133,086.65</u>	<u>369,849.83</u>
Decreased by:			
Utilized as Anticipated Revenue	D-3	60,000.00	200,000.00
Balance December 31	D	<u>\$ 1,073,086.65</u>	<u>\$ 169,849.83</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

STATEMENT OF FUND BALANCE
WATER CAPITAL FUND

D-2

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 54,941.72
Increased by:		
Premium on Sale of Bonds	D-5	<u>4,453.55</u>
Balance December 31, 2010	D	<u><u>\$ 59,395.27</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

STATEMENT OF REVENUE

D-3

<u>Source</u>	<u>Ref.</u>	<u>2010 Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	D-1	\$ 60,000.00	\$ 60,000.00	\$
Water Rents	D-1,Below	6,010,000.00	7,439,148.02	1,429,148.02
Interest on Investments	D-1,Below	25,000.00	20,389.49	(4,610.51)
Additional Rents		<u>689,681.00</u>		<u>(689,681.00)</u>
Nonbudget Revenue	D-4 D-1,6,Below	<u>6,784,681.00</u>	<u>7,519,537.51</u>	<u>734,856.51</u>
			<u>57,837.52</u>	<u>57,837.52</u>
		<u>\$ 6,784,681.00</u>	<u>\$ 7,577,375.03</u>	<u>\$ 792,694.03</u>

Analysis of Realized Revenue

Ref.

Water Rents

Consumer Accounts Receivable:

Collections

D-9

\$ 7,385,302.48

Overpayments Applied

D-22

53,845.54

Above

\$ 7,439,148.02

Interest on Investments

Collections

D-5

\$ 11,222.81

Interfunds Receivable

D-8

9,166.68

Above

\$ 20,389.49

Nonbudget Revenue

Capacity Fees

\$ 4,392.83

Tap Fee

11,265.00

Interest on Delinquent Water Rents

20,334.69

Final Fees

13,610.00

Miscellaneous Fees

615.00

Off/On Fees

3,860.00

Emergency Callouts

3,220.00

Hydrant Permits

540.00

Above

\$ 57,837.52

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

STATEMENT OF EXPENDITURES

D-4
Sheet #1

	Ref.	Budget	Modified Budget	Paid or Charged	Expended		Balance Cancelled
					Encumbered	Reserved Unencumbered	
<u>Operating</u>							
Salaries and Wages	D-1	\$ 1,972,016.00	\$ 2,067,016.00	\$ 2,067,016.00	\$	\$	
Other Expenses	D-1	3,166,323.00	3,071,323.00	2,721,694.61	86,657.01	262,971.38	
		<u>5,138,339.00</u>	<u>5,138,339.00</u>	<u>4,788,710.61</u>	<u>86,657.01</u>	<u>262,971.38</u>	
<u>Capital Improvements</u>							
Capital Improvement Fund	D-1	13,250.00	13,250.00	13,250.00			
<u>Debt Service</u>							
Payment of Bond Principal:							
Regular		315,000.00	315,000.00	315,000.00			0.85
Refunding		567,267.00	567,267.00	567,266.15			12,793.46
Interest on Bonds		337,000.00	337,000.00	324,206.54			40,266.39
Interest on Notes		55,000.00	55,000.00	14,733.61			1,285.06
Environmental Infrastructure Loan	D-1	31,035.00	31,035.00	29,749.94			
		<u>1,305,302.00</u>	<u>1,305,302.00</u>	<u>1,250,956.24</u>			<u>54,345.76</u>
<u>Deferred Charges</u>							
Special Emergency		25,000.00	25,000.00	25,000.00			2,158.67
Deficit in Operation in Prior Years	D-1	9,800.00	9,800.00	7,641.33			2,158.67
		<u>34,800.00</u>	<u>34,800.00</u>	<u>32,641.33</u>			
<u>Statutory Expenditures</u>							
Contributions to:							
Public Employees' Retirement System		149,090.00	149,090.00	149,090.00			
Social Security System (OASI)	D-1	143,900.00	143,900.00	110,570.08		33,329.92	
		<u>292,990.00</u>	<u>292,990.00</u>	<u>259,660.08</u>		<u>33,329.92</u>	
		<u>\$ 6,784,681.00</u>	<u>\$ 6,784,681.00</u>	<u>\$ 6,345,218.26</u>	<u>\$ 86,657.01</u>	<u>\$ 296,301.30</u>	<u>\$ 56,504.43</u>

Reference

D-3

Sheet #2

D

D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

STATEMENT OF EXPENDITURES

D-4
Sheet #2

	<u>Ref.</u>	<u>Paid or</u> <u>Charged</u>
Cash Disbursed	D-5	\$ 5,966,046.05
Deferred Charges	D-12	7,641.33
Deferred Charges - Special Emergency	D-13	25,000.00
Accrued Interest on Bonds	D-19	324,206.54
Accrued Interest on Loans	D-20	7,590.73
Accrued Interest on Notes	D-21	<u>14,733.61</u>
	Sheet #1	<u>\$ 6,345,218.26</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

COMPARATIVE BALANCE SHEETS

E
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash - Checking	E-5	\$ 7,441,736.72	\$ 5,579,622.64
Interfunds Receivable	E-10	11,810.18	385,194.42
		7,453,546.90	5,964,817.06
 Assets with Full Reserves:			
Sewer Revenue Accounts Receivable	E-11	708,389.59	524,977.22
Sewer Liens Receivable	E-12	721.81	721.81
Inventory - Materials and Supplies	E-13	62,503.00	55,620.00
		771,614.40	581,319.03
		8,225,161.30	6,546,136.09
 <u>Capital Fund</u>			
Cash - Checking	E-5,7	3,604,552.64	3,646,337.61
Loans Receivable	E-9	19,992,291.00	
Fixed Capital	E-14	135,503,319.44	135,478,319.44
Fixed Capital Authorized and Uncompleted	E-15	41,411,405.00	39,511,405.00
		200,511,568.08	178,636,062.05
		\$ 208,736,729.38	\$ 185,182,198.14

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

COMPARATIVE BALANCE SHEETS

E
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-4,16	\$ 285,957.28	\$ 513,437.33
Unencumbered	E-4,16	1,475,626.04	1,082,501.56
Accounts Payable	E-17		175,905.74
Accrued Interest on Loans	E-18	110,101.43	
Accrued Interest on Bonds	E-19	70,091.77	66,859.48
Accrued Interest on Notes	E-20		11,120.28
Sewer Overpayments	E-21	51,141.36	79,495.99
		1,992,917.88	1,929,320.38
Reserve for Receivables and Inventory		771,614.40	581,319.03
Fund Balance	E-1	5,460,629.02	4,035,496.68
		8,225,161.30	6,546,136.09
<u>Capital Fund</u>			
Serial Bonds	E-30	5,636,300.00	3,358,000.00
Refunding Bonds	E-29	4,440,000.00	4,234,764.21
N.J. Environmental Infrastructure			
Trust Loan Payable	E-28	19,883,852.86	
Bond Anticipation Notes	E-27		4,003,300.00
Improvement Authorizations:			
Funded	E-22	2,524,443.68	104,686.00
Unfunded	E-22	30,720,511.18	36,733,541.13
Capital Improvement Fund	E-23	1,023,750.00	1,023,750.00
Reserves for:			
Amortization	E-25	130,290,129.44	128,744,915.23
Deferred Amortization	E-26	5,888,697.14	338,190.00
Fund Balance	E-2	103,883.78	94,915.48
		200,511,568.08	178,636,062.05
		\$ 208,736,729.38	\$ 185,182,198.14
 Bonds and Notes Authorized but Not Issued	 E-31	 \$ 10,775,745.00	 \$ 34,310,555.00

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE

E-1

	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	E-3	\$ 1,550,000.00	\$ 500,000.00
Sewer Rents	E-3	14,802,010.02	15,174,465.97
Septage Removal	E-3	495,463.65	534,615.22
Interest on Investments	E-3	43,671.25	76,170.60
Capacity and Connection Fees	E-3	17,184.39	268,246.88
Special Item:			
Reserve for Debt Service			75,384.00
Nonbudget Revenue	E-3	40,935.54	70,998.31
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	E-16	536,068.36	269,461.17
Accounts Payable Cancelled	E-17	41,986.50	
		<u>17,527,319.71</u>	<u>16,969,342.15</u>
<u>Expenditures</u>			
Budget Appropriations:			
Operating:			
Salaries and Wages	E-4	3,323,840.00	3,198,810.00
Other Expenses	E-4	7,085,070.00	6,830,628.00
Capital Improvements	E-4	96,250.00	1,095,000.00
Debt Service	E-4	3,120,922.02	2,745,144.26
Deferred Charges	E-4	450.00	44,000.00
Statutory Expenditures	E-4	472,550.00	444,484.00
		<u>14,099,082.02</u>	<u>14,358,066.26</u>
Prior Year Revenue Refunds	E-5	453,105.35	237,535.39
		<u>14,552,187.37</u>	<u>14,595,601.65</u>
Excess in Revenue		2,975,132.34	2,373,740.50
<u>Fund Balance</u>			
Balance January 1	E	4,035,496.68	2,161,756.18
		<u>7,010,629.02</u>	<u>4,535,496.68</u>
Decreased by:			
Utilized as Anticipated Revenue	E-3	1,550,000.00	500,000.00
Balance December 31	E	<u>\$ 5,460,629.02</u>	<u>\$ 4,035,496.68</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

STATEMENT OF FUND BALANCE
SEWER CAPITAL FUND

E-2

	<u>Ref.</u>	
Balance December 31, 2009	E	\$ 94,915.48
Increased by:		
Premium on Sale of Bonds	E-5	<u>8,968.30</u>
Balance December 31, 2010	E	<u>\$ 103,883.78</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

STATEMENT OF REVENUE

E-3

<u>Source</u>	<u>Ref.</u>	<u>2010 Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	E-1	\$ 1,550,000.00	\$ 1,550,000.00	\$
Sewer Rents	E-1,Below	12,313,925.00	14,802,010.02	2,488,085.02
Septage Removal	E-1,Below	200,000.00	495,463.65	295,463.65
Interest on Investments	E-1,Below	35,000.00	43,671.25	8,671.25
Capacity and Connection Fees	E-1,6	40,000.00	17,184.39	(22,815.61)
		<u>14,138,925.00</u>	<u>16,908,329.31</u>	<u>2,769,404.31</u>
Nonbudget Revenue	E-1,6,Below		<u>40,935.54</u>	<u>40,935.54</u>
	E-4	<u>\$ 14,138,925.00</u>	<u>\$ 16,949,264.85</u>	<u>\$ 2,810,339.85</u>

Analysis of Realized Revenue

Sewer Rents

Collections	E-11	\$ 14,732,908.21
Overpayments Applied	E-21	<u>69,101.81</u>
	Above	<u>\$ 14,802,010.02</u>

Septage Removal

Collections	E-11	\$ 485,069.47
Overpayments Applied	E-21	<u>10,394.18</u>
	Above	<u>\$ 495,463.65</u>

Interest on Investments

Collections	E-5	\$ 28,017.11
Interfunds Receivable	E-10	<u>15,654.14</u>
	Above	<u>\$ 43,671.25</u>

Nonbudget Revenue

Interest on Delinquent Sewer Rents		\$ 40,362.04
Sale of Equipment		<u>573.50</u>
	Above	<u>\$ 40,935.54</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

STATEMENT OF EXPENDITURES

E-4
Sheet #1

Appropriation	Ref.	Budget	Paid or Charged	Expended		Reserved	Balance Cancelled
				Encumbered	Unencumbered		
Salaries and Wages	E-1	\$ 3,323,840.00	\$ 3,148,803.79	\$	\$ 175,036.21		
Other Expenses	E-1	7,085,070.00	5,550,866.99	285,957.28	1,248,245.73		
		<u>10,408,910.00</u>	<u>8,699,670.78</u>	<u>285,957.28</u>	<u>1,423,281.94</u>		
Capital Improvements							
Capital Improvement Fund	E-1	96,250.00	96,250.00				
Debt Service							
Payment of Bond Principal:							
Serial		305,000.00	305,000.00				0.79
Refunding		1,168,765.00	1,168,764.21				7,982.37
Interest on Bonds		830,000.00	822,017.63				31,054.28
Interest on Notes		100,000.00	68,945.72				805.54
Environmental Infrastructure Loan		757,000.00	756,194.46				
	E-1	<u>3,160,765.00</u>	<u>3,120,922.02</u>				<u>39,842.98</u>
Deferred Charges							
Unfunded Improvement Authorizations:							
Ordinance #04-25	E-1	450.00	450.00				
Statutory Expenditures							
Contribution to:							
Public Employees' Retirement System		227,185.00	227,185.00		52,344.10		
Social Security System (OASI)		245,365.00	193,020.90		52,344.10		
	E-1	<u>472,550.00</u>	<u>420,205.90</u>				
		<u>\$ 14,138,925.00</u>	<u>\$ 12,337,498.70</u>	<u>\$ 285,957.28</u>	<u>\$ 1,475,626.04</u>		<u>\$ 39,842.98</u>
Reference		E-3	Sheet #2	E	E		

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

STATEMENT OF EXPENDITURES

E-4
Sheet #2

	<u>Ref.</u>	<u>Paid or</u> <u>Charged</u>
Cash Disbursed	E-5	\$ 11,169,148.03
Accrued Interest on Loans	E-18	276,937.32
Accrued Interest on Bonds	E-19	822,017.63
Accrued Interest on Notes	E-20	68,945.72
Interfunds Payable	E-24	<u>450.00</u>
	Sheet #1	<u>\$ 12,337,498.70</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

COMPARATIVE BALANCE SHEETS

F
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<u>Operating Fund</u>			
Cash - Checking Account	F-5	\$ 981,914.11	\$ 17,102.58
Cash - Money Market Account	F-7	<u>491,353.76</u>	<u>1,520,045.82</u>
		1,473,267.87	1,537,148.40
Assets with Full Reserves:			
Revenue Accounts Receivable	F-10	<u>55,188.62</u>	<u>53,292.33</u>
		<u>1,528,456.49</u>	<u>1,590,440.73</u>
<u>Capital Fund</u>			
Cash - Money Market Account	F-7,8	212,591.28	320,641.47
Fixed Capital	F-11	22,732,276.61	22,293,276.61
Fixed Capital Authorized and Uncompleted	F-12	<u>2,981,000.00</u>	<u>3,120,000.00</u>
		<u>25,925,867.89</u>	<u>25,733,918.08</u>
		<u>\$ 27,454,324.38</u>	<u>\$ 27,324,358.81</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

COMPARATIVE BALANCE SHEETS

F
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	F-4,13	\$ 116,621.69	\$ 107,787.07
Unencumbered	F-4,13	228,652.03	343,156.14
Accounts Payable	F-14		60,000.00
Sales Tax Payable	F-15	150.69	169.58
Accrued Interest on Bonds	F-16	30,551.60	30,246.88
Accrued Interest on Notes	F-17		1,586.67
Membership Overpayments	F-18	3,305.89	2,144.30
Prepaid Revenue	F-19	4,000.00	7,500.00
Security Deposit	F-20	648,000.00	648,000.00
		1,031,281.90	1,200,590.64
Reserve for Receivables		55,188.62	53,292.33
Fund Balance	F-1	441,985.97	336,557.76
		1,528,456.49	1,590,440.73
 <u>Capital Fund</u>			
Serial Bonds	F-28	2,078,700.00	1,410,000.00
Refunding Bonds	F-27	915,000.00	1,414,185.52
Bond Anticipation Notes	F-26		571,200.00
Improvement Authorizations:			
Funded	F-21	150,625.79	62,666.82
Unfunded	F-21	381,600.00	481,808.82
Capital Improvement Fund	F-22	28,343.05	28,343.05
Reserves for:			
Amortization	F-24	21,669,526.61	20,855,091.09
Deferred Amortization	F-25	667,550.00	877,800.00
Fund Balance	F-2	34,522.44	32,822.78
		25,925,867.89	25,733,918.08
		\$ 27,454,324.38	\$ 27,324,358.81
 Bonds and Notes Authorized but Not Issued	 F-29	 \$ 382,500.00	 \$ 285,000.00

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE

F-1

	<u>Ref.</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	F-3	\$ 275,000.00	\$ 550,000.00
Golf Fees	F-3	3,438,219.05	3,399,940.24
Room Rentals	F-3	14,354.50	14,645.72
Interest on Investments	F-3	21,400.73	38,918.73
Concession:			
Utilities	F-3	26,172.94	37,223.29
Rent	F-3	1,302,480.00	896,683.50
Nonbudget Revenue	F-3	3,564.44	1,379.15
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	F-13	202,832.11	42,562.45
Accounts Payable Cancelled	F-14	11,569.99	
		<u>5,295,593.76</u>	<u>4,981,353.08</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operating:			
Salaries and Wages	F-4	1,924,739.00	1,862,955.00
Other Expenses	F-4	1,990,456.00	1,871,345.00
Capital Improvements	F-4	15,000.00	7,550.00
Debt Service	F-4	721,479.55	735,955.41
Statutory Expenditures	F-4	263,491.00	246,175.00
		<u>4,915,165.55</u>	<u>4,723,980.41</u>
Excess in Revenue		380,428.21	257,372.67
 <u>Fund Balance</u>			
Balance January 1	F	336,557.76	629,185.09
		<u>716,985.97</u>	<u>886,557.76</u>
Decreased by:			
Utilized as Anticipated Revenue	F-3	275,000.00	550,000.00
Balance December 31	F	<u>\$ 441,985.97</u>	<u>\$ 336,557.76</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

STATEMENT OF FUND BALANCE
CAPITAL FUND

F-2

	<u>Ref.</u>	
Balance December 31, 2009	F	\$ 32,822.78
Increased by:		
Premium on Sale of Bonds	F-5	<u>1,699.66</u>
Balance December 31, 2010	F	<u>\$ 34,522.44</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

STATEMENT OF REVENUE

F-3

<u>Source</u>	<u>Ref.</u>	<u>2010 Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Utilized	F-1	\$ 275,000.00	\$ 275,000.00	\$
Golf Fees	F-1,10	3,291,872.00	3,438,219.05	146,347.05
Room Rentals	F-1,6	10,000.00	14,354.50	4,354.50
Interest on Investments	F-1,Below	30,000.00	21,400.73	(8,599.27)
Concession:				
Utilities	F-1,6	35,000.00	26,172.94	(8,827.06)
Rent	F-1,6	896,683.00	1,302,480.00	405,797.00
Miscellaneous - Additional Fees		399,317.00		(399,317.00)
		<u>4,937,872.00</u>	<u>5,077,627.22</u>	<u>139,755.22</u>
Nonbudget Revenue	F-1,6,Below		<u>3,564.44</u>	<u>3,564.44</u>
	F-4	<u>\$4,937,872.00</u>	<u>\$5,081,191.66</u>	<u>\$ 143,319.66</u>

Analysis of Realized Revenue

<u>Analysis of Realized Revenue</u>	<u>Ref.</u>	
<u>Interest on Investments</u>		
Collections	F-5	\$ 1,900.50
Accrued Interest:		
Money Market Account	F-7	17,396.18
Interfunds Receivable	F-9	<u>2,104.05</u>
	Above	<u>\$ 21,400.73</u>
 <u>Nonbudget Revenue</u>		
Miscellaneous	Above	<u>\$ 3,564.44</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-4
Sheet #1

STATEMENT OF EXPENDITURES

Ref.	Budget	Paid or Charged	Expended		Balance Cancelled
			Encumbered	Reserved Unencumbered	
<u>Operating</u>					
Salaries and Wages	\$ 1,924,739.00	\$ 1,785,173.58	\$	\$ 139,565.42	\$
Other Expenses	1,990,456.00	1,821,099.88	116,621.69	52,734.43	
	<u>3,915,195.00</u>	<u>3,606,273.46</u>	<u>116,621.69</u>	<u>192,299.85</u>	
<u>Capital Improvements</u>					
Capital Improvement Fund	15,000.00	15,000.00			
<u>Debt Service</u>					
Payment of Bond Principal:					
Regular	90,000.00	90,000.00			0.48
Refunding	499,186.00	499,185.52			2,543.30
Interest on Bonds	125,000.00	122,456.70			20,162.67
Interest on Notes	30,000.00	9,837.33			22,706.45
	<u>744,186.00</u>	<u>721,479.55</u>			
<u>Statutory Expenditures</u>					
Contribution to:					
Public Employees' Retirement System	120,692.00	120,692.00			
Social Security System (OASI)	142,799.00	106,446.82		36,352.18	
	<u>263,491.00</u>	<u>227,138.82</u>		<u>36,352.18</u>	
	<u>\$ 4,937,872.00</u>	<u>\$ 4,569,891.83</u>	<u>\$ 116,621.69</u>	<u>\$ 228,652.03</u>	<u>\$ 22,706.45</u>

Reference F-3 Sheet #2 F F

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

STATEMENT OF EXPENDITURES

F-4
Sheet #2

	<u>Ref.</u>	<u>Paid or</u> <u>Charged</u>
Cash Disbursed	F-5	\$ 4,437,597.80
Accrued Interest on Bonds	F-16	122,456.70
Accrued Interest on Notes	F-17	<u>9,837.33</u>
	Sheet #1	<u>\$ 4,569,891.83</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

COMPARATIVE BALANCE SHEETS

G

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2010</u>	<u>Balance Dec. 31, 2009</u>
<u>Trust Fund Account #1</u>			
Cash	G-1	<u>\$ 13,868.00</u>	<u>\$ 10,843.40</u>
<u>LIABILITIES AND FUND BALANCE</u>			
<u>Trust Fund Account #1</u>			
Interfunds Payable	G-2	\$ 2.70	\$
Reserve for Public Assistance Trust Fund			
Expenditures	G-3	<u>13,865.30</u>	<u>10,843.40</u>
		<u>\$ 13,868.00</u>	<u>\$ 10,843.40</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
PAYROLL FUND

COMPARATIVE BALANCE SHEETS

H

<u>ASSETS</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Cash	\$ 238,662.19	\$ 426,930.77
Due from Free Public Library	27,900.24	29,393.05
Due from Internal Revenue Service		647.81
Due from State of New Jersey		202.27
Due from Employee	39.28	
Due from Current Fund	987.48	605.18
	<u>\$ 267,589.19</u>	<u>\$ 457,779.08</u>
<u>LIABILITIES AND RESERVES</u>		
Payroll Deductions Payable	\$ 267,589.19	\$ 457,779.08
	<u>\$ 267,589.19</u>	<u>\$ 457,779.08</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS

<u>CAPITAL FIXED ASSETS</u>	Balance <u>Dec. 31, 2010</u>	Balance <u>Dec. 31, 2009</u>
Building	\$ 31,095,300.00	\$ 31,095,300.00
Land	101,792,460.00	101,659,960.00
Vehicles and Road Equipment	15,881,610.36	15,513,794.35
Other Equipment	2,512,671.89	2,582,782.15
Furniture and Fixtures	<u>107,172.95</u>	<u>107,172.95</u>
	<u>\$ 151,389,215.20</u>	<u>\$ 150,959,009.45</u>
 <u>RESERVES</u>		
Investment in Capital Fixed Assets	<u>\$ 151,389,215.20</u>	<u>\$ 150,959,009.45</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF PARSIPPANY-TROY HILLS

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Parsippany-Troy Hills is organized with a Mayor-Council form of government under the provisions of N.J.S. 40:69A-31 et seq. As stated under the statutory reference, the Township shall be governed by an elected council and an elected mayor and by such other officers and employees as may be duly appointed pursuant to this article. The mayor shall be elected by the voters of the municipality and shall serve for a term of four years and the council shall consist of five members who shall also serve a term of four years. The terms of office of the mayor and council members shall begin on January 1st next following their election.

Each member of the Council carries a legislative vote.

Governmental Accounting Standards Board (GASB) establishes certain standards for defining and reporting on the financial entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government.

The financial statements of the Township of Parsippany-Troy Hills include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S. 40A:5-5. The financial statements, however, do not include the operations of the Municipal Library, which is a separate entity subject to a separate examination.

B. Description of Funds

The Governmental Accounting Standards Board ("GASB") is the recognized standard setting body for establishing governmental accounting and financial reporting principles. However, the accounting policies of the Township of Parsippany-Troy Hills conform to the accounting principles applicable to municipalities that have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. These principles are an "Other Comprehensive Basis of Accounting" ("OCBOA") which differs from accounting principles generally accepted in the United States of America ("GAAP") for governmental entities. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Parsippany-Troy Hills accounts for its financial transactions through the following separate funds and an account which differs from GAAP.

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Animal Control Trust Fund, General Trust Fund and Grant Trust Fund for specific programs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Description of Funds (Continued)

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as related long-term debt accounts.

Utilities Funds - Water, Sewer and Golf and Recreation Utilities are treated as separate entities. Each maintains its own Operating and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

Public Assistance Trust Fund - Receipts and disbursements of funds that provide assistance to certain residents of the Township of Parsippany-Troy Hills pursuant to the provisions of Title 44 of the New Jersey statutes are maintained in the Public Assistance Trust Fund.

Payroll Fund - Net salaries, certain payroll deductions and social security contributions of municipal and utility operations are deposited into the Payroll Fund. A Payroll Fund does not exist under GAAP.

Capital Fixed Assets - This account reflects estimated valuations of land, buildings and certain movable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from generally accepted accounting principles generally accepted in the United States of America. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as follows:

Property Taxes and Other Revenue

Property taxes and other revenue are realized when collected in cash or approved by regulations for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenue

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Township of Parsippany-Troy Hills budget. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual.

Expenditures

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create spending reserves.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. **Basis of Accounting (Continued)**

Expenditures (Continued)

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances

As of January 1, 1986, all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves

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

Compensated Absences

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

Property Acquired for Taxes

Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital fixed assets at market value on the date of acquisition.

Self-Insurance Contributions

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. **Basis of Accounting (Continued)**

Interfunds Receivable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the opposite fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies

Materials and supplies purchased by all funds are recorded as expenditures.

An annual inventory of materials and supplies for the Water and Sewer Utilities is required, by regulation, to be prepared by Township personnel for inclusion on the Water and Sewer Utilities Operating Fund balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

Capital Fixed Assets

General:

In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Township of Parsippany-Troy Hills has developed a fixed asset accounting and reporting system.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded.

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

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Township.

Utilities:

Capital acquisitions, including utility infrastructure costs of the Water, Sewer and the Golf and Recreation Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital Account of the utilities. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include movable fixed assets of the Utility but are not specifically identified and are considered as duplicated in the Fixed Asset Group of Accounts. The duplication is considered as insignificant on its effect on the financial statements taken as a whole.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Capital Fixed Assets (Continued)

Utilities: (Continued)

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utilities are offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are as recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

D. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township of Parsippany-Troy Hills presents the financial statements listed in the table of contents which are required by the Division of Local Government Services and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash and Cash Equivalents

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 any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

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 \$25,000,000.00.

B. Investments

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

- . Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- . Government money market mutual funds.
- . Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- . Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- . Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- . Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- . New Jersey State Cash Management Fund.
- . Repurchase agreements of fully collateralized securities, subject to special conditions.

In addition, a variety of State laws permit local governments to invest in a wide range of obligations issued by State governments and its agencies.

As of December 31, 2010, the Township had funds on deposit in checking, governmental money market funds and investment accounts. The amount on deposit of the Township's Cash and Cash Equivalents as of December 31, 2010 was \$48,376,811.25. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 40. There were no securities categorized as investments as defined by GASB Statement No. 40.

3. TAXES AND TAX TITLE LIENS RECEIVABLE

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Township, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and is calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes become in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

Comparative Schedule of Tax Rates

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>\$2.442</u>	<u>\$2.335</u>	<u>\$2.227</u>	<u>\$2.14</u>	<u>\$2.03</u>
Apportionment of Tax Rate:					
Municipal	\$0.562	\$0.517	\$0.491	\$0.47	\$0.45
County	0.267	0.256	0.244	0.23	0.22
School	1.564	1.499	1.417	1.36	1.28
Municipal Open Space	0.020	0.020	0.020	0.02	0.02
County Open Space	0.029	0.043	0.055	0.06	0.06

Fire District tax rates are not included above.

Assessed Valuations

<u>Year</u>	<u>Amount</u>
2010	\$ 7,415,751,416.00
2009	7,498,142,742.00
2008	7,546,086,291.00
2007	7,588,282,376.00
2006	7,675,966,325.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy*</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2010	\$ 184,193,966.89	\$ 182,917,252.71	99.30 %
2009	178,695,176.29	177,178,888.71	99.15
2008	171,522,238.16	170,225,464.39	99.24
2007	165,266,161.08	163,700,457.97	99.05
2006	158,860,276.29	157,206,735.45	98.95

*Includes Levy for Fire District.

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2010	\$ 100,496.76	\$ 1,233,153.71	\$1,333,650.47	0.72 %
2009	87,540.43	1,480,992.52	1,568,532.95	0.87
2008	82,483.93	1,270,453.41	1,352,937.34	0.78
2007	79,224.37	1,541,387.66	1,620,612.03	0.98
2006	75,766.29	1,638,252.11	1,714,018.40	1.07

4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2010	\$ 1,428,800.00
2009	1,428,800.00
2008	1,428,800.00
2007	1,428,800.00
2006	1,428,800.00

5. WATER CONSUMER ACCOUNTS RECEIVABLE

The Township of Parsippany-Troy Hills maintains a utility fund for the billing and collection of water rents. Billings are done on a quarterly basis.

A comparison of Water Utility billings and collections for the past five years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection</u>
2010	\$ 7,505,244.93	\$ 7,439,148.02
2009	5,664,812.85	6,011,261.04
2008	6,436,900.54	6,568,449.47
2007	6,139,985.33	5,941,859.33
2006	5,648,323.59	5,664,437.83

6. SEWER TREATMENT PLANT INCOME

The Township of Parsippany-Troy Hills maintains a utility fund for the billing and collection of sewer rents and septage removal. The Township bills sewer user charges on a quarterly basis and septage removal on a monthly basis.

6. SEWER TREATMENT PLANT INCOME (Continued)

A comparison of billings and collections for the past five years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection</u>
2010	\$ 15,484,285.03	\$ 15,297,473.67
2009	15,019,265.31	15,709,081.19
2008	15,806,553.59	15,594,651.19
2007	15,614,475.67	15,723,913.93
2006	14,123,433.40	14,038,600.08

7. GOLF AND RECREATION FEES

The Township of Parsippany-Troy Hills maintains a utility fund for two golf courses. The Knoll West Golf Course is a private golf course and the Knoll East Golf Course is a public golf course.

A comparison of accrued revenue for the past five years is as follows:

<u>Year</u>	<u>Total</u>	<u>Membership Fees</u>	<u>Other Fees</u>	<u>Cart Rentals</u>
2010	\$ 3,447,404.71	\$ 826,015.58	\$ 2,027,308.76	\$ 594,080.37
2009	3,418,755.09	831,719.00	2,008,348.40	578,687.69
2008	3,525,559.64	829,385.30	2,086,312.89	609,861.45
2007	3,558,204.93	827,856.00	2,112,485.39	617,863.54
2006	3,183,098.35	712,641.90	1,841,297.83	629,158.62

8. FUND BALANCES APPROPRIATED

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:	2010	\$ 6,163,262.94	\$ 3,450,000.00
	2009	5,588,804.11	3,250,000.00
	2008	5,441,427.77	3,300,000.00
	2007	6,185,186.93	4,000,000.00
	2006	5,419,028.42	3,500,000.00
Water Utility Operating Fund:	2010	1,073,086.65	773,000.00
	2009	169,849.83	60,000.00
	2008	369,849.83	200,000.00
	2007	325,918.51	200,000.00
	2006	349,979.51	250,000.00
Sewer Utility Operating Fund:	2010	5,460,629.02	1,615,000.00
	2009	4,035,496.68	1,550,000.00
	2008	2,161,756.18	500,000.00
	2007	1,241,457.60	-
	2006	216,695.58	150,000.00
Golf and Recreation Utility Operating Fund:	2010	441,985.97	355,000.00
	2009	336,557.76	275,000.00
	2008	629,185.09	550,000.00
	2007	791,039.09	350,000.00
	2006	679,947.73	600,000.00

9. PENSION PLANS

Description of Systems

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System and the Police and Firemen's Retirement System is considered a cost sharing multiple-employer plan.

Public Employees' Retirement System:

The Public Employees' Retirement System (PERS) was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Pension benefits for members enrolled in the system after May 21, 2010 would be based on 1/60th of the average annual compensation for the last five years of service or any five fiscal years of membership that provide the largest benefit to the member or the member's beneficiary. Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above-mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

Police and Firemen's Retirement System:

The Police and Firemen's Retirement System (PFRS) was established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

Chapter 428, Public Law of 1999, effective January 18, 2000, allows a member, age 55 and older with 20 or more years of service, to retire with a benefit equaling 50% of final compensation, in lieu of the regular retirement allowance available to the member. Final compensation means the compensation received by the member in the last twelve months of creditable service preceding retirement.

In addition, a member of the system as of the effective date of this law may retire with 20 or more years of service with a retirement allowance of 50% of final compensation, regardless of age, and, if required to retire because of attaining the mandatory retirement age of 65 years, an additional 3% of final compensation for every additional year of creditable service up to 25 years.

9. PENSION PLANS (Continued)

Contributions Required and Made

Contributions made by employees for PERS and PFRS are currently 5.5% and 8.5% of their base wages, respectfully. Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the past three (3) years are as follows:

Year	PERS		PFRS	
	Township	Employees	Township	Employees
2010	\$ 1,526,781.00	\$ 865,453.10	\$ 2,418,638.00	\$ 909,946.09
2009	1,330,019.00	866,648.99	2,431,785.00	947,985.87
2008	1,009,882.40	832,691.80	2,488,481.00	894,268.43

10. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the municipal base salary required for eligibility in the DCRP was increased to \$5,000.00.

The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

10. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)

Contributions Required and Made

Contributions made by employees for DCRP are currently at 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution. Contributions to the plan for the past year are as follows:

<u>Year</u>	<u>Township</u>	<u>Employees</u>
2010	\$ 643.89	\$1,141.19

11. POST-RETIREMENT BENEFITS

Plan Description

The Township of Parsippany, by contractual agreement, provides certain post-employment benefits to retired employees and their covered eligible dependents which include health insurance, prescription, dental and vision coverage. Eligible employees who retire in the Police and Firemen's Retirement System also receive life insurance coverage.

For the employee to be eligible for such benefits the retiree in the Public Employees' Retirement System must have twenty-five years or more of pension service credits and twenty-five years of service with the Township and the retiree in the Police and Firemen's System must have twenty-five years or more of pension service credits and fifteen years of service with the Township.

Eligible retirees under the Public Employees' Retirement System will receive post-employment benefits until they reach the age of 65. Eligible retirees under the Police and Firemen's Retirement System will receive post-employment benefits for life.

Actuarial Valuations*

The Township of Parsippany has contracted with an actuary and received an actuarial certification regarding the plan in accordance with the requirements of GASB 45, detailed as follows:

Projected Unfunded Accrued Liability as of December 31, 2009	<u>\$ 55,775,069.00</u>
Net OPEB Obligation December 31, 2008	\$ 1,426,909.00
Annual OPEB Cost	<u>3,421,018.00</u>
	4,847,927.00
Contributions Made	<u>1,895,174.00</u>
Net OPEB Obligation December 31, 2009	<u>\$ 2,952,753.00</u>

Other Information**

Active Participants:	
Eligible for Benefits	10
Noneligible for Benefits	410
Inactive Participants	110
Market Value of Assets	\$ -

*This information was not updated since December 31, 2009.

**This information was not updated since December 31, 2008.

12. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Pursuant to N.J.S.A. 40A:2-8, bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legal requirement is paid prior to each anniversary, and must be paid off within ten years and five months or retired by the issuance of bonds.

Summary of Municipal Debt (Excluding Current and Operating Debt)

	<u>Year 2010</u>	<u>Year 2009</u>	<u>Year 2008</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 63,430,000.00	\$ 63,947,809.86	\$ 58,760,588.50
Loans	734,199.87	852,335.30	1,018,643.50
Water Utility Fund:			
Bonds and Notes	7,115,000.00	6,915,766.15	6,776,933.17
Loans	305,644.43	327,803.64	350,284.95
Sewer Utility Fund:			
Bonds and Notes	10,076,300.00	11,596,064.21	9,054,432.57
Loans	19,883,852.86		
Golf and Recreation Fund:			
Bonds and Notes	2,993,700.00	3,395,385.52	3,401,963.36
	<u>104,538,697.16</u>	<u>87,035,164.68</u>	<u>79,362,846.05</u>
 <u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	6,716,918.69	6,133,781.69	10,481,631.69
Water Utility:			
Bonds and Notes	101,750.00	982,500.00	897,500.00
Sewer Utility:			
Bonds and Notes	10,775,745.00	34,310,555.00	3,308,855.00
Golf and Recreation Utility:			
Bonds and Notes	382,500.00	285,000.00	712,750.00
	<u>17,976,913.69</u>	<u>41,711,836.69</u>	<u>15,400,736.69</u>
 Total Debt	 <u>122,515,610.85</u>	 <u>128,747,001.37</u>	 <u>94,763,582.74</u>
 Less: Reserve for Debt Service:			
General Capital Fund	29,295.79	1,998.79	1,998.79
Water Capital Fund	204,438.21	204,438.21	204,438.21
Federal and State Grants			
Receivable:			
Sewer Capital Fund			44,000.00
	<u>233,734.00</u>	<u>206,437.00</u>	<u>250,437.00</u>
 Net Bonds and Notes Issued and Authorized but Not Issued	 <u>\$ 122,281,876.85</u>	 <u>\$ 128,540,564.37</u>	 <u>\$ 94,513,145.74</u>

12. MUNICIPAL DEBT (Continued)

Summary of Statutory Debt Condition - Annual Debt Service

The summarized statement of debt condition which follows is prepared in accordance with the required methods of setting up the Annual Debt Statement and indicates a statutory net debt of 0.735%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School	\$ 43,933,000.00	\$ 43,933,000.00	\$
General	70,881,118.56	29,295.79	70,851,822.77
Water Utility	7,522,394.43	7,522,394.43	
Sewer Utility	40,735,897.86	40,735,897.86	
Golf and Recreation Utility	<u>3,376,200.00</u>	<u>3,376,200.00</u>	
	<u>\$ 166,448,610.85</u>	<u>\$ 95,596,788.08</u>	<u>\$ 70,851,822.77</u>

Net debt, \$70,851,822.77, divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$9,635,895,187.00 equals 0.735%.

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

3 1/2% of Equalized Valuation Basis	\$ 337,256,331.54
Net Debt	<u>70,851,822.77</u>
Remaining Borrowing Power	<u>\$ 266,404,508.77</u>

Calculation of "Self-Liquidating Purposes" Water Utility per N.J.S. 40A:2-45

Fund Balance Utilized and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 7,577,375.03
Deductions:		
Operating and Maintenance Costs	\$ 5,431,329.00	
Debt Service per Water Utility Operating Fund	<u>1,250,956.24</u>	
		<u>6,682,285.24</u>
Excess in Revenue		<u>\$ 895,089.79</u>

There being an excess in revenue, all Water Utility Debt is deductible for Debt Statement purposes.

12. MUNICIPAL DEBT (Continued)

Calculation of "Self-Liquidating Purposes" Sewer Utility per N.J.S. 40A:2-45

Fund Balance Utilized and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 16,949,264.85
Deductions:		
Operating and Maintenance Costs	\$ 10,881,460.00	
Debt Service per Water Utility Operating Fund	<u>3,120,922.02</u>	<u>14,002,382.02</u>
Excess in Revenue		<u>\$ 2,946,882.83</u>

There being an excess in revenue, all Sewer Utility Debt is deductible for Debt Statement purposes.

Calculation of "Self-Liquidating Purposes" Golf and Recreation Utility per N.J.S. 40A:2-45

Fund Balance Utilized and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 5,081,191.66
Deductions:		
Operating and Maintenance Costs	\$ 4,178,686.00	
Debt Service per Water Utility Operating Fund	<u>721,479.55</u>	<u>4,900,165.55</u>
Excess in Revenue		<u>\$ 181,026.11</u>

There being an excess in revenue, all Golf and Recreation Utility Debt is deductible for Debt Statement purposes.

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

12. MUNICIPAL DEBT (Continued)

As of December 31, 2010, the Township's long-term debt is as follows:

General Obligation Bonds

Serial Bonds:

\$23,261,000.00, 2005 Bonds due in annual installments of \$945,000.00 to \$1,570,000.00 through July, 2025, interest at 4.00% to 4.125%	\$19,146,000.00	
\$17,000,000.00, 2008 Bonds due in annual installments of \$1,400,000.00 to \$2,000,000.00 through July, 2019, interest at 3.25% to 4.00%	14,700,000.00	
\$14,425,000.00, 2010 Bonds due in annual installments of \$625,000.00 to \$1,150,000.00 through November, 2023, interest at 2.00% to 3.00%	14,425,000.00	
\$1,325,000.00, 2010 Bonds due in annual installments of \$265,000.00 through November, 2015, interest at 2.00%	<u>1,325,000.00</u>	\$ 49,596,000.00

Refunding Bonds:

\$21,513,000.00, 1993 Bonds due in annual installments of \$862,000.00 through February, 2011, interest at 5.00%	862,000.00	
\$2,620,000.00, 2009 Bonds due in annual installments of \$890,000.00 through December, 2011, interest at 2.00% to 4.00%	890,000.00	
\$12,092,000.00, 2010 Bonds due in annual installments of \$1,547,000.00 to \$1,940,000.00 through October, 2017, interest at 2.00% to 5.00%	<u>12,082,000.00</u>	<u>13,834,000.00</u>
		<u>\$ 63,430,000.00</u>

12. MUNICIPAL DEBT (Continued)

Water Utility Bonds

Serial Bonds:

\$456,000.00, 2005 Bonds due in annual installments of \$30,000.00 to \$40,000.00 through July, 2020, interest at 4.00%	\$ 346,000.00	
\$1,700,000.00, 2008 Bonds due in annual installments of \$100,000.00 to \$200,000.00 through July, 2019, interest at 3.50% to 4.00%	1,500,000.00	
\$1,988,000.00, 2010 Bonds due in annual installments of \$90,000.00 to \$175,000.00 through November, 2023, interest at 2.00% to 3.00%	<u>1,988,000.00</u>	\$ 3,834,000.00

Refunding Bonds:

\$3,199,000.00, 1993 Bonds due in annual installments of \$127,000.00 through February, 2011, interest at 5.00%	127,000.00	
\$1,185,000.00, 2003 Bonds due in annual installments of \$120,000.00 to \$125,000.00 through December, 2013, interest at 3.50% to 4.00%	365,000.00	
\$1,630,000.00, 2009 Bonds due in annual installments of \$170,000.00 to \$190,000.00 through December, 2017, interest at 2.00% to 4.125%	1,265,000.00	
\$1,524,000.00, 2010 Bonds due in annual installments of \$199,000.00 to \$240,000.00 through October, 2017, interest at 2.00% to 5.00%	<u>1,524,000.00</u>	<u>3,281,000.00</u>
		<u>\$ 7,115,000.00</u>

12. MUNICIPAL DEBT (Continued)

Sewer Utility Bonds

Serial Bonds:

\$1,283,000.00, 2005 Bonds due in annual installments of \$75,000.00 to \$115,000.00 through July, 2020, interest at 4.00%	\$ 953,000.00	
\$800,000.00, 2008 Bonds due in annual installments of \$60,000.00 to \$100,000.00 through July, 2019, interest at 3.50% to 4.00%	680,000.00	
\$4,003,300.00, 2010 Bonds due in annual installments of \$185,000.00 to \$370,000.00 through November, 2023, interest at 2.00% to 3.00%	<u>4,003,300.00</u>	\$ 5,636,300.00

Refunding Bonds:

\$4,068,000.00, 1993 Bonds due in annual installments of \$161,000.00 through February, 2011, interest at 5.00%	161,000.00	
\$2,985,000.00, 2003 Bonds due in annual installments of \$170,000.00 to \$330,000.00 through December, 2013, interest at 3.50% to 4.00%	675,000.00	
\$2,871,000.00, 2009 Bonds due in annual installments of \$305,000.00 to \$330,000.00 through December, 2017, interest at 2.00% to 4.125%	2,230,000.00	
\$1,374,000.00, 2010 Bonds due in annual installments of \$179,000.00 to \$220,000.00 through October, 2017, interest at 2.00% to 5.00%	<u>1,374,000.00</u>	<u>4,440,000.00</u>
		<u>\$10,076,300.00</u>

12. MUNICIPAL DEBT (Continued)

Golf and Recreation Utility Bonds

Serial Bonds:

\$1,500,000.00, 2008 Bonds due in annual installments of \$100,000.00 to \$170,000.00 through July, 2019, interest at 3.50% to 4.00%	\$1,320,000.00	
\$758,700.00, 2010 Bonds due in annual installments of \$40,000.00 to \$80,000.00 through November, 2023, interest at 2.00% to 3.00%	<u>758,700.00</u>	\$ 2,078,700.00

Refunding Bonds:

\$3,805,000.00, 2003 Bonds due in annual installments of \$410,000.00 to \$415,000.00 through December, 2012, interest at 3.50% to 4.00%	825,000.00	
\$259,000.00, 2009 Bonds due in annual installments of \$90,000.00 through December, 2011, interest at 2.00% to 4.00%	<u>90,000.00</u>	<u>915,000.00</u>
		<u>\$ 2,993,700.00</u>

Green Acres Trust Loans Payable

The Township of Parsippany-Troy Hills entered into loan agreements with the State of New Jersey, Department of Environmental Protection and Energy under the Green Acres Trust Program to finance part of the acquisition of certain lands at an interest rate of 2.0%.

\$1,500,000.00, 1996 Loan due in semi-annual installments of \$46,637.40 through April, 2016, interest at 2.0%	\$ 483,519.16	
\$664,482.00, 1997 Loan due in semi-annual installments of \$20,659.80 through May, 2017, interest at 2.0%	<u>250,680.71</u>	<u>\$ 734,199.87</u>

N.J. Environmental Infrastructure Trust Loan Payable

Loan agreements were entered into by the Township of Parsippany-Troy Hills with the New Jersey Department of Environmental Protection for the purpose of improvements to the water system in 2001 at an interest rate of 4.75% to 5.50% and for the purpose of improvements to the waste water treatment plant in 2010 at an interest rate of .62% to 5.00%. Loans payable at December 31, 2010 in the amount of \$20,189,497.29 are detailed as follows:

	<u>Total</u>	<u>Water Utility</u>	<u>Sewer Utility</u>
Trust Share	\$ 6,390,024.00	\$ 165,000.00	\$ 6,225,024.00
Fund Share	<u>13,799,473.29</u>	<u>140,644.43</u>	<u>13,658,828.86</u>
	<u>\$ 20,189,497.29</u>	<u>\$ 305,644.43</u>	<u>\$ 19,883,852.86</u>

12. MUNICIPAL DEBT (Continued)

An amortization schedule detailing principal and interest is detailed as follows:

Calendar Year	Total	Water Utility		Sewer Utility	
		Principal	Interest	Principal	Interest
2011	\$ 1,225,187.97	\$ 21,804.91	\$ 8,325.00	\$ 930,814.62	\$ 264,243.44
2012	1,225,883.65	21,450.59	7,775.00	940,826.58	255,831.48
2013	1,232,200.35	29,317.28	7,225.00	950,843.27	244,814.80
2014	1,234,343.87	28,785.81	6,400.00	965,865.78	233,292.28
2015	1,230,860.72	28,302.66	5,650.00	975,896.48	221,011.58
2016	1,231,877.58	27,819.52	4,900.00	990,935.48	208,222.58
2017	1,227,144.42	27,336.36	4,150.00	1,000,982.22	194,675.84
2018	1,226,911.28	26,853.22	3,400.00	1,016,036.10	180,621.96
2019	1,225,928.13	26,370.07	2,650.00	1,031,095.24	165,812.82
2020	1,230,515.97	34,107.91	1,900.00	1,041,160.42	153,347.64
2021	1,232,954.16	33,496.10	950.00	1,061,231.84	137,276.22
2022	1,198,308.06			1,071,308.56	126,999.50
2023	1,199,308.07			1,086,392.39	112,915.68
2024	1,194,708.07			1,096,482.63	98,225.44
2025	1,194,708.06			1,111,578.46	83,129.60
2026	1,199,108.06			1,131,680.52	67,427.54
2027	1,194,758.08			1,141,789.24	52,968.84
2028	1,197,958.06			1,161,904.80	36,053.26
2029	1,195,358.63			1,177,028.23	18,330.40
	<u>\$23,098,023.19</u>	<u>\$305,644.43</u>	<u>\$53,325.00</u>	<u>\$19,883,852.86</u>	<u>\$2,855,200.90</u>

Bond Anticipation Notes

There were no Bond Anticipation Notes outstanding at December 31, 2010.

12. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Bonded Debt Issued and Outstanding

REFUNDING BONDS

1993 ISSUE

Calendar Year	Total	General		Water Utility		Sewer Utility	
		Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 1,178,750.00	\$ 862,000.00	\$ 21,550.00	\$ 127,000.00	\$ 3,175.00	\$ 161,000.00	\$ 4,025.00

2003 ISSUE

Calendar Year	Total	Water Utility		Sewer Utility		Golf and Recreation Utility	
		Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 930,300.00	\$ 120,000.00	\$ 14,000.00	\$ 330,000.00	\$ 25,350.00	\$ 410,000.00	\$ 30,950.00
2012	750,200.00	120,000.00	9,800.00	175,000.00	13,800.00	415,000.00	16,600.00
2013	306,800.00	125,000.00	5,000.00	170,000.00	6,800.00		
	\$ 1,987,300.00	\$ 365,000.00	\$ 28,800.00	\$ 675,000.00	\$ 45,950.00	\$ 825,000.00	\$ 47,550.00

2009 ISSUE

Calendar Year	Total	General		Water Utility		Sewer Utility		Golf and Recreation Utility	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 1,614,193.76	\$ 890,000.00	\$ 34,100.00	\$ 170,000.00	\$ 43,968.76	\$ 305,000.00	\$ 77,625.00	\$ 90,000.00	\$ 3,500.00
2012	588,493.76			175,000.00	37,568.76	310,000.00	65,925.00		
2013	583,793.76			175,000.00	34,068.76	315,000.00	59,725.00		
2014	571,600.00			180,000.00	27,900.00	315,000.00	48,700.00		
2015	566,800.00			185,000.00	20,700.00	325,000.00	36,100.00		
2016	556,400.00			190,000.00	13,300.00	330,000.00	23,100.00		
2017	541,450.00			190,000.00	7,837.50	330,000.00	13,612.50		
	\$ 5,022,731.28	\$ 890,000.00	\$ 34,100.00	\$ 1,265,000.00	\$ 185,343.78	\$ 2,230,000.00	\$ 324,787.50	\$ 90,000.00	\$ 3,500.00

12. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

REFUNDING BONDS

2010 ISSUE

Calendar Year	Total	General		Water Utility		Sewer Utility	
		Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 2,436,950.02	\$ 1,547,000.00	\$ 412,921.26	\$ 199,000.00	\$ 52,023.76	\$ 179,000.00	\$ 47,005.00
2012	2,448,450.02	1,595,000.00	381,981.26	200,000.00	48,043.76	180,000.00	43,425.00
2013	2,474,200.02	1,660,000.00	334,131.26	210,000.00	42,043.76	190,000.00	38,025.00
2014	2,485,500.00	1,720,000.00	286,800.00	215,000.00	36,050.00	195,000.00	32,650.00
2015	2,490,400.00	1,775,000.00	234,300.00	225,000.00	29,450.00	200,000.00	26,650.00
2016	2,508,850.00	1,845,000.00	176,550.00	235,000.00	22,150.00	210,000.00	20,150.00
2017	2,518,300.00	1,940,000.00	95,600.00	240,000.00	11,800.00	220,000.00	10,900.00
	<u>\$ 17,362,650.06</u>	<u>\$ 12,082,000.00</u>	<u>\$ 1,922,283.78</u>	<u>\$ 1,524,000.00</u>	<u>\$ 241,561.28</u>	<u>\$ 1,374,000.00</u>	<u>\$ 218,805.00</u>

12. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

GENERAL BONDS

Calendar Year	Total	General		Water Utility		Sewer Utility		Golf and Recreation Utility	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 5,953,845.55	\$ 3,235,000.00	\$ 1,689,525.45	\$ 220,000.00	\$ 118,813.46	\$ 320,000.00	\$ 162,355.24	\$ 140,000.00	\$ 68,151.40
2012	6,459,200.00	3,855,000.00	1,588,077.50	220,000.00	112,725.00	325,000.00	154,386.00	140,000.00	64,011.50
2013	6,580,750.00	3,956,000.00	1,469,427.50	231,000.00	106,225.00	423,000.00	145,386.00	190,000.00	59,711.50
2014	6,671,400.00	4,000,000.00	1,346,987.50	388,000.00	99,485.00	458,300.00	134,266.00	190,700.00	53,661.50
2015	6,648,660.00	4,095,000.00	1,222,787.50	400,000.00	88,025.00	470,000.00	122,250.00	203,000.00	47,597.50
2016	6,347,625.00	3,930,000.00	1,091,162.50	400,000.00	75,825.00	485,000.00	109,725.00	215,000.00	40,912.50
2017	6,355,125.00	4,075,000.00	960,962.50	410,000.00	63,625.00	490,000.00	96,725.00	225,000.00	33,812.50
2018	6,577,075.00	4,425,000.00	822,337.50	410,000.00	50,787.50	530,000.00	82,750.00	230,000.00	26,200.00
2019	6,458,925.00	4,470,000.00	662,587.50	415,000.00	37,012.50	560,000.00	66,425.00	230,000.00	17,900.00
2020	3,853,612.50	2,520,000.00	498,162.50	215,000.00	22,600.00	465,000.00	48,400.00	75,000.00	9,450.00
2021	3,655,112.50	2,565,000.00	408,862.50	175,000.00	15,750.00	370,000.00	33,300.00	80,000.00	7,200.00
2022	3,590,262.50	2,610,000.00	317,762.50	175,000.00	10,500.00	370,000.00	22,200.00	80,000.00	4,800.00
2023	3,588,612.50	2,720,000.00	224,862.50	175,000.00	5,250.00	370,000.00	11,100.00	80,000.00	2,400.00
2024	1,697,562.50	1,570,000.00	127,562.50						
2025	1,634,762.50	1,570,000.00	64,762.50						
	<u>\$ 76,072,530.55</u>	<u>\$ 49,596,000.00</u>	<u>\$ 12,495,830.45</u>	<u>\$ 3,834,000.00</u>	<u>\$ 806,623.46</u>	<u>\$ 5,636,300.00</u>	<u>\$ 1,189,268.24</u>	<u>\$ 2,078,700.00</u>	<u>\$ 435,808.40</u>

The interest reflected above is on the cash basis for all funds.

12. MUNICIPAL DEBT (Continued)

Green Acres Trust Acquisition Loans

An Amortization Schedule detailing principal and interest is detailed as follows:

Calendar Year	Total	1996 Loan		1997 Loan	
		Principal	Interest	Principal	Interest
2011	\$ 134,594.40	\$ 84,022.42	\$ 9,252.36	\$ 36,487.53	\$ 4,832.09
2012	134,594.39	85,711.28	7,563.51	37,220.92	4,098.68
2013	134,594.38	87,434.07	5,840.71	37,969.06	3,350.54
2014	134,594.38	89,191.50	4,083.28	38,732.24	2,587.36
2015	134,594.40	90,984.25	2,290.53	39,510.77	1,808.85
2016	87,957.01	46,175.64	461.76	40,304.93	1,014.68
2017	20,659.81			20,455.26	204.55
	<u>\$ 781,588.77</u>	<u>\$ 483,519.16</u>	<u>\$ 29,492.15</u>	<u>\$ 250,680.71</u>	<u>\$ 17,896.75</u>

Bonds and Notes Authorized but Not Issued

There were Bonds and Notes Authorized but Not Issued in the following amounts:

Fund	Balance Dec. 31, 2010
General Capital Fund:	
General Improvements	\$ 6,716,918.69
Water Utility Capital Fund:	
General Improvements	101,750.00
Sewer Utility Capital Fund:	
General Improvements	10,775,745.00
Golf and Recreation Utility Capital Fund:	
General Improvements	<u>382,500.00</u>
	<u>\$ 17,976,913.69</u>

13. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2010, interfund receivables and payables that resulted from various interfund transactions were as follows:

Fund	Due from Other Funds	Due to Other Funds
Current Fund	\$ 2.70	\$ 403,424.16
Animal Control Trust Fund	51,968.33	
General Trust Fund	308,158.48	
General Capital Fund	138.00	
Water Utility Operating Fund	30,361.69	
Sewer Utility Operating Fund	11,810.18	
Public Assistance Trust Fund		2.70
Payroll Fund	<u>987.48</u>	
	<u>\$ 403,426.86</u>	<u>\$ 403,426.86</u>

14. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGETS

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 sheet of the Water Operating Fund:

	Balance <u>Dec. 31, 2010</u>	2011 Budget <u>Appropriation</u>
Water Operating Fund:		
Special Emergency Authorization	<u>\$ 75,000.00</u>	<u>\$ 25,000.00</u>

15. DEFERRED COMPENSATION PLAN

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

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The Township of Parsippany-Troy Hills authorized such modifications to their plan by resolution of the Township Council adopted December 15, 1998.

The Administrator for the Township of Parsippany-Troy Hills Deferred Compensation Plan is the American United Life Insurance Company and Metropolitan Life Insurance Company.

16. RISK MANAGEMENT

The Township is self-insured to the extent of the amounts "deductible" from umbrella insurance coverage for Workers' Compensation and Dental Insurance.

The Township was a member of CIGNA Health Insurance Program for major medical coverage for 2010.

Umbrella insurance coverage currently in force is carried for excess Workers' Compensation claims, with specified limits detailed as follows:

Specific Loss:

The Township can pay no more than \$450,000.00 for any one accident or occurrence.

There have been no provisions in the financial statements for claims incurred but not reported as of December 31, 2010.

16. RISK MANAGEMENT (Continued)

Claims for workers' compensation are funded on a cash basis through a loss fund which is administered by D and H Alternative Risk Solutions. A summary of the workers' compensation fund held by the insurance agent is detailed as follows:

Balance December 31, 2009	\$ 19,244.14
Receipts	912,824.81
	<hr/>
	932,068.95
Disbursements	883,938.47
	<hr/>
Balance December 31, 2010	<u>\$ 48,130.48</u>

17. CONTINGENT LIABILITIES

a. Compensated Absences

The policy of the Township of Parsippany-Troy Hills concerning sick, vacation and personal days is summarized as follows:

Sick Benefit Plan:

Employees in their first year of service can accrue one sick day per month of employment. Those employees who have completed one full year of continuous service are entitled to 15 sick days per year. Unused sick leave may be accumulated without limitation.

Eligible employees, upon retirement, receive compensation for one-half of their accumulated sick days at the rate of compensation then in effect.

Police Officers will receive sixty-six percent of accumulated sick days at the rate of compensation then in effect, with a limit of two hundred days. Notwithstanding the foregoing, officers who have accumulated more than three hundred (300) days of sick leave as of July 20, 1999 will be grandfathered at such higher number, subject, however, to reduction due to subsequent use of such sick days.

Police Officers have the option of taking a terminal leave and receiving compensation on a bi-weekly basis for their prorated number of unused sick days.

Vacation Plan:

Vacation days are based upon length of service and level of employment. Upon termination, unused vacation days are paid to eligible employees computed on the employee's salary at the time of separation. The employee may elect to utilize all earned vacation days immediately preceding his separation.

Personal Days:

Employees are entitled to three personal days each year. Personal days cannot be accumulated or carried over into the next year.

Police Officers, upon termination, will be paid for any unused personal days earned before December 31, 1998, computed on the employee's salary at the time of separation.

17. CONTINGENT LIABILITIES (Continued)

a. Compensated Absences (Continued)

It is estimated that the sum of \$6,592,372.40 computed internally at the 2010 salary rates would be payable to 381 officials and employees of the Township of Parsippany-Troy Hills as of December 31, 2010 for accumulated sick, vacation and personal days. This amount was not verified by audit.

Provision for the above is not reflected on the Financial Statements of the Township.

b. Tax Appeals

As of May 26, 2011 there were sixty-six appeals pending before the New Jersey Tax Court with an assessed valuation of \$1,028,457,800.00. Potential liability was undeterminable. The Township has made provision from tax revenues, in the amount of \$672,357.13, for these appeals in the event that tax reductions are granted.

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the Township to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2).

c. Federal and State Awards

The Township participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at December 31, 2010 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

d. Litigation

There is no significant litigation or any contingent liabilities, unasserted claims or assessments or statutory violations which would affect the financial position or results of operations of the Township.

General liability and excess Worker's Compensation claims currently pending against the Township are handled by the Morris County Joint Insurance Fund.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER

A-4

	<u>Ref.</u>	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Balance December 31, 2009	A	\$ 8,179,564.64	\$ 228,241.63
Increased by Receipts:			
Collector	A-5	\$ 199,197,696.22	\$ 902,352.44
Investment Account Withdrawals	A-7	41,099,388.75	
Interfunds Receivable	A-15	638,624.89	1,292.99
Accounts Payable	A-18	48,673.82	
Interfunds Payable	A-22	382.30	
Township's Matching Funds for Grants	A-28		7,250.00
Contra Items:			
Petty Cash	Contra	250.00	
Revenue Refund	Contra	11,914.94	
Appropriation Refund	Contra	695,052.43	
		241,691,983.35	910,895.43
		249,871,547.99	1,139,137.06
Decreased by Disbursements:			
Prior Year Revenue Refunded	A-1	6,406.14	
Budget Appropriations	A-3	55,380,766.40	
Investment Account Deposits	A-7	39,000,000.00	
Appropriation Reserves	A-17	2,459,242.84	
Accounts Payable	A-18	383,673.82	
Due to State of New Jersey	A-19	108,130.00	
Tax Overpayments	A-20	86,621.81	
Interfunds Payable	A-22	2,014,802.56	
Special District Taxes	A-23	2,753,083.00	
County Taxes	A-24	22,030,411.04	
Local School District Taxes	A-25	115,992,802.00	
Appropriated Reserves for State and Federal Grants	A-28		826,217.01
Contra Items	Contra	707,217.37	
		240,923,156.98	826,217.01
Balance December 31, 2010	A,A-6	\$ 8,948,391.01	\$ 312,920.05

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

A-5

	<u>Ref.</u>	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Increased by Receipts:			
Interest and Cost on Taxes	A-2a	\$ 371,138.82	\$
Miscellaneous Revenue Not Anticipated	A-2e	276,702.14	
Due from State of New Jersey per Ch. 129, P.L. 1976	A-9	423,642.83	
Taxes Receivable	A-10	182,361,963.83	
Tax Title Liens	A-11	2,040.35	
Revenue Accounts Receivable	A-14	13,802,736.46	
State and Federal Grants Receivable	A-16		616,883.70
Due to State of New Jersey	A-19	106,208.00	
Tax Overpayments	A-20	274,104.49	
Prepaid Taxes	A-26	1,413,162.47	
Prepaid Revenue	A-27	110,818.83	
Accumulated Revenue - Unappropriated	A-29	55,178.00	285,468.74
		199,197,696.22	902,352.44
Decreased by Disbursements:			
Turnovers to Treasurer	A-4	199,197,696.22	902,352.44
		\$ -	\$ -

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

BANK RECONCILIATION
DECEMBER 31, 2010 - TREASURER

A-6

Balance per Statement:		
Valley National Bank,		
Parsippany, New Jersey:		
#41200250		\$ 916.21
#41347129		57,777.57
#41347943		10,270,117.09
		<u>10,328,810.87</u>
Plus: Deposits-in-Transit	\$ 688,454.28	
Due from Bank	<u>120.03</u>	
		<u>688,574.31</u>
		11,017,385.18
Less: Outstanding Checks	1,756,048.55	
Due to Bank	<u>25.57</u>	
		<u>1,756,074.12</u>
		<u>\$ 9,261,311.06</u>
	<u>Reference</u>	<u>Below</u>
	<u>Ref.</u>	
Regular Fund	A-4	\$ 8,948,391.01
State and Federal Grant Fund	A-4	<u>312,920.05</u>
	Above	<u>\$ 9,261,311.06</u>

TOWNSHIP OF PARSIPPANY - TROY HILLS
CURRENT FUND

CASH - INVESTMENT ACCOUNT

A-7

	<u>Ref.</u>			
Balance December 31, 2009	A			\$ 5,320,674.31
Increased by:				
Deposits	A-4	\$ 39,000,000.00		
Accrued Interest	A-14	<u>59,208.46</u>		
			<u>39,059,208.46</u>	
				<u>44,379,882.77</u>
Decreased by:				
Withdrawals	A-4			<u>41,099,388.75</u>
Balance December 31, 2010	A			<u>\$ 3,280,494.02</u>

Bank Reconciliation December 31, 2010

Balance per Statement:

The Provident Bank,
Parsippany, New Jersey:
#9812100387

\$ 3,280,494.02

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

CHANGE FUNDS

A-8

	<u>Ref.</u>	
Balance December 31, 2009	A	<u>\$ 815.00</u>
Balance December 31, 2010	A	<u>\$ 815.00</u>
 <u>Analysis of Balance</u>		
Tax Collector		\$ 435.00
Municipal Court Clerk		300.00
Department of Recreation		50.00
Police Department		<u>30.00</u>
		<u>\$ 815.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

DUE FROM STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976

A-9

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 65,720.47
Increased by:			
Deductions per Tax Billings:			
Senior Citizens		\$ 92,000.00	
Veterans		333,500.00	
		<u>425,500.00</u>	
Less: Deductions Disallowed by Tax Collector:			
Senior Citizens		4,271.81	
		<u>421,228.19</u>	
Plus: Deductions Allowed by Tax Collector:			
Senior Citizens		\$ 8,000.00	
Veterans		1,500.00	
		<u>9,500.00</u>	
	A-2b,10	<u>430,728.19</u>	
2009 Deductions Allowed by Tax Collector:			
Senior Citizens	A-2b,10	<u>2,250.00</u>	
			<u>432,978.19</u>
			498,698.66
Decreased by:			
Deductions Disallowed by Tax Collector - 2009 Taxes			
Collections	A-1	13,500.00	
	A-5	423,642.83	
		<u>437,142.83</u>	
Balance December 31, 2010	A		<u><u>\$ 61,555.83</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

TAX TITLE LIENS

A-11

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 87,540.43
Increased by:			
Transfer from Taxes Receivable	A-10	\$ 13,990.15	
Interest and Costs on Tax Sale of June 17, 2010	Reserve	<u>1,006.53</u>	
			<u>14,996.68</u>
			<u>102,537.11</u>
Decreased by:			
Collections	A-2b,5		<u>2,040.35</u>
Balance December 31, 2010	A		<u><u>\$ 100,496.76</u></u>

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

A-12

	<u>Ref.</u>		
Balance December 31, 2009	A		<u>\$1,428,800.00</u>
Balance December 31, 2010	A		<u><u>\$1,428,800.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

OTHER LIENS RECEIVABLE

A-13

	<u>Ref.</u>	<u>Property Maintenance</u>
Balance December 31, 2009	A	\$192,506.95
Increased by:		
2010 Liens	Reserve	<u>1,400.00</u>
Balance December 31, 2010	A	<u>\$193,906.95</u>

Analysis of Balance

	<u>Block</u>	<u>Lot</u>	
	715	15	\$191,926.95
	309	18	250.00
	514	7	450.00
	525	3	350.00
	554	23	<u>930.00</u>
			<u>\$193,906.95</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE

A-14
Sheet #1

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>2010</u> <u>Accruals</u>	<u>Collections</u>		<u>Balance</u> <u>Dec. 31, 2010</u>
				<u>2009</u>	<u>2010</u>	
<u>Budget Revenue</u>						
Clerk:						
ABC Licenses	A-2a	\$ 88,470.00	\$ 88,470.00	\$	88,470.00	\$
Bingo and Raffle Licenses	A-2c	7,830.00	7,830.00		7,830.00	
Other Business Licenses	A-2c	69,057.50	69,057.50	66,060.00	2,997.50	
Construction Code Official:						
Fees and Permits	A-2a	1,898,715.50	1,898,715.50		1,898,715.50	
Engineer:						
Fees and Permits	A-2d	11,852.43	11,852.43		11,852.43	
Collector:						
Tax Searches	A-2d	440.00	440.00		440.00	
Health Officer:						
Licenses	A-2c	83,340.00	83,340.00		83,340.00	
Police Department:						
Fees and Permits	A-2d	10,884.40	10,884.40		10,884.40	
Registrar of Vital Statistics:						
Licenses	A-2c	798.00	798.00		798.00	
Fees and Permits	A-2d	38,500.00	38,500.00		38,500.00	
Magistrate:						
Fines and Costs	A-2a	53,108.97	821,166.86		816,952.75	57,323.08
Housing Department:						
Fees and Permits	A-2d	181,380.00	181,380.00		181,380.00	
Zoning Board:						
Fees and Permits	A-2d	39,808.06	39,808.06		39,808.06	
Board of Adjustments:						
Fees and Permits	A-2d	16,720.38	16,720.38		16,720.38	
Planning Board:						
Fees and Permits	A-2d	13,250.00	13,250.00		13,250.00	
Fire Prevention:						
Fees and Permits	A-2d	203,633.00	203,633.00		203,633.00	
Recreation Department:						
Fees and Permits	A-2d	337,234.50	337,234.50		337,234.50	
Purchasing Department:						
Fees and Permits	A-2d	13,350.00	13,350.00		13,350.00	
Mayor's Office:						
Fees and Permits	A-2d	1,760.00	1,760.00		1,760.00	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE

A-14
Sheet #2

	Ref.	Balance Dec. 31, 2009	2010 Accruals	Collections		Balance Dec. 31, 2010
				2009	2010	
Budget Revenue						
Public Works Department:						
Fees and Permits	A-2d	\$	\$ 38,280.00	\$	\$ 38,280.00	\$
Treasurer:						
Fees and Permits	A-2d		76,996.75		76,996.75	
Payment in Lieu of Taxes - New Jersey Housing						
Finance Agency - Senior Citizen Apartment	A-2a	591.00	145,184.35		144,491.00	1,284.35
Garbage and Trash Removal Fees	A-2a	190,260.94	1,499,930.29	15,737.06	1,674,454.17	
Special Police Services	A-2a		5,533.25		5,533.25	
Community Center Revenue - Concession Rents	A-2a		150,930.00	12,000.00	138,930.00	
State of New Jersey:						
Consolidated Municipal Property Tax Relief Aid	A-2a		838,323.00		838,323.00	
Energy Receipts Tax	A-2a		3,656,700.00		3,656,700.00	
Uniform Fire Safety Code (Ch. 383, P.L. 1985)	A-2a		137,352.61		137,352.61	
Hotel Occupancy Fee	A-2a		1,701,432.43		1,701,432.43	
Other:						
Interest on Investments and Deposits	A-2a		111,674.79		111,674.79	
Ambulance Service Billing	A-2a		476,146.73		476,146.73	
Cablevision Franchise Fee	A 2a	217,161.06	236,640.79		217,161.06	236,640.79
Rescue and Recovery Contribution for Capital	A-2a		9,000.00		9,000.00	
Health Insurance Offset	A-2a		235,960.85		235,960.85	
Concert Donations	A-2a		8,000.00		8,000.00	
		<u>461,121.97</u>	<u>13,166,276.47</u>	<u>93,797.06</u>	<u>13,238,353.16</u>	<u>295,248.22</u>
Miscellaneous Revenue Not Anticipated						
Lease Rentals		12,827.66	679,305.26	26,562.54	652,408.60	13,161.78
Payment in Lieu of Taxes:						
Association of Retarded Citizens	A-2e	<u>12,827.66</u>	<u>812.75</u>	<u>26,562.54</u>	<u>812.75</u>	<u>13,161.78</u>
		<u>\$ 473,949.63</u>	<u>\$ 13,846,394.48</u>	<u>\$ 120,359.60</u>	<u>\$ 13,891,574.51</u>	<u>\$ 308,410.00</u>

Reference

A

Reserve

A-27

Sheet #3

A

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE

A-14
Sheet #3

	<u>Ref.</u>	<u>Collections</u> <u>2010</u>
Collections	A-5	\$13,802,736.46
Accrued Interest:		
Investment Account	A-7	59,208.46
Interfunds Receivable	A-15	<u>29,629.59</u>
	Sheet #2	<u><u>\$13,891,574.51</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-15

INTERFUNDS RECEIVABLE

Ref.	Total Current Fund	Current Fund				Payroll Fund	State and Federal Grant Fund Current Fund
		General Trust Fund	General Capital Fund	Public Assistance Trust Fund			
	\$ 20,000.00	\$ 20,000.00	\$	\$	\$	\$	
A-2a	\$ 20,000.00	\$ 20,000.00	\$	\$	\$	\$	
A-2a	154,000.00		154,000.00				
A-2a	17,000.00		17,000.00				
A-2a	417,998.00		417,998.00				
A-14	29,629.59	12,842.96	15,789.35	17.82	979.46		1,292.99
A-16	638,627.59	32,842.96	604,787.35	17.82	979.46		1,292.99
A-4	638,624.89	32,842.96	604,787.35	15.12	979.46		1,292.99
A	\$ 2.70	\$ -	\$ -	\$ 2.70	\$ -	\$ -	\$ -

Increased by:

Uniform Fire Penalties Anticipated as
Current Fund Revenue
General Capital Fund Balance Anticipated
as Current Fund Revenue
Reserve for Developers Contribution
Anticipated as Current Fund Revenue
Reserve for Debt Service Anticipated as
Current Fund Revenue
Interest on Investments and Deposits
Grants Receivable Cancelled

Decreased by:

Settlements

Balance December 31, 2010

Ref.

Analysis of Interfund Charge to Fund Balance

Originated in 2010
Realized in 2010

Net Charge to Operations

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATE AND FEDERAL GRANTS RECEIVABLE

A-16
Sheet #1

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>2010</u> <u>Grants</u>	<u>Decrease</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Public Health Priority Funding	\$	\$ 8,656.00	\$ 8,656.00	\$	\$
Drunk Driving Enforcement Fund		12,407.66	12,407.66		
Clean Communities Act		86,296.52	86,296.52		
Body Armor Grant		3,063.88	3,063.88		
Pedestrian Safety Education and Enforcement Grant:					
Fiscal Year 2007	30.81			30.81	
Fiscal Year 2010		31,600.00	22,500.00		9,100.00
Over the Limit, Under Arrest 2009 Year-End Statewide Crackdown	5,000.00		5,000.00		
Over the Limit, Under Arrest:					
Fiscal Year 2010		5,000.00			5,000.00
Click It or Ticket		4,000.00	4,000.00		
Hang Up Just Drive		4,000.00	4,000.00		
Recycling Tonnage Grant		62,600.38	62,600.38		
Juvenile Accountability Incentive Block Grant (JAIBG):					
Fiscal Year 2004	102.99			102.99	
Fiscal Year 2009	12.22				12.22
Fiscal Year 2010		3,120.00	3,120.00		
PARIS Grant:					
Fiscal Year 2006	1,190.00			1,190.00	
Emergency Management Assistance		5,000.00	5,000.00		
Municipal Alliance:					
2009	23,991.97		23,991.97		
2010		28,901.00			28,901.00
N.J. Highlands Water Protection and Planning Council:					
Initial Assessment Grant		5,224.46	5,224.46		
2010 State Health Services Grant:					
Influenza A - H1N1 Virus	84,890.00		81,315.00		3,575.00
Green Communities Grant:					
2010		3,000.00	2,894.33		105.67

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATE AND FEDERAL GRANTS RECEIVABLE

A-16
Sheet #2

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>2010</u> <u>Grants</u>	<u>Decrease</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Justice Assistance Grant (JAG): 2009	\$ 201,116.00	\$	\$	\$	\$ 201,116.00
U.S. Department of Energy: EE Conservation Block Grant Program: 2009	20,000.00		20,000.00		
ARRA - Energy Efficiency and Conservation Block Grant: 2010		523,800.00	256,000.00		267,800.00
Municipal Storm Water Regulation Program: 2010		10,310.00	10,310.00		
County of Morris: Historic Preservation Trust Fund: Bowsby-Degelleke House: 2008	69,357.00		69,357.00		
Other Grants: N.J. Board of Public Utilities : Local Governmental Energy Audit Program: 2009	27,216.75		27,216.75		
2010		9,072.25	9,072.25		
	<u>\$ 432,907.74</u>	<u>\$ 806,052.15</u>	<u>\$ 722,026.20</u>	<u>\$ 1,323.80</u>	<u>\$ 515,609.89</u>

Reference

A

A-2a

Below

Below

A

Ref.

Collections	A-5	\$ 616,883.70	\$	
Interfunds Receivable	A-15			1,292.99
Appropriated Reserves for State and Federal Grants	A-28			30.81
Unappropriated Reserves Applied	A-29	105,142.50		
	Above	<u>\$ 722,026.20</u>	<u>\$ 1,323.80</u>	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

APPROPRIATION RESERVES

A-17
Sheet #1

	Balance Dec. 31, 2009		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
APPROPRIATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages		\$ 16,417.75	\$ 16,417.75	\$ 8,785.03	\$ 7,632.72
Other Expenses	632.72	10,718.03	11,350.75	710.15	10,640.60
Township Council:					
Salaries and Wages		1.16	1.16		1.16
Other Expenses		10,511.94	10,511.94	6,764.24	3,747.70
Municipal Clerk:					
Salaries and Wages		34,350.55	34,350.55	2,205.02	32,145.53
Other Expenses	3,626.03	14,170.83	17,796.86	3,838.73	13,958.13
Treasury:					
Salaries and Wages		3,424.48	3,424.48	1,767.11	1,657.37
Other Expenses	1,039.62	2,633.07	3,672.69	1,835.88	1,836.81
Audit		18,920.50	21,420.50	18,920.50	2,500.00
Tax Collection:					
Salaries and Wages		2,086.24	2,086.24	2,086.24	
Other Expenses	1,130.00	17,563.37	18,693.37	1,130.00	17,563.37
Tax Assessing:					
Salaries and Wages		3,695.06	3,695.06	3,695.06	
Other Expenses	1,376.52		11,376.52	3,739.55	7,636.97
Department of Law:					
Other Expenses	4,803.00	125,130.01	129,933.01	45,520.07	84,412.94
Division of Engineering:					
Salaries and Wages		37,321.19	37,321.19	24,186.36	13,134.83
Other Expenses	5,336.71	6,135.49	11,472.20	7,690.01	3,782.19
LAND USE ADMINISTRATION					
Department of Planning:					
Salaries and Wages		596.12	596.12	596.12	
Other Expenses	16,647.64	7,367.21	24,014.85	16,303.46	7,711.39
Board of Adjustment:					
Salaries and Wages		729.16	729.16	729.16	
Other Expenses	450.00	13,300.00	13,750.00	3,609.43	10,140.57

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-17
Sheet #2

APPROPRIATION RESERVES

	Balance Dec. 31, 2009	Encumbered	Unencumbered	Balance After Transfers	Paid or Charged	Balance Lapsed
APPROPRIATIONS WITHIN "CAPS"						
CODE ENFORCEMENT AND ADMINISTRATION						
Housing and Zoning Code Enforcement:						
Salaries and Wages	\$ 1,009.50	\$ 14,651.61	\$ 11,076.20	\$ 14,651.61	\$ 6,059.66	\$ 8,591.95
Other Expenses				12,085.70	4,798.69	7,287.01
INSURANCE						
Liability Insurance		49,326.11		49,326.11		49,326.11
Workers' Compensation	129,816.51	174,391.31	274,468.08	174,391.31	174,391.31	270,444.63
Employee Health and Group Life				404,284.59	133,839.96	
PUBLIC SAFETY						
Police Department:						
Salaries and Wages	66,948.31	156,263.13	80,313.56	156,263.13	118,069.59	38,193.54
Other Expenses				147,261.87	124,010.86	23,251.01
Office of Emergency Management:						
Salaries and Wages	5,513.42	1,850.04	3,060.25	1,850.04	5,121.22	1,850.04
Other Expenses	17,000.00			8,573.67	17,000.00	3,452.45
Aid to First Aid Organizations				17,000.00		
Fire Prevention Bureau:						
Salaries and Wages	2,447.00	9,798.01	471.31	9,798.01	4,718.46	5,079.55
Other Expenses				2,918.31	2,918.31	
Municipal Court:						
Salaries and Wages	1,022.21	28,938.75	4,829.66	28,938.75	5,457.03	23,481.72
Other Expenses				5,851.87	2,996.96	2,854.91
Public Defender:						
Other Expenses		5,100.00		5,100.00		5,100.00
Prosecutor:						
Other Expenses	9,504.00	4,265.00		13,769.00	11,421.00	2,348.00
PUBLIC WORKS						
Street and Road Maintenance:						
Salaries and Wages	59,697.38	94,562.58	2,934.38	94,562.58	94,562.15	0.43
Other Expenses				112,631.76	107,950.52	4,681.24

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-17
Sheet #3

APPROPRIATION RESERVES

	Balance Dec. 31, 2009		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
<u>APPROPRIATIONS WITHIN "CAPS"</u>					
<u>PUBLIC WORKS</u>					
Garbage and Trash Removal:					
Salaries and Wages	\$ 10,678.62	\$ 108,462.44	\$ 108,462.44	\$ 57,814.26	\$ 50,648.18
Other Expenses		82,601.78	93,280.40	90,752.12	2,528.28
Buildings and Grounds:					
Salaries and Wages		57,512.52	57,512.52	22,794.23	34,718.29
Other Expenses	34,585.91	25,699.78	60,285.69	48,793.71	11,491.98
Vehicle Maintenance:					
Other Expenses	122,434.18	64,959.69	187,393.87	163,527.07	23,866.80
Condominium Cost		260,000.00	260,000.00	258,805.66	1,194.34
<u>HEALTH AND HUMAN SERVICES</u>					
Public Health Services:					
Salaries and Wages	6,565.03	27,630.35	27,630.35	14,516.24	13,114.11
Other Expenses		18,501.34	25,066.37	15,285.10	9,781.27
Senior Citizen Center:					
Salaries and Wages		2,922.11	2,922.11	2,250.82	671.29
Other Expenses	4,632.42	1,943.93	6,576.35	4,996.16	1,580.19
<u>PARKS AND RECREATION</u>					
Recreation Services:					
Salaries and Wages		24,028.59	24,028.59	19,424.90	4,603.69
Other Expenses	8,279.67	295.65	8,575.32	8,328.76	246.56
Maintenance of Parks:					
Salaries and Wages		91,693.51	91,693.51	44,318.84	47,374.67
Other Expenses	47,332.98	87,028.85	134,361.83	121,919.32	12,442.51
<u>OTHER COMMON OPERATING FUNCTIONS</u>					
Celebration of Public Events		6,814.73	6,814.73		6,814.73
<u>UTILITY EXPENSES</u>					
Electricity	40,164.00	31,096.17	71,260.17	58,376.88	12,883.29
Street Lighting	14,053.18	151,555.53	165,608.71	64,209.10	101,399.61

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-17
Sheet #4

APPROPRIATION RESERVES

	Balance Dec. 31, 2009		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
<u>APPROPRIATIONS WITHIN "CAPS"</u>					
<u>UTILITY EXPENSES</u>					
Telephone	\$ 14,769.94	\$ 13,015.43	\$ 27,785.37	\$ 18,776.97	\$ 9,008.40
Gas (Natural or Propane)	9,850.34	55,421.13	65,271.47	23,031.16	42,240.31
Gasoline	30,662.36	132,417.67	100,580.03	48,241.10	52,338.93
<u>SOLID WASTE DISPOSAL COSTS</u>	115,706.61	171,519.74	287,226.35	245,730.88	41,495.47
<u>UNIFORM CONSTRUCTION CODE</u>					
Department of Buildings and Inspections:					
Salaries and Wages	13,376.81	58,103.42	58,103.42	15,398.49	42,704.93
Other Expenses		92,666.19	106,043.00	46,698.88	59,344.12
<u>UNCLASSIFIED</u>					
Salary Adjustments		20,000.00	20,000.00		20,000.00
<u>CONTINGENT</u>					
		18,000.00	18,000.00		18,000.00
<u>STATUTORY EXPENDITURES</u>					
Contribution to:					
Social Security System (OASI)		55,001.41	55,001.41	41,674.35	13,327.06
Public Employees' Retirement System		55.00	55.00		55.00
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>					
<u>OTHER OPERATIONS</u>					
Ch. 541 P.L. 1985:					
Maintenance of Free Public Library	56,150.00	0.08	60,000.00	56,150.00	3,850.00
Contribution to LOSAP					
	\$ 857,242.62	\$ 2,904,169.18	\$ 3,761,411.80	\$ 2,459,242.84	\$ 1,302,168.96

Reference

A-1

A-4

A

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

ACCOUNTS PAYABLE

A-18

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 335,000.00
Increased by:			
Commitments:			
Budget Appropriations	A-3	\$ 24,720.99	
Collections	A-4	<u>48,673.82</u>	
			<u>73,394.81</u>
			408,394.81
Decreased by:			
Payments	A-4		<u>383,673.82</u>
Balance December 31, 2010	A		<u><u>\$ 24,720.99</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

DUE TO STATE OF NEW JERSEY

A-19

<u>Ref.</u>	<u>Total</u>	<u>Construction Training Fees</u>	<u>Marriage License Fees</u>	<u>Domestic Partnership License Fees</u>	<u>Civil Union License Fees</u>	<u>Burial Permits</u>
Balance December 31, 2009	A \$ 18,765.00	\$ 17,285.00	\$ 1,425.00	\$ 25.00	\$	\$ 30.00
Increased by:						
Collections	A-5 106,208.00	99,483.00	6,550.00	25.00	100.00	75.00
	<u>124,973.00</u>	<u>116,768.00</u>	<u>7,975.00</u>	<u>25.00</u>	<u>100.00</u>	<u>105.00</u>
Decreased by:						
Payments	A-4 108,130.00	101,760.00	6,150.00	25.00	100.00	95.00
Balance December 31, 2010	A \$ 16,843.00	<u>\$ 15,008.00</u>	<u>\$ 1,825.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

TAX OVERPAYMENTS

A-20

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 296,924.14
Increased by:			
Collections	A-5		<u>274,104.49</u>
			571,028.63
Decreased by:			
Cancelled	A-1	\$113,822.26	
Refunds	A-4	86,621.81	
Applied to Taxes Receivable	A-2b,10	<u>151,504.62</u>	
			<u>351,948.69</u>
Balance December 31, 2010	A		<u>\$ 219,079.94</u>

RESERVE FOR TAX APPEALS

A-21

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 272,357.13
Increased by:			
Reserve Established	A-1		<u>400,000.00</u>
Balance December 31, 2010	A		<u>\$ 672,357.13</u>

TOWNSHIP OF PARIPPANY-TROY HILLS
CURRENT FUND

INTERFUNDS PAYABLE

A-22

Ref.	Total Current Fund	State and Federal Grant Fund	Animal Control Trust Fund	General Trust Fund	Current Fund			Payroll Fund
					General Capital Fund	Water Operating Fund	Sewer Operating Fund	
A	\$ 760,641.83	\$	\$ 25,788.34	\$ 261,166.76	\$	\$ 87,887.13	\$ 385,194.42	\$ 605.18
Increased by:								
A-1	1,292.99	1,292.99						
A-1,2b,10	1,485,771.60		170,000.00	1,485,771.60	138.00			382.30
A-3	170,138.00							
A-4	382.30							
	<u>1,657,584.89</u>	<u>1,292.99</u>	<u>170,000.00</u>	<u>1,485,771.60</u>	<u>138.00</u>			<u>382.30</u>
	2,418,226.72	1,292.99	195,788.34	1,746,938.36	138.00	87,887.13	385,194.42	987.48
Decreased by:								
A-4	2,014,802.56	1,292.99	143,820.01	1,438,779.88		57,525.44	373,384.24	
A	\$ 403,424.16	\$ -	\$ 51,968.33	\$ 308,158.48	\$ 138.00	\$ 30,361.69	\$ 11,810.18	\$ 987.48

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

SPECIAL DISTRICT TAXES

A-23

	<u>Ref.</u>			
Increased by:				
2010 Levy:				
Fire District Taxes	A-10		\$2,777,410.96	
2010 Added Assessments		\$4,079.18		
2009 Added Assessments		<u>143.25</u>		
	A-10		<u>4,222.43</u>	
	A-1,2b			\$2,781,633.39
Decreased by:				
Cancelled	A-1		28,550.39	
Payments	A-4		<u>2,753,083.00</u>	
				<u>2,781,633.39</u>
				<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COUNTY TAXES

A-24

	<u>Ref.</u>		
Balance December 31, 2009	A		\$ 144,019.46
Increased by:			
2010 Levy:			
General County		\$ 19,729,106.54	
Open Space Preservation		2,157,285.04	
	A-10	<u>21,886,391.58</u>	
2010 Added Assessments		\$ 37,754.48	
2009 Added Assessments		<u>1,051.28</u>	
	A-10	<u>38,805.76</u>	
	A-1,2b		<u>21,925,197.34</u>
			<u>22,069,216.80</u>
Decreased by:			
Payments	A-4		<u>22,030,411.04</u>
Balance December 31, 2010	A		<u>\$ 38,805.76</u>

LOCAL SCHOOL DISTRICT TAXES

A-25

	<u>Ref.</u>		
Increased by:			
Levy - Calendar Year	A-1,2b,10		\$ 115,992,802.00
Decreased by:			
Payments	A-4		<u>115,992,802.00</u>
			<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

PREPAID TAXES

A-26

	<u>Ref.</u>	
Balance December 31, 2009	A	\$1,459,958.44
Increased by:		
Collections	A-5	<u>1,413,162.47</u>
		2,873,120.91
Decreased by:		
Applied to Taxes Receivable	A-2b,10	<u>1,459,958.44</u>
Balance December 31, 2010	A	<u><u>\$1,413,162.47</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

PREPAID REVENUE

A-27

	<u>Ref.</u>	
Balance December 31, 2009	A	\$ 120,359.60
Increased by:		
Collections	A-5	110,818.83
		<u>231,178.43</u>
Decreased by:		
Applied to Revenue	A-14	120,359.60
		<u>120,359.60</u>
Balance December 31, 2010	A	<u>\$ 110,818.83</u>

Analysis of Prepaid Revenue

Licenses - Clerk:		
Amusement and Game Licenses		\$ 3,900.00
Motel Licenses		53,700.00
Sales Licenses		100.00
Taxi and Limousine Licenses		2,475.00
Truck Terminal Licenses		100.00
Entertainment Licenses		3,000.00
Community Center Revenue:		
Lease Rentals		12,360.00
Garbage and Trash Removal Fees		16,161.96
Miscellaneous Revenue Not Anticipated:		
Lease Rentals		19,021.87
		<u>19,021.87</u>
		<u>\$ 110,818.83</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS

A-28
Sheet #1

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>2010</u> <u>Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Public Health Priority Funding:					
Fiscal Year 2010	\$	\$ 8,656.00	\$ 8,656.00	\$	\$
Drunk Driving Enforcement Fund:					
Fiscal Year 2008	4,642.79		1,000.00		3,642.79
Fiscal Year 2010		12,407.66	3,900.00		8,507.66
Clean Communities Act:					
Fiscal Year 2007	1,000.00		1,000.00		
Fiscal Year 2008	1,000.00		1,000.00		
Fiscal Year 2009	7,580.30		7,580.30		
Fiscal Year 2010		86,296.52	62,206.47		24,090.05
Hazardous Discharge Site Remediation Grant - 1996	3,940.00				3,940.00
Tobacco Age-of-Sale Enforcement (TASE) Grant:					
Fiscal Year 2005	1,408.70				1,408.70
Fiscal Year 2007	3,720.00				3,720.00
Fiscal Year 2008	2,280.00				2,280.00
Fiscal Year 2009	2,280.00				2,280.00
Body Armor Fund:					
Fiscal Year 2007	393.07		393.07		
Fiscal Year 2008	4,044.71		4,044.71		
Fiscal Year 2009	10,351.23		7,753.57		2,597.66
Fiscal Year 2010		3,063.88			3,063.88
Aggressive Driving Enforcement Grant:					
Fiscal Year 2007	700.00		700.00		
Pedestrian Safety Education and Enforcement Grant:					
Fiscal Year 2007	30.81			30.81	
Fiscal Year 2010		31,600.00	22,500.00		9,100.00
Over the Limit, Under Arrest 2009 Year End Statewide Crackdown	3,250.00		3,250.00		
Over the Limit, Under Arrest:					
Fiscal Year 2010		5,000.00	1,500.00		3,500.00
Click It or Ticket		4,000.00	4,000.00		
Hang Up Just Drive:					
Fiscal Year 2010		4,000.00			4,000.00
Recycling Tonnage Grant:					
Fiscal Year 2005	1,108.00				1,108.00
Fiscal Year 2006	288.00				288.00
Fiscal Year 2007	3,180.62		3,180.62		
Fiscal Year 2008	29,267.90		29,267.90		
Fiscal Year 2009	51,625.98		38,866.86		12,759.12
Fiscal Year 2010		62,600.38			62,600.38
Enhanced 911 Grant:					
Fiscal Year 2006	2,279.00				2,279.00
State of NJ Emergency Management Assistance:					
2008	5,000.00		5,000.00		
2010		5,000.00			5,000.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS

A-28
Sheet #2

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>2010</u> <u>Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Municipal Alliance:					
2009	\$ 9,288.53	\$	\$ 9,288.53	\$	\$
2010		36,151.00	10,679.95		25,471.05
Alcohol Education, Rehabilitation and Enforcement Fund:					
2009	1,724.29		1,010.00		714.29
Local Law Enforcement Block Grant:					
Fiscal Year 2004	253.87				253.87
Juvenile Accountability Incentive Block Grant (JAIBG):					
Leadership Program:					
Fiscal Year 2009	1,790.00		1,789.24		0.76
Fiscal Year 2010		3,120.00	426.02		2,693.98
N.J. Highlands Water Protection and Planning Council:					
Initial Assessment Grant:					
2009	15,000.00				15,000.00
2010		5,224.46			5,224.46
Think Safety Pedestrian Safety Mobilization Grant:					
2009	5,400.00		5,400.00		
2010 State Health Services Grant Influenza A - H1N1 Virus	109,963.62		106,388.66		3,574.96
Green Communities Grant:					
2010		3,000.00	2,800.00		200.00
Justice Assistance Grant (JAG):					
2009	201,116.00		198,077.03		3,038.97
U.S. Department of Energy:					
EE Conservation Block Grant Program:					
2009	20,000.00		20,000.00		
ARRA - Energy Efficiency and Conservation Block Grant:					
2010		523,800.00	204,788.00		319,012.00
Municipal Storm Water Regulation Program:					
2010		10,310.00			10,310.00
County of Morris:					
Open Space Trust Fund:					
Fiscal Year 2005	202.45		202.45		
Historic Preservation Trust Fund - Bowlsby-Degelleke House:					
Fiscal Year 2005	2,836.86		2,836.86		
Fiscal Year 2008	20,441.77		20,441.77		
Other Grants:					
Donation for Civil Defense - Radiation Detection	1,401.62				1,401.62

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS

A-28
Sheet #3

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>2010</u> <u>Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Other Grants:					
N.J. Board of Public Utilities:					
Local Governmental Energy Audit					
Program:					
2009	\$ 27,216.75	\$	\$ 27,216.75	\$	\$
2010		9,072.25	9,072.25		
	<u>556,006.87</u>	<u>813,302.15</u>	<u>826,217.01</u>	<u>30.81</u>	<u>543,061.20</u>
<u>Reference</u>	<u>A</u>	<u>Below</u>	<u>A-4</u>	<u>A-16</u>	<u>A</u>
		<u>Ref.</u>			
2010 Budget Appropriation:					
2010 Grants	A-3	\$ 806,052.15			
Local Share	A-3,4	<u>7,250.00</u>			
	Above	<u>\$ 813,302.15</u>			

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

ACCUMULATED REVENUE - UNAPPROPRIATED

A-29

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Increase</u>	<u>Decrease</u> <u>Anticipated as</u> <u>Current Fund</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Regular Fund:				
Litigation Settlement:				
Sharkey's Landfill Cleanup	\$ 752,438.87	\$	\$ 752,438.87	\$
Garden State Trust	916.04		916.04	
Watershed Moratorium Offset Aid	55,178.00	55,178.00	55,178.00	55,178.00
	<u>808,532.91</u>	<u>55,178.00</u>	<u>808,532.91</u>	<u>55,178.00</u>
State and Federal Grant Fund:				
Recycling Tonnage Grant	62,600.38		62,600.38	
Drunk Driving Enforcement Fund	12,407.66	9,103.08	12,407.66	9,103.08
Hang Up and Just Drive	4,000.00		4,000.00	
Pedestrian Safety Mobilization Grant	10,600.00		10,600.00	
N.J. Highlands Water Protection and Planning Council:				
Initial Assessment Grant	5,224.46		5,224.46	
Regional Master Plan		65,924.33		65,924.33
Body Armor Grant		8,542.39		8,542.39
Transportation Trust Fund:				
Union Hill Road		185,898.94		185,898.94
Municipal Storm Water Regulation Program	10,310.00		10,310.00	
County of Morris:				
Historic Preservation Trust Fund - Bowsby-Degelleke House		16,000.00		16,000.00
	<u>105,142.50</u>	<u>285,468.74</u>	<u>105,142.50</u>	<u>285,468.74</u>
	<u>\$ 913,675.41</u>	<u>\$ 340,646.74</u>	<u>\$ 913,675.41</u>	<u>\$ 340,646.74</u>

Reference

A

Below

A-2a.16

A

Ref.

Collections:

Regular Fund

A-5

\$ 55,178.00

State and Federal Grant Fund

A-5

285,468.74

Above

\$ 340,646.74

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

B-1

CASH RECEIPTS AND DISBURSEMENTS

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>	<u>Grant Trust Fund</u>
Balance December 31, 2009	B	\$	\$ 10,724,264.26	\$
Increased by Receipts:				
Investment Account Withdrawals	B-4	\$	\$ 369,443.42	
Federal Grants Receivable	B-7			\$ 266,818.13
Due from Municipal Court	B-8	3,630.00	20,078.00	
Other Accounts Receivable	B-9		406,413.50	
Interfunds Receivable	B-10	143,820.01	1,438,779.88	
Prepaid Licenses	B-11	9,218.40		
Due to State of New Jersey	B-12	4,140.60		
Special Deposits	B-13		1,067,842.36	
Premiums on Tax Sale	B-14		153,300.00	
Security Deposits	B-15	75.00		
Municipal Open Space Preservation Trust Fund	B-16		14,589.15	
Interfunds Payable	B-17		10,821.82	
Reserve for Contributions	B-19	2,284.00		
Dog License Fees	B-20	18,488.00		
Miscellaneous Revenue	B-20	16,690.00		
Reserve for Unemployment Insurance Trust Fund Expenditures:				
Township Contributions	B-21		174,820.00	
Payroll Deductions	B-21		147,456.15	
Reserve for Grant Trust Fund Expenditures	B-22		3,810.00	
		<u>198,346.01</u>	<u>3,803,544.28</u>	<u>270,628.13</u>
		198,346.01	14,527,808.54	270,628.13
Decreased by Disbursements:				
Disbursements Per Schedule	B-2		3,054,046.91	270,628.13
Balance December 31, 2010	B	\$	<u>\$ 11,473,761.63</u>	<u>\$</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

DISBURSEMENTS

B-2

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>	<u>Grant Trust Fund</u>
Investment Account Deposits	B-4	\$	\$ 142,750.28	\$
Due to State of New Jersey	B-12	4,418.40		
Special Deposits	B-13		1,733,716.04	
Premiums on Tax Sale	B-14		149,400.00	
Security Deposits	B-15	75.00	0.74	
Municipal Open Space Preservation Trust Fund	B-16		690,860.76	
Interfunds Payable	B-17		32,842.96	
Reserve for Animal Control Trust Fund Expenditures	B-20	193,852.61		
Reserve for Unemployment Insurance Trust Fund Expenditures	B-21		304,476.13	
Reserve for Grant Trust Fund Expenditures	B-22			<u>270,628.13</u>
	B-1	<u>\$198,346.01</u>	<u>\$3,054,046.91</u>	<u>\$270,628.13</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

CASH RECONCILIATIONS
DECEMBER 31, 2010

B-3

	<u>General Trust Fund</u>	<u>Grant Trust Fund</u>
Balance per Certifications:		
The Provident Bank, Parsippany, New Jersey: #9812100783	\$ 4,026,107.69	\$
Valley National Bank: Parsippany, New Jersey: #41321480	3,971,828.47	
#41321472	3,239,971.19	
#41347188	118,594.28	
#41347196	427,661.75	
#41347153		11,202.55
	<u>11,784,163.38</u>	<u>11,202.55</u>
Plus: Deposit-in-Transit	240.00	
	<u>11,784,403.38</u>	<u>11,202.55</u>
Less: Outstanding Checks Due to Bank	310,641.75	11,195.00
	<u>310,641.75</u>	<u>7.55</u>
	<u>\$11,473,761.63</u>	<u>\$ -</u>
<u>Reference</u>	<u>B-1</u>	<u>B-1</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

CASH
INVESTMENT ACCOUNT

B-4

<u>Ref.</u>	<u>Total</u>	<u>General Trust Fund</u>	<u>Forfeited</u>
		<u>Trust</u> <u>Accounts</u>	<u>Security</u> <u>Deposits</u>
			<u>Assets</u> <u>Account</u>
Balance December 31, 2009	\$ 1,690,831.13	\$ 1,657,722.80	\$ 21,067.82
Increased by:			
Deposits	142,750.28	130,249.87	12,500.41
Accrued Interest:			
Special Deposits	4,250.98	4,170.60	80.38
Security Deposits	32.20		
Interfunds Payable	2,021.14	2,021.14	
	<u>1,839,885.73</u>	<u>1,794,164.41</u>	<u>33,648.61</u>
Decreased by:			
Withdrawals	369,443.42	352,093.78	17,348.90
Balance December 31, 2010	<u>\$ 1,470,442.31</u>	<u>\$ 1,442,070.63</u>	<u>\$ 16,299.71</u>

Bank Reconciliation December 31, 2010

Balance per Statement:	\$
TD Bank,	
Parsippany, New Jersey:	
#0011743	\$ 1,447,447.80
#0011743004	12,071.97
#7200156047	2,021.14
#7200156056	16,299.71
	<u>1,477,840.62</u>
Less: Outstanding Checks	<u>7,398.31</u>
	<u>\$ 1,470,442.31</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

CHANGE FUND

B-5

	<u>Ref.</u>	
Balance December 31, 2009	B	<u>\$ 50.00</u>
Balance December 31, 2010	B	<u>\$ 50.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

ASSETS IN THE HANDS OF PLAN ADMINISTRATOR
WORKERS' COMPENSATION PLAN

B-6

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 19,244.14
Increased by:		
Advances from Township	B-18	<u>912,824.81</u>
		932,068.95
Decreased by:		
Payment of Claims	B-18	<u>883,938.47</u>
Balance December 31, 2010	B	<u><u>\$ 48,130.48</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

B-7
Sheet #1

FEDERAL GRANTS RECEIVABLE

	Balance Dec. 31, 2009	Increase	Decrease	Transfers		Balance Dec. 31, 2010
				From	To	
Housing and Community Development Block Grant						
Housing Rehabilitation:						
2008	\$ 25,460.10	\$	\$ 25,460.10	\$	\$	\$ 49,387.16
2009	71,302.00		71,914.84		50,000.00	110,960.00
2010		110,960.00				
Program Administration:						
2009	11,134.47		11,134.47			9,270.89
2010		40,000.00	30,729.11			
Removal of Handicapped Accessible Barriers for Municipally-Owned Facilities:						
Phase VI	1,217.56					1,217.56
Installation of Sidewalks on Littleton Road:						
2005	50,000.00			50,000.00		
Littleton Schoolhouse Historic Preservation:						
Phase V - 2004	4,749.50					4,749.50
Baldwin Museum Rehabilitation:						
Phase V - 2009	15,000.00		15,000.00			
Senior Center Improvements:						
2009	15,538.02		15,538.02			
Sidewalk Improvements:						
2009	50,263.00		50,241.59			21.41
Vehicle Purchases for Seniors and Handicapped:						
2009	35,000.00		35,000.00			
Curbing, Drainage and Paving Improvements on Ronald Road, Ridgewood Avenue and Oak Lane:						
2010		105,000.00				105,000.00
ADA Accessible Improvements to Various Township Facilities:						
2010		25,000.00				25,000.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

B-7
Sheet #2

FEDERAL GRANTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>Transfers</u> <u>From</u> <u>To</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
	\$	\$ 25,000.00	\$ 11,800.00	\$	\$ 13,200.00
	<u>\$279,664.65</u>	<u>\$305,960.00</u>	<u>\$266,818.13</u>	<u>\$50,000.00</u>	<u>\$318,806.52</u>
<u>Reference</u>	<u>B</u>	<u>B-22</u>	<u>B-1</u>	<u>Contra</u> <u>Contra</u>	<u>B</u>

Housing and Community
Development Block Grant
Littleton Schoolhouse on Route 202
Restoration and Rehabilitation:
2010

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

DUE FROM MUNICIPAL COURT

B-8

	<u>Ref.</u>	Animal Control Trust Fund	General Trust Fund
Balance December 31, 2009	B	<u>\$ 75.00</u>	<u>\$ 1,877.50</u>
Increased by:			
Parking Offenses Adjudication Act	B-13		560.00
Public Defender Fees	B-13		18,230.00
Municipal Court Fines	B-20	3,755.00	
		<u>3,755.00</u>	<u>18,790.00</u>
		3,830.00	20,667.50
Decreased by:			
Collections	B-1	<u>3,630.00</u>	<u>20,078.00</u>
Balance December 31, 2010	B	<u><u>\$ 200.00</u></u>	<u><u>\$ 589.50</u></u>

OTHER ACCOUNTS RECEIVABLE

B-9

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 21,160.00
Increased by:		
2010 Accruals	B-13	502,573.50
		<u>523,733.50</u>
Decreased by:		
Collections	B-1	<u>406,413.50</u>
Balance December 31, 2010	B	<u><u>\$ 117,320.00</u></u>
<u>Analysis of Balance</u>		
<u>Outside Employment of Off-Duty</u> <u>Police Officers</u>		<u><u>\$ 117,320.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

INTERFUNDS RECEIVABLE

B-10

	<u>Ref.</u>	<u>Animal Control Trust Fund Current Fund</u>	<u>General Trust Fund Current Fund</u>
Balance December 31, 2009	B	<u>\$ 25,788.34</u>	<u>\$ 261,166.76</u>
Increased by:			
Open Space Tax	B-16		1,485,771.60
Municipal Budget Appropriations	B-20	<u>170,000.00</u>	<u>1,485,771.60</u>
		195,788.34	1,746,938.36
Decreased by:			
Settlements	B-1	<u>143,820.01</u>	<u>1,438,779.88</u>
Balance December 31, 2010	B	<u>\$ 51,968.33</u>	<u>\$ 308,158.48</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

PREPAID LICENSES

B-11

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>
Balance December 31, 2009	B	\$ 7,541.60
Increased by:		
Dog License Fees:		
Collections	B-1	<u>9,218.40</u>
		16,760.00
Decreased by:		
Applied to Revenue:		
Dog License Fees	B-20	<u>7,541.60</u>
Balance December 31, 2010	B	<u>\$ 9,218.40</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

DUE TO STATE OF NEW JERSEY

B-12

	Ref.	Dog License Fees			
		Total	2011	2010	2009
Balance December 31, 2009	B	\$ 1,252.20	\$	\$ 1,244.40	\$ 7.80
Increased by:					
Registration Fees		2,578.00	668.00	1,910.00	
Pilot Clinic Fund		515.60	133.60	382.00	
Animal Population Control Fund		1,047.00	168.00	879.00	
	B-1	4,140.60	969.60	3,171.00	
		5,392.80	969.60	4,415.40	7.80
Decreased by:					
Payments	B-2	4,418.40		4,410.60	7.80
Balance December 31, 2010	B	\$ 974.40	\$ 969.60	\$ 4.80	\$ -

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

SPECIAL DEPOSITS

B-13

	Balance <u>Dec. 31, 2009</u>	Increase	Decrease	Balance <u>Dec. 31, 2010</u>
Developers' Deposits	\$ 1,940,557.83	\$ 152,421.49	\$ 410,272.46	\$ 1,682,706.86
Road Opening Deposits	156,410.00	46,800.00	64,870.00	138,340.00
Dedicated Fire Penalty	9,957.50	19,752.50	6,450.00	23,260.00
Parking Offenses Adjudication Act of 1985	2,503.45	560.00		3,063.45
Public Defender Fees	14,246.00	18,230.00	16,250.00	16,226.00
Planning and Zoning	238,121.55	221,085.00	197,625.28	261,581.27
Uniform Fire Safety	26,775.88	29,545.50	41,982.50	14,338.88
Forfeited Assets - Law Enforcement	21,067.82	12,580.79	17,348.90	16,299.71
Outside Employment of Police	11,126.75	502,573.50	490,410.00	23,290.25
Mandatory Developers' Fees	4,163,273.02	86,329.99	191.25	4,249,411.76
Mandatory Developers' Fees - Commercial	951,403.40	43,916.15	150,048.14	845,271.41
Federal Forfeiture Fund	1.85	166,433.45	65,614.04	100,821.26
Redemption of Liens		292,453.47	292,453.47	
Municipal Alliance Committee - Program Income	329.10	775.00	200.00	904.10
	<u>\$ 7,535,774.15</u>	<u>\$ 1,593,456.84</u>	<u>\$ 1,753,716.04</u>	<u>\$ 7,375,514.95</u>

Reference

B

Below

Below

B

Ref.

Collections	B-1	\$ 1,067,842.36	\$	
Cash Disbursed	B-2		1,733,716.04	
Investment Account:				
Accrued Interest	B-4	4,250.98		
Due from Municipal Court	B-8	18,790.00		
Other Accounts Receivable	B-9	502,573.50		
Interfunds Payable	B-17		20,000.00	
	Above	<u>\$ 1,593,456.84</u>	<u>\$ 1,753,716.04</u>	

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

PREMIUMS ON TAX SALE

B-14
Sheet #1

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance December 31, 2009	B	\$ 360,700.00
Increased by:		
Collections	B-1	153,300.00
		514,000.00
Decreased by:		
Payments	B-2	149,400.00
Balance December 31, 2010	B	\$ 364,600.00

Analysis of Balance

<u>Certificate Number</u>	<u>Date</u>	<u>Purchasers</u>	<u>Amount</u>
5439	6-29-06	Crusader	\$ 600.00
5445	6-29-06	Mastelone	11,600.00
5476	6-14-07	Phoenix	9,500.00
5486	6-14-07	Moradi	1,100.00
5492	10-16-08	Wycoff, Barbara J	8,000.00
5493	10-16-08	Aldred, Randall and Phyllis	2,000.00
5505	10-16-08	Graf, Philip and Susan	14,000.00
5509	10-16-08	Centi, Glenn	10,500.00
5514	10-16-08	Vigilante, James	66,000.00
5517	10-16-08	Reich, Jack P./Colleen A.	11,000.00
5526	6-18-09	Royal Tax	10,100.00
5528	6-18-09	Park Finance	11,100.00
5530	6-18-09	Plymouth Park	1,700.00
5533	6-18-09	Plymouth Park	13,500.00
5537	6-18-09	Royal Tax	13,000.00
5539	6-18-09	Park Finance	7,900.00
5541	6-18-09	Royal Tax Lien	8,900.00
5543	6-18-09	Plymouth Park	3,500.00
5544	6-18-09	Royal Tax Lien	3,600.00
5549	6-18-09	Plymouth Park	22,500.00
5550	6-18-09	Royal Tax	29,100.00
5551	6-17-10	Robert Rothman	17,900.00
5552	6-17-10	Tower Lien LLC	3,600.00
5553	6-17-10	Tower Lien LLC	300.00
5555	6-17-10	Tower Lien LLC	17,900.00
5560	6-17-10	Royal Tax Lien	6,000.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

PREMIUMS ON TAX SALE

B-14
Sheet #2

Analysis of Balance

<u>Certificate Number</u>	<u>Date</u>	<u>Purchasers</u>	<u>Amount</u>
5561	6-17-10	Tower Lien LLC	\$ 4,100.00
5563	6-17-10	Peter and Pamela Pennela	100.00
5564	6-17-10	Royal Tax Lien	18,000.00
5566	6-17-10	Royal Tax Lien	7,100.00
5568	6-17-10	Tower Lien LLC	1,200.00
5569	6-17-10	Jonathan Katz	3,600.00
5571	6-17-10	Jonathan Katz	2,700.00
5572	6-17-10	Jonathan Katz	6,400.00
5576	6-17-10	Royal Tax Lien	10,000.00
5578	6-17-10	Jonathan Katz	6,500.00
			<hr/>
			<u>\$ 364,600.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

SECURITY DEPOSITS

B-15

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>
Balance December 31, 2009	B	<u>\$ 225.00</u>	<u>\$ 12,040.51</u>
Increased by:			
Deposits	B-1	75.00	
Accrued Interest	B-4		32.20
		<u>75.00</u>	<u>32.20</u>
		300.00	12,072.71
Decreased by:			
Refunds	B-2	<u>75.00</u>	<u>0.74</u>
Balance December 31, 2010	B	<u><u>\$ 225.00</u></u>	<u><u>\$ 12,071.97</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND

B-16

	<u>Ref.</u>		
Balance December 31, 2009	B		\$ 4,686,554.68
Increased by:			
Interest on Investments	B-1	\$ 14,589.15	
Municipal Open Space Tax	B-10	<u>1,485,771.60</u>	
			<u>1,500,360.75</u>
			6,186,915.43
Decreased by:			
Loan Repayment:			
Principal		118,135.43	
Interest		16,458.96	
Other Expenditures		<u>556,266.37</u>	
	B-2		<u>690,860.76</u>
Balance December 31, 2010	B		<u>\$ 5,496,054.67</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

INTERFUNDS PAYABLE

B-17

General
Trust Fund
Current
Fund

Ref.

Increased by:

Interest on Investments:

 Checking Account

B-1

\$ 10,821.82

 Investment Account

B-4

2,021.14

Uniform Fire Penalties Anticipated as
Revenue in Current Fund Budget

B-13

20,000.00

32,842.96

Decreased by:

Settlements

B-2

32,842.96

\$ -

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

RESERVE FOR WORKERS' COMPENSATION

B-18

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 19,244.14
Increased by:		
Advances from Township	B-6	<u>912,824.81</u>
		932,068.95
Decreased by:		
Payment of Claims	B-6	<u>883,938.47</u>
Balance December 31, 2010	B	<u>\$ 48,130.48</u>

RESERVE FOR CONTRIBUTIONS

B-19

	<u>Ref.</u>	
Balance December 31, 2009	B	\$ 7,241.92
Increased by:		
Collections	B-1	<u>2,284.00</u>
Balance December 31, 2010	B	<u>\$ 9,525.92</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

B-20

	<u>Ref.</u>		
Balance December 31, 2009	B		\$ 9,652.62
Increased by:			
Dog License Fees:			
Collections	B-1	\$ 18,488.00	
Prepaid Licenses Applied	B-11	<u>7,541.60</u>	
		26,029.60	
Budget Appropriations	B-10	170,000.00	
Miscellaneous Revenue:			
Impounding Fees		\$ 7,932.00	
Animal Adoption Fees		5,335.00	
Late Fees		2,065.00	
Dog Park		1,300.00	
Replacement Fees		48.00	
Miscellaneous		<u>10.00</u>	
	B-1	16,690.00	
Municipal Court Fines	B-8	<u>3,755.00</u>	
		<u>20,445.00</u>	
			<u>216,474.60</u>
			226,127.22
Decreased by:			
Expenditures Under R.S. 4:19-15.11:			
Cash Disbursed	B-2		<u>193,852.61</u>
Balance December 31, 2010	B		<u>\$ 32,274.61</u>

License Fees Collected

<u>Year</u>	<u>Number of Licenses</u>	
2009	2,657	\$ 23,381.60
2008	2,571	<u>22,624.80</u>
Maximum Reserve		<u>\$ 46,006.40</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

RESERVE FOR UNEMPLOYMENT INSURANCE TRUST FUND EXPENDITURES

B-21

	<u>Ref.</u>		
Balance December 31, 2009	B		\$104,230.31
Increased by:			
Township Contributions	B-1	\$174,820.00	
Payroll Deductions:			
Collections	B-1	<u>147,456.15</u>	
			<u>322,276.15</u>
			426,506.46
Decreased by:			
Payment of Claims and Payroll			
Deductions	B-2		<u>304,476.13</u>
Balance December 31, 2010	B		<u><u>\$122,030.33</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

B-22
Sheet #1

RESERVE FOR GRANT TRUST FUND EXPENDITURES

	Balance	Transfers		Balance
	Dec. 31, 2009	Increase	From	Dec. 31, 2010
		Decrease	To	
Housing and Community Development Block Grant				
Housing Rehabilitation:				
2008	\$ 25,460.10	\$ 25,460.10		\$ 49,387.16
2009	71,302.00	71,914.84		110,960.00
2010		110,960.00		
Program Administration:				
2009	11,134.47	11,134.47		9,270.89
2010		40,000.00		
Removal of Handicapped Accessible Barriers for Municipally-Owned Facilities:				
Phase VI - 2005	1,217.56			1,217.56
Installation of Sidewalks on Littleton Road:				
2005	50,000.00		50,000.00	
Littleton Schoolhouse Historic Preservation:				
Phase V - 2004	4,749.50			4,749.50
Baldwin Museum Rehabilitation:				
Phase V - 2009	15,000.00	15,000.00		
Senior Center Improvements:				
2009	15,538.02	15,538.02		21.41
Sidewalk Improvements:				
2009	50,263.00	50,241.59		
Vehicle Purchases for Seniors and Handicapped:				
2009	35,000.00	35,000.00		
Curbing, Drainage and Paving Improvements on Ronald Road, Ridgewood Avenue and Oak Lane:				
2010		105,000.00		105,000.00
ADA Accessible Improvements to Various Township Facilities:				
2010		25,000.00		25,000.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

B-22
Sheet #2

RESERVE FOR GRANT TRUST FUND EXPENDITURES

	<u>Balance</u> Dec. 31, 2009	<u>Increase</u>	<u>Decrease</u>	<u>Transfers</u>	<u>Balance</u> Dec. 31, 2010
				<u>From</u> <u>To</u>	
Housing and Community Development Block Grant	\$ 279,664.65	\$ 25,000.00	\$ 11,800.00		\$ 13,200.00
Littleton Schoolhouse on Route 202 Restoration and Rehabilitation:		305,960.00	266,818.13	\$ 50,000.00	318,806.52
2010					
<u>Housing Rehabilitation Program</u>					
Reimbursements for Housing Rehabilitation:					
2008		1,200.00	1,200.00		
2009		2,610.00	2,610.00		
		3,810.00	3,810.00		
	<u>\$279,664.65</u>	<u>\$309,770.00</u>	<u>\$270,628.13</u>	<u>\$50,000.00</u>	<u>\$318,806.52</u>
<u>Reference</u>	<u>B</u>	<u>Below</u>	<u>B-2</u>	<u>Contra</u>	<u>B</u>
<u>Ref.</u>					
Reimbursements for Housing Rehabilitation		\$ 3,810.00			
Federal Grants Receivable		305,960.00			
	Above	<u>\$309,770.00</u>			

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
TREASURER

C-2

	<u>Ref.</u>		
Balance December 31, 2009	C		\$ 5,724,845.44
Increased by Receipts:			
Premium on Sale of Bonds	C-1	\$ 35,283.70	
Grants Receivable	C-4	570,295.00	
Capital Improvement Fund	C-9	286,225.00	
Interfunds Payable	C-11	15,789.35	
Serial Bonds	C-18	<u>15,750,000.00</u>	
			<u>16,657,593.05</u>
			<u>22,382,438.49</u>
Decreased by Disbursements:			
Improvement Authorizations	C-8	6,100,150.19	
Interfunds Payable	C-11	604,787.35	
Bond Anticipation Notes	C-15	<u>9,570,000.00</u>	
			<u>16,274,937.54</u>
Balance December 31, 2010	C		<u>\$ 6,107,500.95</u>
<u>Bank Reconciliation December 31, 2010</u>			
Balance per Statement:			
Valley National Bank, Parsippany, New Jersey: #41321464			\$ 6,107,936.23
Less: Outstanding Checks			<u>435.28</u>
			<u>\$ 6,107,500.95</u>

TOWNSHIP OF PARIPPANY-TROY HILLS
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH

C-3
Sheet #1

	Balance		Receipts		Disbursements		Transfers		Balance Dec. 31, 2010
	Dec. 31, 2009		Serial Bonds	Other	Improvement Authorizations	Bond Anticipation Notes	From	To	
Improvement Authorizations									
General Improvements:									
#94-27d	\$ 64,732.12								\$ 64,732.12
#96-34b	149,301.07								149,301.07
#99-24c	138,276.85								138,276.85
#99-24h	341.74				341.74				9,919.05
#01-16a,02-09	10,231.21				312.15				333.40
#02-11,03-29,05-02	990.00				656.60				186,095.56
#02-23d	192,390.58				6,295.00				2,204.09
#03-14c	2,204.09								1,375.00
#03-14f	1,375.00								30,000.00
#04-23b	30,000.00								6,180.00
#04-23c	6,180.00								158,340.50
#04-23f	158,340.50				57,548.45			105.00	100,897.05
#04-23g	(33.00)							33.00	
#04-23h	37,560.56				4,242.00	22,500.00			10,818.56
#05-07c	868.07								868.07
#05-07d	952.00				952.00				
#05-07f	(29,220.30)		865,000.00		171,413.25	435,000.00			229,366.45
#06-08b	20,283.90								20,283.90
#06-08c	129,079.59				93,947.14				35,132.45
#06-08e	37,847.99				100,000.00				37,847.99
#06-08f	150,000.00				453,072.89				50,000.00
#06-08g	280,097.86		715,000.00		857.00				542,025.19
#06-08i	857.00								
#07-18a	24,836.00		528,425.00		24,836.00	528,425.00			3,278.38
#07-18b	3,278.38		33,000.00			33,000.00			20,284.60
#07-18c	161,519.32		308,750.00		141,234.72	308,750.00			
#07-18d			34,700.00			34,700.00			
#07-18f	1,167,400.83		1,872,700.00		617,353.30	1,872,700.00			550,047.53
#07-18g	52,808.75		40,000.00		18,882.00	95,000.00			(21,073.25)
#08-13a	240.60		696,065.00		240.60	696,065.00			
#08-13b			88,445.00			88,445.00			
#08-13c	9,500.00		200,000.00		139,605.22				69,894.78
#08-13d	492.00		85,015.00		492.00	85,015.00			
#08-13e	72,397.68		133,000.00		13,756.73	133,000.00			58,640.95

TOWNSHIP OF PARSEPPANY-TROY HILLS
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH

C-3
Sheet #2

	Balance		Receipts		Disbursements			Transfers		Balance Dec. 31, 2010
	Dec. 31, 2009		Serial Bonds	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
Improvement Authorizations										
General Improvements:										
#08-13f	\$ 510,547.29		\$ 3,301,250.00	\$	\$ 629,143.71	\$ 2,000,000.00	\$	\$	\$	\$ 1,162,653.58
#08-13g	7,500.00									7,500.00
#08-13h	1,410.00				4,212.50	38,000.00				(2,802.50)
#08-13i	3,000.00		38,000.00							3,000.00
#08-13j	358,970.97		348,650.00		148,076.00	348,650.00				210,894.97
#09-24a	39,951.94		465,500.00			465,500.00				39,951.94
#09-24b					598.04					6,901.96
#09-24c	3,000.00									3,000.00
#09-24d	1,216,845.90		3,038,000.00		445,489.33	2,238,000.00				1,571,356.57
#09-24e	155,000.00		147,250.00	125,000.00	341,312.89	147,250.00				(61,312.89)
#09-24f	15,000.00									15,000.00
#09-24g	11,250.00									11,250.00
#09-24h			1,325,000.00		1,321,619.00					3,381.00
#10-12			511,100.00		342,685.03				26,900.00	195,314.97
#10-13a			139,175.00						7,325.00	146,500.00
#10-13b									10,000.00	10,000.00
#10-13c									179,500.00	(5,500.10)
#10-13d			835,975.00		1,020,975.10				62,500.00	62,500.00
#10-13e										
Other Accounts										
Fund Balance	154,310.27							154,000.00		35,593.97
Capital Improvement Fund	5,357.00		35,283.70					286,225.00		5,357.00
Grants Receivable			286,225.00					445,295.00		
Deposit for Regional Contribution			445,295.00							
Agreement	261,420.19							417,998.00	445,295.00	261,420.19
Reserve for Debt Service	1,998.79									29,296.79
Reserve for Developer Contributions -										
Road Improvement	96,652.68							17,000.00		79,652.68
Current Fund Interfund				15,789.35			604,787.35	138.00	588,996.00	(138.00)
	\$ 5,724,845.44		\$ 15,750,000.00	\$ 907,593.05	\$ 6,100,150.19	\$ 9,570,000.00	\$ 604,787.35	\$ 1,320,656.00	\$ 1,320,656.00	\$ 6,107,500.95

Reference

C

C-18

Sheet #3

C-8

C-15

C-11

Contra

Contra

C

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH

C-3
Sheet #3

	<u>Ref.</u>	<u>Receipts</u> <u>Other</u>
Fund Balance	C-1	\$ 35,283.70
Grants Receivable	C-4	570,295.00
Capital Improvement Fund	C-9	286,225.00
Interfunds Payable	C-11	<u>15,789.35</u>
	Sheet #2	<u>\$907,593.05</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

GRANTS RECEIVABLE

C-4

<u>Ordinance _Number_</u>	<u>Purpose</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Grants</u>	<u>Collections</u>	<u>Balance Dec. 31, 2010</u>
09-24f	<u>Community Development Block Grant</u> Knoll Road Resurfacing Project	\$ 125,000.00	\$	\$ 125,000.00	\$
	<u>State Grants</u>				
09-24f 10-13d	New Jersey Transportation Trust Fund: Knoll Road Resurfacing Project Park Road Improvement Project	195,000.00	250,000.00		195,000.00 250,000.00
01-16 02-09	Department of Environmental Protection: Green Acres Program: Acquisition and Development of the Brookwood Swim Club Property		445,295.00	445,295.00	
	<u>Reference</u>	<u>\$ 320,000.00</u>	<u>\$ 695,295.00</u>	<u>\$ 570,295.00</u>	<u>\$ 445,000.00</u>
		<u>C</u>	<u>Below</u>	<u>C-2</u>	<u>C</u>
	<u>Ref.</u>				
	Improvement Authorizations		\$ 250,000.00		
	Reserve for Grants Receivable		445,295.00		
			<u>\$ 695,295.00</u>		

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

INTERFUNDS RECEIVABLE

C-5

	<u>Ref.</u>	<u>Current Fund</u>
Increased by:		
Budget Appropriation:		
Unfunded Improvement Costs	C-7	<u>\$ 138.00</u>
Balance December 31, 2010	C	<u><u>\$ 138.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION
FUNDED

C-6

	<u>Ref.</u>		
Balance December 31, 2009	C		\$ 55,230,145.16
Increased by:			
Serial Bonds Issued	C-7		15,750,000.00
			<u>70,980,145.16</u>
Decreased by:			
Redemptions:			
Green Acres Loan	C-16	\$ 118,135.43	
Refunding Bonds	C-17	2,589,809.86	
Serial Bonds	C-18	3,695,000.00	
Serial Bonds Defeased	C-18	<u>413,000.00</u>	
			<u>6,815,945.29</u>
Balance December 31, 2010	C		<u>\$ 64,164,199.87</u>

TOWNSHIP OF PARSHIPPANY-TROY HILLS
GENERAL CAPITAL FUND

C-7
Sheet #1

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Date	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Funded by Budget Appropriation	Transferred to Deferred Taxation - Funded	Analysis of Balance	
							Balance Dec. 31, 2010	Unexpended Improvement Authorizations
91-27	5-14-91	Regional Contribution Agreement - City of Newark	\$ 453,643.69	\$	\$	\$	\$ 453,643.69	\$ 453,643.69
01-16 02-09	5-22-01 4-09-02	Multi-Purpose: a. Acquisition and Development of the Brookwood Swim Club Property	567,750.00				567,750.00	567,750.00
04-23	7-20-04	Multi-Purpose: f. Various Road Improvements g. Acquisition of Various Equipment h. Manor Lake Dam Replacement	105.00 33.00 22,500.00		106.00 33.00			
05-07	5-10-05	Multi-Purpose: f. Various Road Improvements	865,000.00			865,000.00		
06-08 07-53	5-23-06 11-28-07	Multi-Purpose: g. Various Road Improvements	755,000.00			715,000.00	40,000.00	40,000.00
07-18	7-24-07	Multi-Purpose: a. Acquisition of Vehicles b. Various Park Improvements c. Sidewalk and Curb Construction d. Acquisition of a Wireless Radio System f. Various Road Improvements g. Design of the Rainbow Lakes Dam Project	528,425.00 33,000.00 308,750.00 34,700.00 1,872,700.00 95,000.00			528,425.00 33,000.00 308,750.00 34,700.00 1,872,700.00 40,000.00		33,926.75
08-13	5-13-08	Multi-Purpose: a. Acquisition of Vehicles b. Acquisition of Various Equipment c. Sidewalk and Curb Construction d. Police Communication Equipment e. Traffic Signal Design and Upgrades	696,065.00 88,445.00 237,500.00 85,015.00 133,000.00			696,065.00 88,445.00 209,000.00 85,015.00 133,000.00		37,500.00

TOWNSHIP OF PARIPPANY-TROY HILLS
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-7
Sheet #2

Ordinance Number	Date	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Funded by Budget Appropriation	Transferred to Deferred Taxation - Funded	Balance Dec. 31, 2010	Analysis of Balance Dec. 31, 2010	
								Expenditures	Unexpended Improvement Authorizations
08-13	5-13-08	Multi-Purpose: f. Various Road Improvements g. Remove and Replace Rainbow Lakes Dams h. Rockaway River Dredging i. Installation of a Lawn Sprinkler System j. Acquisition of a Storage Shed	\$ 3,301,250.00 142,500.00 166,250.00 38,000.00 57,000.00	\$	\$	\$ 3,301,250.00 38,000.00	\$ 142,500.00 166,250.00 57,000.00	\$	\$ 142,500.00 163,447.50 57,000.00
09-24	6-16-08	Multi-Purpose: a. Acquisition of Vehicles b. Acquisition of Various Equipment c. Sidewalk and Curb Construction d. Traffic Signal Design and Upgrades e. Various Road Improvements f. Knoll Road Resurfacing g. Replacement of Manor Lake Dam h. Rockaway River Dredging and Troy Brook Dredging	348,650.00 465,500.00 190,000.00 57,000.00 3,515,000.00 147,250.00 285,000.00 213,750.00			348,650.00 465,500.00 3,038,000.00 147,250.00	190,000.00 57,000.00 477,000.00 285,000.00 213,750.00		190,000.00 57,000.00 477,000.00 285,000.00 213,750.00
10-12	7-20-10	Tax Appeal		1,325,000.00		1,325,000.00			
10-13	7-20-10	Multi-Purpose: a. Acquisition of Vehicles b. Acquisition of Various Equipment c. Sidewalk and Curb Construction d. Various Road Improvements e. Replacement of Manor Lake Dam		511,100.00 139,175.00 190,000.00 3,410,500.00 1,187,500.00		511,100.00 139,175.00 835,975.00	190,000.00 2,574,525.00 1,187,500.00	5,500.10	190,000.00 2,569,024.90 1,187,500.00
			\$ 15,703,781.69	\$ 6,763,275.00	\$ 138.00	\$ 15,750,000.00	\$ 6,716,918.69	\$ 29,375.85	\$ 6,687,542.84

Reference

C-3

C

C-6

C-5

C-6

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

C-8
Sheet #1

IMPROVEMENT AUTHORIZATIONS

Improvement Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2009		2010 Authorizations	Balance Dec. 31, 2010	
				Funded	Unfunded		Funded	Unfunded
Regional Contribution Agreement - City of Newark	91-27	5-14-91	\$ 5,100,000.00	\$	\$ 453,643.69	\$	\$	\$ 453,643.69
Multi-Purpose: d. Storm Drainage Improvements at Various Locations	94-27	8-16-94	410,000.00	64,732.12			64,732.12	
Multi-Purpose: b. Storm Drainage Improvements at Various Locations	96-34	10-29-96	800,000.00	149,301.07			149,301.07	
Multi-Purpose: c. Road Resurfacing	99-24	6-22-99	2,195,350.00	138,276.85			138,276.85	
h. Building Improvements at Various Locations			49,000.00	341.74		341.74		
Multi-Purpose: a. Acquisition and Development of the Brookwood Swim Club Property	01-16	5-22-01	4,500,000.00					567,750.00
	02-09	4-09-02	3,050,000.00	10,231.21		312.15	9,919.06	
Construction of a New Police Building	02-11	4-30-02	6,500,000.00					
	03-29	8-12-03	2,100,000.00					
	05-02	2-22-03	250,000.00	990.00		656.60	333.40	
Multi-Purpose: d. Various Road Improvements	02-23	6-18-02	3,225,875.00	192,390.58		6,295.00	186,095.58	
Multi-Purpose: c. Sidewalk and Curb Construction	03-14	5-13-03	750,000.00	2,204.09				2,204.09
f. Various Road Improvements			2,304,150.00	1,375.00				1,375.00

TOWNSHIP OF PARSEPPANY-TROY HILLS
GENERAL CAPITAL FUND

C-8
Sheet #2

IMPROVEMENT AUTHORIZATIONS

Improvement Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2009		2010 Authorizations	Balance Dec. 31, 2010	
				Funded	Unfunded		Funded	Unfunded
Multi-Purpose:								
b. Various Park Improvements	04-23	7-20-04	\$ 1,080,000.00	\$ 30,000.00	\$	\$	\$ 30,000.00	\$
c. Sidewalk and Curb Construction			340,000.00	6,180.00			6,180.00	
f. Various Road Improvements			2,405,900.00	158,340.50	105.00	57,548.45	100,897.05	
h. Manor Lake Dam Replacement			150,000.00	15,060.56	22,500.00	4,242.00	10,818.56	22,500.00
Multi-Purpose:								
c. Sidewalk and Curb Construction	05-07	5-10-05	250,000.00	868.07			868.07	
d. Upgrade the Police Communications System			300,000.00	952.00		952.00		
f. Various Road Improvements			4,209,829.00		400,779.70	171,413.25	229,366.45	
Multi-Purpose:								
b. Various Park Improvements	06-08	5-23-06	689,000.00	20,283.90			20,283.90	
c. Sidewalk and Curb Construction			350,000.00	129,079.59			35,132.45	
e. Design and Development of Greystone Park			40,000.00	37,847.99		93,947.14	37,847.99	
f. Traffic Signal Design and Upgrades			150,000.00	150,000.00		100,000.00	50,000.00	
g. Various Road Improvements			3,150,000.00	280,097.88	755,000.00	453,072.69	542,025.19	40,000.00
i. Various Miscellaneous Capital Improvements			35,857.00	857.00		857.00		
Multi-Purpose:								
a. Acquisition of Vehicles	07-18	7-24-07	661,500.00		24,836.00			
b. Various Park Improvements			140,000.00	3,278.38			3,278.38	
c. Sidewalk and Curb Construction			325,000.00	161,519.32		141,234.72	20,284.60	
f. Various Road Improvements			3,576,000.00	1,167,400.83		617,353.30	550,047.53	
g. Design of the Rainbow Lakes Dam Project			100,000.00	52,808.75		18,882.00		33,926.75
Multi-Purpose:								
a. Acquisition of Vehicles	08-13	5-13-08	732,700.00		240.60			
c. Sidewalk and Curb Construction			250,000.00	9,500.00		139,605.22	69,894.78	
d. Police Communication Equipment			89,492.00	492.00		492.00		
e. Traffic Signal Design and Upgrades			140,000.00		72,397.68	13,756.73	58,640.95	

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

C-8
Sheet #3

IMPROVEMENT AUTHORIZATIONS

Improvement Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2009		2010 Authorizations	Expended	Balance Dec. 31, 2010	
				Funded	Unfunded			Funded	Unfunded
Multi-Purpose:									
f. Various Road Improvements	08-13	5-13-08	\$ 3,543,233.00	\$ 1,811,797.29	\$ 1,182,653.58	\$ 629,143.71	\$ 7,500.00	\$ 142,500.00	\$ 142,500.00
g. Remove and Replace Rainbow Lakes Dams			150,000.00	142,500.00	7,500.00		7,500.00	163,447.50	163,447.50
h. Rockaway River Dredging			175,000.00	166,250.00	1,410.00	4,212.50		57,000.00	57,000.00
j. Acquisition of a Storage Shed			60,000.00	57,000.00	3,000.00				
Multi-Purpose:									
a. Acquisition of Vehicles	09-24	6-16-09	367,000.00	348,650.00	10,320.97	148,076.00	210,894.97	190,000.00	190,000.00
b. Acquisition of Various Equipment			490,000.00	39,851.94	39,851.94	598.04	6,901.96	57,000.00	57,000.00
c. Sidewalk and Curb Construction			200,000.00	180,000.00	7,500.00		3,000.00	477,000.00	477,000.00
d. Traffic Signal Design and Upgrades			60,000.00	57,000.00	3,000.00		1,571,356.57	133,687.11	133,687.11
e. Various Road Improvements			3,700,000.00	2,493,845.90	2,493,845.90	445,489.33	15,000.00	286,000.00	286,000.00
f. Knoll Road Resurfacing			475,000.00	467,250.00	7,750.00	341,312.89			
g. Replacement of Manor Lake Dam			300,000.00	285,000.00	15,000.00		11,250.00	213,750.00	213,750.00
h. Rockaway River Dredging and Troy Brook Dredging			225,000.00	213,750.00	11,250.00		3,381.00		
Tax Appeal	10-12	7-20-10	1,325,000.00			1,321,619.00			
Multi-Purpose:									
a. Acquisition of Vehicles	10-13	7-20-10	538,000.00	538,000.00	538,000.00	342,665.03	195,314.97	190,000.00	190,000.00
b. Acquisition of Various Equipment			146,500.00	146,500.00	146,500.00		146,500.00	2,819,024.90	2,819,024.90
c. Sidewalk and Curb Construction			200,000.00	200,000.00	200,000.00		10,000.00		
d. Various Road Improvements			3,840,000.00	3,840,000.00	3,840,000.00	1,020,975.10			
e. Replacement of Manor Lake Dam			1,250,000.00	1,250,000.00	1,250,000.00		62,500.00	1,187,500.00	1,187,500.00
Reference			\$ 1,465,641.12	\$ 10,193,247.08	\$ 7,299,500.00	\$ 6,100,150.19	\$ 5,787,008.06	\$ 7,071,229.95	

C-2

Sheet #4

C

Reference

C

C

C

C

C

C

C

C

C

C

C

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-8
Sheet #4

	<u>Ref.</u>	<u>2010</u> <u>Authorizations</u>
Grants Receivable	C-4	\$ 250,000.00
Deferred Charges to Future Taxation - Unfunded	C-7	6,763,275.00
Capital Improvement Fund	C-9	<u>286,225.00</u>
	Sheet #3	<u>\$7,299,500.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND

C-9

	<u>Ref.</u>	
Balance December 31, 2009	C	\$ 5,357.00
Increased by:		
Budget Appropriations	C-2	<u>286,225.00</u>
		291,582.00
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#10-13	C-8	<u>286,225.00</u>
Balance December 31, 2010	C	<u>\$ 5,357.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

DEPOSIT FOR REGIONAL CONTRIBUTION AGREEMENT

C-10

	<u>Ref.</u>	
Balance December 31, 2009	C	<u>\$ 261,420.19</u>
Balance December 31, 2010	C	<u><u>\$ 261,420.19</u></u>

INTERFUNDS PAYABLE

C-11

	<u>Ref.</u>	<u>Current Fund</u>
Increased by:		
General Capital Fund Balance		
Anticipated as Current Fund		
Revenue	C-1	\$ 154,000.00
Interest on Investments and		
Deposits	C-2	15,789.35
Reserve for Debt Service		
Anticipated as Current Fund		
Revenue	C-12	417,998.00
Reserve for Developer Contribution		
Anticipated as Current Fund		
Revenue	C-13	17,000.00
		<u>604,787.35</u>
Decreased by:		
Settlements	C-2	<u>604,787.35</u>
		<u><u>\$ -</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

RESERVE FOR DEBT SERVICE

C-12

	<u>Ref.</u>	
Balance December 31, 2009	C	\$ 1,998.79
Increased by:		
Transferred from Reserve for Grants Receivable	C-14	<u>445,295.00</u> 447,293.79
Decreased by:		
Anticipated as Current Fund Revenue	C-11	<u>417,998.00</u>
Balance December 31, 2010	C	<u>\$ 29,295.79</u>

RESERVE FOR DEVELOPER CONTRIBUTION - ROAD IMPROVEMENT

C-13

	<u>Ref.</u>	
Balance December 31, 2009	C	\$ 96,652.68
Decreased by:		
Anticipated as Current Fund Revenue	C-11	<u>17,000.00</u>
Balance December 31, 2010	C	<u>\$ 79,652.68</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

RESERVE FOR GRANTS RECEIVABLE

C-14

<u>Ordinance Number</u>	<u>Purpose</u>	<u>2010 Grants</u>	<u>Collections</u>
	<u>State Grants</u>		
	Department of Environmental Protection:		
	Green Acres Program:		
01-16	Acquisition and Development of the Brookwood		
02-09	Swim Club Property	<u>\$ 445,295.00</u>	<u>\$ 445,295.00</u>
	<u>Reference</u>	<u>C-4</u>	<u>C-12</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

C-15

BOND ANTICIPATION NOTES

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>
04-23	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00%	\$ 22,500.00	\$ 22,500.00
05-07	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00	435,000.00	435,000.00
07-18	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00	2,872,575.00	2,872,575.00
08-13	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00	3,040,525.00	3,040,525.00
09-24	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00	3,199,400.00	3,199,400.00
						<u>\$ 9,570,000.00</u>	<u>\$ 9,570,000.00</u>

Reference

C

C-2

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

C-16

GREEN ACRES TRUST ACQUISITION LOAN PAYABLE

<u>Description</u>	<u>Ordinance Number</u>	<u>Amount of Original Issue</u>	<u>Maturities of Loan Outstanding Dec. 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2010</u>
			<u>Date</u>	<u>Amount</u>				
Acquisition of Land	91-65	\$ 1,500,000.00	4-12-2011	\$ 41,802.20	2.00%	\$ 565,886.01	\$ 82,366.85	\$ 483,519.16
	92-40		10-12-2011	42,220.22				
	93-35		4-12-2012	42,642.43				
			10-12-2012	43,068.85				
			4-12-2013	43,499.54				
			10-12-2013	43,934.53				
			4-12-2014	44,373.88				
			10-12-2014	44,817.62				
			4-12-2015	45,265.79				
			10-12-2015	45,718.46				
4-12-2016	46,175.64							
Acquisition of Land	93-35	664,482.00	5-19-2011	18,153.00				
			11-19-2011	18,334.53				
			5-19-2012	18,517.87				
			11-19-2012	18,703.05				
			5-19-2013	18,890.08				
			11-19-2013	19,078.98				
			5-19-2014	19,269.77				
			11-19-2014	19,462.47				
			5-19-2015	19,657.10				
			11-19-2015	19,853.67				
			5-19-2016	20,052.20				
			11-19-2016	20,252.73				
			5-19-2017	20,455.26				
					2.00%	286,449.29	35,768.58	250,680.71
						\$ 852,335.30	\$ 118,135.43	\$ 734,199.87

Reference

C

C-6

C

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

C-17

REFUNDING BONDS

	Original Issue		Maturities of Bonds Outstanding Dec. 31, 2010		Interest Rate	Balance Dec. 31, 2009	Increase	Budget Appropriation	Balance Dec. 31, 2010
	Date	Amount	Date	Amount					
Refunding Bonds: Capital Appreciation Bonds	4-01-92	\$ 12,461,000.00				\$ 127,809.86	\$	\$ 127,809.86	\$
Refunding Bonds	6-15-93	21,513,000.00	2-01-2011	\$ 862,000.00	5.00 %	2,459,000.00		1,597,000.00	862,000.00
Refunding Bonds	5-15-09	2,620,000.00	12-01-2011 12-01-2011	75,000.00 815,000.00	2.00 4.00	1,745,000.00		855,000.00	890,000.00
Refunding Bonds	5-04-10	12,092,000.00	10-01-2011 10-01-2012 10-01-2013 10-01-2013 10-01-2014 10-01-2014 10-01-2014 10-01-2014 10-01-2015 10-01-2015 10-01-2016 10-01-2016 10-01-2016 10-01-2017 10-01-2017	1,547,000.00 1,595,000.00 45,000.00 1,615,000.00 110,000.00 1,410,000.00 200,000.00 1,325,000.00 450,000.00 445,000.00 240,000.00 1,160,000.00 70,000.00 1,870,000.00	2.00 3.00 2.00 2.875 2.00 3.00 4.00 3.00 4.00 3.00 3.00 4.00 5.00 3.00 5.00				
								12,092,000.00	12,092,000.00
						\$ 4,331,809.86	\$ 12,092,000.00	\$ 2,589,809.86	\$ 13,834,000.00

Reference

C

C-6

C-18

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

SERIAL BONDS

C-18
Sheet #1

	Original Issue		Maturities of Bonds Outstanding Dec. 31, 2010		Interest Rate	Balance Dec. 31, 2009	Increase	Decrease		Balance Dec. 31, 2010
	Date	Amount	Date	Amount				Budget Appropriation	Bonds Defeased	
General	10-01-02	\$ 22,600,000.00				\$ 14,005,000.00	\$	\$ 1,500,000.00	\$ 12,505,000.00	\$
General	6-01-05	23,251,000.00	7-15-2011	\$ 945,000.00	4.00 %					
			7-15-2012	990,000.00	4.00					
			7-15-2013	1,041,000.00	4.00					
			7-15-2014	1,085,000.00	4.00					
			7-15-2015	1,130,000.00	4.00					
			7-15-2016	1,180,000.00	4.00					
			7-15-2017	1,225,000.00	4.00					
			7-15-2018	1,275,000.00	4.00					
			7-15-2019	1,320,000.00	4.00					
			7-15-2020	1,370,000.00	4.00					
			7-15-2021	1,415,000.00	4.00					
			7-15-2022	1,460,000.00	4.00					
			7-15-2023/24	1,570,000.00	4.00					
			7-15-2025	1,570,000.00	4.125	20,041,000.00		895,000.00		19,146,000.00
General	7-01-08	\$ 17,000,000.00	7-01-2011	1,400,000.00	3.25					
			7-01-2012	1,450,000.00	3.50					
			7-01-2013/14	1,500,000.00	3.50					
			7-01-2015	1,550,000.00	3.75					
			7-01-2016	1,600,000.00	3.75					
			7-01-2017	1,700,000.00	3.75					
			7-01-2018/19	2,000,000.00	4.00	16,000,000.00		1,300,000.00		14,700,000.00
General	10-26-10	14,425,000.00	11-01-2011	625,000.00	2.00					
			11-01-2012/16	1,150,000.00	2.00					
			11-01-2017	1,150,000.00	2.25					
			11-01-2018	1,150,000.00	2.50					
			11-01-2019	1,150,000.00	2.75					
			11-01-2020/23	1,150,000.00	3.00		14,425,000.00			14,425,000.00
Tax Appeal	10-26-10	1,325,000.00	11-01-2011/15	265,000.00	2.00		1,325,000.00			1,325,000.00
						\$ 50,046,000.00	\$ 15,750,000.00	\$ 3,695,000.00	\$ 12,505,000.00	\$ 49,596,000.00
					Reference	C	C-2	C-6	Sheet #2	C

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

SERIAL BONDS

C-18
Sheet #2

	<u>Ref.</u>	<u>Decrease</u> <u>Bonds</u> <u>Defeased</u>
Deferred Charges to Future Taxation - Funded	C-6	\$ 413,000.00
General Capital Bonds Defeased	C-17	<u>12,092,000.00</u>
	Sheet #1	<u><u>\$12,505,000.00</u></u>

TOWNSHIP OF PARSSIPANY-TROY HILLS
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

C-19
Sheet #1

Ordinance _Number_	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Bond Anticipation Notes Redeemed	Funded by Budget Appropriation	Serial Bonds Issued	Balance Dec. 31, 2010
91-27	Regional Contribution Agreement - City of Newark	\$ 453,643.69	\$	\$	\$	\$	\$ 453,643.69
01-16 02-09	Multi-Purpose: a. Acquisition and Development of the Brookwood Swim Club Property	567,750.00					567,750.00
04-23	Multi-Purpose: f. Various Road Improvements g. Acquisition of Various Equipment h. Manor Lake Dam Replacement	105.00 33.00		22,500.00	105.00 33.00		22,500.00
05-07	Multi-Purpose: f. Various Road Improvements	430,000.00		435,000.00		865,000.00	
06-08 07-53	Multi-Purpose: g. Various Road Improvements	755,000.00				715,000.00	40,000.00
07-18	Multi-Purpose: a. Acquisition of Vehicles b. Various Park Improvements c. Sidewalk and Curb Construction d. Acquisition of a Wireless Radio System f. Various Road Improvements g. Design of the Rainbow Lakes Dam Project			528,425.00 33,000.00 308,750.00 34,700.00 1,872,700.00 95,000.00		528,425.00 33,000.00 308,750.00 34,700.00 1,872,700.00 40,000.00	55,000.00
08-13	Multi-Purpose: a. Acquisition of Vehicles b. Acquisition of Various Equipment c. Sidewalk and Curb Construction d. Police Communication Equipment e. Traffic Signal Design and Upgrades f. Various Road Improvements g. Remove and Replace Rainbow Lakes Dams h. Rockaway River Dredging	237,500.00 1,301,250.00 142,500.00 166,250.00		696,065.00 88,445.00 85,015.00 133,000.00 2,000,000.00		696,065.00 88,445.00 200,000.00 85,015.00 133,000.00 3,301,250.00	37,500.00 142,500.00 166,250.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

C-19
Sheet #2

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Bond Anticipation Notes Redeemed	Funded by Budget Appropriation	Serial Bonds Issued	Balance Dec. 31, 2010
08-13	Multi-Purpose: i. Installation of a Lawn Sprinkler System j. Acquisition of a Storage Shed	\$ 57,000.00	\$	\$ 38,000.00	\$	\$ 38,000.00	\$ 57,000.00
09-24	Multi-Purpose: a. Acquisition of Vehicles b. Acquisition of Various Equipment c. Sidewalk and Curb Construction d. Traffic Signal Design and Upgrades e. Various Road Improvements f. Knoll Road Resurfacing g. Replacement of Manor Lake Dam h. Rockaway River Dredging and Troy Brook Dredging	190,000.00 57,000.00 1,277,000.00 285,000.00 213,750.00	348,650.00 465,500.00 2,238,000.00 147,250.00	348,650.00 465,500.00	348,650.00 465,500.00	348,650.00 465,500.00 3,038,000.00 147,250.00	190,000.00 57,000.00 477,000.00 285,000.00 213,750.00
10-12	Tax Appeal		1,325,000.00			1,325,000.00	
10-13	Multi-Purpose: a. Acquisition of Vehicles b. Acquisition of Various Equipment c. Sidewalk and Curb Construction d. Various Road Improvements e. Replacement of Manor Lake Dam		511,100.00 139,175.00 190,000.00 3,410,500.00 1,187,500.00			511,100.00 139,175.00 835,975.00	190,000.00 2,574,525.00 1,187,500.00
		<u>\$ 6,133,781.69</u>	<u>\$ 6,763,275.00</u>	<u>\$ 9,570,000.00</u>	<u>\$ 138.00</u>	<u>\$ 15,750,000.00</u>	<u>\$ 6,716,918.69</u>
	Reference	<u>C</u>	<u>C-7</u>	<u>C-15</u>	<u>C-7</u>	<u>C-18</u>	<u>C</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

D-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance December 31, 2009	D	\$ 857,474.25		\$ 1,396,152.72
Increased by Receipts:				
Premium on Sale of Bonds	D-2	\$		\$ 4,453.55
Interest on Deposits	D-3	11,222.81		
Collector	D-6	7,499,039.78		
Interfunds Receivable	D-8	66,692.12		
Capital Improvement Fund	D-24			13,250.00
Interfunds Payable	D-25			9,166.68
Serial Bonds	D-32			1,988,000.00
Contra Item:				
Petty Cash	Contra	150.00		
		<u>7,577,104.71</u>		<u>2,014,870.23</u>
		8,434,578.96		3,411,022.95
Decreased by Disbursements:				
Budget Appropriations	D-4	5,966,046.05		
Appropriation Reserves	D-16	500,590.08		
Accounts Payable	D-17	30,000.00		
Reserve for Water Master Plan	D-18	85,387.50		
Accrued Interest on Bonds	D-19	326,937.37		
Accrued Interest on Loans	D-20	7,819.90		
Accrued Interest on Notes	D-21	17,110.00		
Water Rent Overpayments	D-22	22,275.03		
Improvement Authorizations	D-23			1,614,617.99
Interfunds Payable	D-25			9,166.68
Bond Anticipation Notes	D-29			855,500.00
Contra Item	Contra	150.00		
		<u>6,956,315.93</u>		<u>2,479,284.67</u>
Balance December 31, 2010	D	<u>\$ 1,478,263.03</u>		<u>\$ 931,738.28</u>
<u>Bank Reconciliation December 31, 2010</u>				
Balance per Statement:				
The Provident Bank,				
Parsippany, New Jersey:				
#9812100395		\$ 1,477,679.33		\$ 932,321.98
#9812100437				
Plus: Deposit-in-Transit		583.70		
		<u>1,478,263.03</u>		<u>932,321.98</u>
Less: Outstanding Checks				583.70
		<u>\$ 1,478,263.03</u>		<u>\$ 931,738.28</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

D-6

	<u>Ref.</u>	
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	D-3	\$ 57,837.52
Consumer Accounts Receivable	D-9	7,385,302.48
Water Rent Overpayments	D-22	<u>55,899.78</u>
		<u>7,499,039.78</u>
Decreased by Disbursements:		
Turnovers to Treasurer	D-5	<u>7,499,039.78</u>
		<u>\$ -</u>

TOWNSHIP OF PARSHIPPANY-TROY HILLS
WATER UTILITY

ANALYSIS OF CAPITAL CASH

D-7

	Receipts		Disbursements			Transfers		Balance Dec. 31, 2010
	Serial Bonds	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
Balance Dec. 31, 2009								
\$ 30,752.29	\$	\$	\$ 25,749.50	\$	\$	\$	\$	5,002.79
34,399.65			34,399.65					920.00
13,623.90			12,703.90					27,058.00
28,168.00			1,110.00					91,342.73
539,011.30	200,000.00		447,968.57	200,000.00				25,603.29
25,714.29			111.00					113,530.64
28,213.00	308,000.00		222,682.36					
(475.00)	47,500.00		47,025.00					
19,290.00	285,000.00		19,290.00	285,000.00				23,248.37
(7,800.00)	57,000.00		25,951.63					221,935.76
411,377.14	940,500.00		759,441.38	370,500.00				144,765.00
	150,000.00		18,485.00				13,250.00	
Other Accounts								
Fund Balance		4,453.55						59,395.27
Capital Improvement Fund		13,250.00					13,250.00	14,498.22
Water Operating Fund Interfund Reserve for Debt Service		9,166.68			9,166.68			204,438.21
	\$ 1,988,000.00	\$ 26,870.23	\$ 1,614,617.99	\$ 855,500.00	\$ 9,166.68	\$ 13,250.00	\$ 13,250.00	\$ 931,738.28
	D	Below	D-23	D-29	D-25	Contra	Contra	D

Reference

Fund Balance	\$ 4,453.55
Capital Improvement Fund	13,250.00
Interfund Payable	9,166.68
Above	\$ 26,870.23

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

INTERFUNDS RECEIVABLE

D-8

		Total Water Operating Fund	Water Operating Fund	
	<u>Ref.</u>	<u>Fund</u>	<u>Current Fund</u>	<u>Water Capital Fund</u>
Balance December 31, 2009	D	\$ 87,887.13	\$ 87,887.13	\$
Increased by:				
Interest on Investments and Deposits	D-3	9,166.68		9,166.68
		97,053.81	87,887.13	9,166.68
Decreased by:				
Settlements	D-5	66,692.12	57,525.44	9,166.68
Balance December 31, 2010	D	\$ 30,361.69	\$ 30,361.69	\$ -

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE

D-9

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 226,781.95
Increased by:		
Adjusted Billings:		
Water Rents	Reserve	<u>7,505,244.93</u>
		7,732,026.88
Decreased by:		
Water Rents:		
Collections	D-3,6	\$ 7,385,302.48
Overpayments Applied	D-22	<u>53,845.54</u>
		<u>7,439,148.02</u>
Balance December 31, 2010	D	<u><u>\$ 292,878.86</u></u>

WATER LIENS RECEIVABLE

D-10

	<u>Ref.</u>	
Balance December 31, 2009	D	<u>\$ 252.57</u>
Balance December 31, 2010	D	<u><u>\$ 252.57</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

INVENTORY - MATERIALS AND SUPPLIES

D-11

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 95,800.00
Increased by:		
Adjustment to Inventory	Reserve	<u>13,400.00</u>
Balance December 31, 2010	D	<u>\$ 109,200.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

DEFERRED CHARGES

D-12

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Budget</u> <u>Appropriation</u>
Deficit in Operations	<u>\$ 7,641.33</u>	<u>\$ 7,641.33</u>
	<u>Reference</u>	<u>D</u>
		<u>D-4</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

DEFERRED CHARGES
N.J.S.A. 40A:4-53(d) SPECIAL EMERGENCY - WATER SUPPLY MASTER PLAN

D-13

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	1/5 of	<u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
5-13-08	Water Supply Master Plan	<u>\$ 125,000.00</u>		<u>\$ 25,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 75,000.00</u>

Reference

D

D-4

D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

FIXED CAPITAL

D-14

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Additions</u> <u>by</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Organization	\$ 1,769.20	\$	\$ 1,769.20
Reservation Land	2,653.66		2,653.66
Other Sources - Supply Land	109.76		109.76
Pumping System Land	54,322.42		54,322.42
Storage Reservoir Land	717.00		717.00
Other Distribution System Land	1,720.00		1,720.00
Miscellaneous Land	1,590.00		1,590.00
Wells	868,299.00		868,299.00
Pumping Station Structures	343,457.98		343,457.98
Electric Pumping Equipment	47,817.03		47,817.03
Diesel Power Pumping Equipment	13,263.45		13,263.45
Transmission Mains	75,935.26		75,935.26
Storage Reservoirs	557,680.19		557,680.19
Distribution Mains	737,619.75		737,619.75
Service Pipes	21,814.48		21,814.48
Meters	267,817.53	300,000.00	567,817.53
Fire Hydrants	116,661.59		116,661.59
General Equipment	616,670.19	355,000.00	971,670.19
Engineering and Superintendence	47,248.53		47,248.53
Legal Expenditures During Construction	8,054.14		8,054.14
Damage During Construction	15,000.00		15,000.00
Interest During Construction	13,971.95		13,971.95
Ditching and Grading Machines	47,482.90		47,482.90
Burroughs Bookkeeping Machine	3,735.67		3,735.67
Grawdall Shovel	30,795.00		30,795.00
Backhoe and Shovel	39,863.00		39,863.00
Office Equipment	16,358.00		16,358.00
Miscellaneous Equipment	316,632.09		316,632.09
Trucks and Automobiles	418,570.65		418,570.65
Vehicles and Equipment	678,000.00		678,000.00
Main Extensions	958,249.07		958,249.07
Communication Equipment	2,089.00	50,000.00	52,089.00
Compressors	5,400.00		5,400.00
Tractor Mower	1,759.00		1,759.00
Phillips Bookkeeping Machine and Related Costs	60,498.45		60,498.45
Improvement of Water Supply and Distribution System	21,411,177.16		21,411,177.16
Meter Reader System	2,526,000.00		2,526,000.00
Issuance Costs - Various	572,645.00		572,645.00
	<u>\$ 30,903,448.10</u>	<u>\$ 705,000.00</u>	<u>\$ 31,608,448.10</u>

Reference

D

D-15

D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

D-15

Improvement Description	Ordinance		Balance Dec. 31, 2009	2010 Authorizations	Costs to Fixed Capital	Balance Dec. 31, 2010
	Number	Date				
Acquisition of Equipment	03-15	5-13-03	\$ 150,000.00	\$	\$	\$ 150,000.00
Acquisition of Equipment	04-24	7-20-04	355,000.00		355,000.00	
Multi-Purpose:	05-08	5-10-05				
a. Improvements to Water System	06-15	6-20-06	1,580,000.00			1,580,000.00
b. Acquisition of a Remote Meter Reading System			80,000.00			80,000.00
Multi-Purpose:	06-09	5-23-06				
a. Improvement to the Farnay Booster Supply Main			600,000.00			600,000.00
d. Well Redevelopment and Miscellaneous Capital Improvements			40,000.00			40,000.00
Multi-Purpose:	07-19	7-24-07				
a. Various Equipment and Structural Improvements			610,000.00			610,000.00
b. Various Major Information Technology and Telecommunications Equipment			50,000.00		50,000.00	
Multi-Purpose:	08-14	5-13-08				
a. Meter Installations			300,000.00		300,000.00	
b. Various Major Information Technology and Telecommunications Equipment			60,000.00			60,000.00
Improvements to Water Utility System	09-25	6-16-09	990,000.00			990,000.00
Improvements to Water Utility System	10-14	7-20-10	265,000.00	265,000.00		265,000.00
			<u>\$ 4,815,000.00</u>	<u>\$ 265,000.00</u>	<u>\$ 705,000.00</u>	<u>\$ 4,375,000.00</u>
		Reference	D	D-23	D-14	D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

D-16

APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>		
Operating:				
Salaries and Wages	\$ 191,696.93	\$ 52,500.92	\$ 52,500.92	\$ 99,000.00
Other Expenses	<u>191,696.93</u>	<u>326,805.94</u>	<u>412,911.78</u>	<u>6,591.09</u>
		<u>379,306.86</u>	<u>465,412.70</u>	<u>105,591.09</u>
Statutory Expenditures:				
Social Security System (OASI)		<u>43,624.65</u>	<u>35,177.38</u>	<u>8,447.27</u>
	<u>\$ 191,696.93</u>	<u>\$ 422,931.51</u>	<u>\$ 500,590.08</u>	<u>\$ 114,038.36</u>
<u>Reference</u>	<u>D</u>	<u>D</u>	<u>D-5</u>	<u>D-1</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

ACCOUNTS PAYABLE

D-17

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 30,000.00
Decreased by:		
Disbursements	D-5	<u>30,000.00</u>
		<u>\$ -</u>

RESERVE FOR WATER MASTER PLAN

D-18

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 113,000.00
Decreased by:		
Disbursements	D-5	<u>85,387.50</u>
Balance December 31, 2010	D	<u>\$ 27,612.50</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

ACCRUED INTEREST ON BONDS

D-19

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 65,604.59
Increased by:		
Budget Appropriations	D-4	324,206.54
		389,811.13
Decreased by:		
Payments	D-5	326,937.37
Balance December 31, 2010	D	\$ 62,873.76

Analysis of Balance

	<u>Principal Outstanding Dec. 31, 2010</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
<u>Serial Bonds</u>						
\$	346,000.00	4.00%	7-15-10	12-31-10	5.5 Months	\$ 6,343.33
	500,000.00	3.50	7-01-10	12-31-10	6 Months	8,750.00
	600,000.00	3.75	7-01-10	12-31-10	6 Months	11,250.00
	400,000.00	4.00	7-01-10	12-31-10	6 Months	8,000.00
	763,000.00	2.00	11-01-10	12-31-10	2 Months	2,360.42
	175,000.00	2.25	11-01-10	12-31-10	2 Months	656.25
	175,000.00	2.50	11-01-10	12-31-10	2 Months	729.17
	175,000.00	2.75	11-01-10	12-31-10	2 Months	802.08
	700,000.00	3.00	11-01-10	12-31-10	2 Months	3,500.00
<u>Refunding Bonds</u>						
\$	127,000.00	5.00	8-01-10	12-31-10	5 Months	2,645.83
	120,000.00	3.50	12-01-10	12-31-10	1 Month	350.00
	245,000.00	4.00	12-01-10	12-31-10	1 Month	816.67
	195,000.00	2.00	12-01-10	12-31-10	1 Month	325.00
	595,000.00	4.00	12-01-10	12-31-10	1 Month	1,983.33
	95,000.00	3.125	12-01-10	12-31-10	1 Month	247.40
	190,000.00	2.875	12-01-10	12-31-10	1 Month	455.21
	190,000.00	4.125	12-01-10	12-31-10	1 Month	653.13
	214,000.00	2.00	10-01-10	12-31-10	3 Months	1,070.00
	615,000.00	3.00	10-01-10	12-31-10	3 Months	4,612.50
	205,000.00	2.875	10-01-10	12-31-10	3 Months	1,473.44
	110,000.00	4.00	10-01-10	12-31-10	3 Months	1,100.00
	380,000.00	5.00	10-01-10	12-31-10	3 Months	4,750.00

\$ 62,873.76 171

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

ACCRUED INTEREST ON LOANS

D-20

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 3,697.92
Increased by:		
Budget Appropriation	D-4	7,590.73
		11,288.65
Decreased by:		
Payments	D-5	7,819.90
		7,819.90
Balance December 31, 2010	D	\$ 3,468.75

Analysis of Balance

Loans Outstanding <u>Dec. 31, 2010</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
\$ 35,000.00	5.50%	8-01-10	12-31-10	5 Months	\$ 802.08
90,000.00	5.00	8-01-10	12-31-10	5 Months	1,875.00
40,000.00	4.75	8-01-10	12-31-10	5 Months	791.67
					\$ 3,468.75

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

ACCRUED INTEREST ON NOTES

D-21

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 2,376.39
Increased by:		
Budget Appropriations	D-4	<u>14,733.61</u>
		17,110.00
Decreased by:		
Payments	D-5	<u>17,110.00</u>
		<u><u>\$ -</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

WATER RENT OVERPAYMENTS

D-22

	<u>Ref.</u>		
Balance December 31, 2009	D		\$ 53,845.54
Increased by:			
Collections	D-6		<u>55,899.78</u>
			109,745.32
Decreased by:			
Applied to Consumer Accounts			
Receivable	D-3,9	\$ 53,845.54	
Refunded	D-5	<u>22,275.03</u>	
			<u>76,120.57</u>
Balance December 31, 2010	D		<u><u>\$ 33,624.75</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

IMPROVEMENT AUTHORIZATIONS

D-23
Sheet #2

	<u>Ref.</u>	2010 <u>Authorizations</u>
Capital Improvement Fund	D-24	\$ 13,250.00
Bonds and Notes Authorized	D-33	<u>251,750.00</u>
but Not Issued	Sheet #1	<u><u>\$ 265,000.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

CAPITAL IMPROVEMENT FUND

D-24

	<u>Ref.</u>	
Balance December 31, 2009	D	\$ 14,498.22
Increased by:		
Budget Appropriations	D-5	<u>13,250.00</u>
		27,748.22
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#10-14	D-23,28	<u>13,250.00</u>
Balance December 31, 2010	D	<u>\$ 14,498.22</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

INTERFUNDS PAYABLE

D-25

Water
Capital
Fund
Water
Operating
Fund

Ref.

Increased by:		
Interest on Deposits	D-5	\$ 9,166.68
Decreased by:		
Settlements	D-5	<u>9,166.68</u>
		<u>\$ -</u>

RESERVE FOR DEBT SERVICE

D-26

Ref.

Balance December 31, 2009	D	<u>\$ 204,438.21</u>
Balance December 31, 2010	D	<u>\$ 204,438.21</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

RESERVE FOR AMORTIZATION

D-27

	<u>Ref.</u>		
Balance December 31, 2009	D		\$ 26,142,878.31
Increased by:			
Transferred from Deferred Reserve for Amortization	D-28	\$ 35,250.00	
N.J. Environmental Infrastructure Trust Loan Paid by Operating Budget	D-30	22,159.21	
Refunding Bonds Paid by Operating Budget	D-31	567,266.15	
Serial Bonds Paid by Operating Budget	D-32	315,000.00	
Serial Bonds Paid from Third Party Escrow Trust Funds	D-32	<u>51,000.00</u>	
			<u>990,675.36</u>
Balance December 31, 2010	D		<u>\$ 27,133,553.67</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

D-28

DEFERRED RESERVE FOR AMORTIZATION

Description	Ordinance		Balance	Increase	To Reserve for Amortization	Balance
	Number	Date	Dec. 31, 2009			Dec. 31, 2010
Acquisition of Equipment	03-15	5-13-03	\$ 31,250.00	\$	\$	\$ 31,250.00
Acquisition of Equipment	04-24	7-20-04	17,750.00		17,750.00	
Multi-Purpose:						
a. Improvements to Water System	05-08	5-10-05	1,050,000.00			1,050,000.00
b. Acquisition of a Remote Meter Reading System	06-15	6-20-06	80,000.00			80,000.00
Multi-Purpose:						
a. Improvement to the Farnay Booster Supply Main	06-09	5-23-06	30,000.00			30,000.00
d. Well Redevelopment and Miscellaneous Capital Improvements			40,000.00			40,000.00
Multi-Purpose:						
a. Various Equipment and Structural Improvements	07-19	7-24-07	30,500.00			30,500.00
b. Various Major Information Technology and Telecommunications Equipment			2,500.00		2,500.00	
Multi-Purpose:						
a. Meter Installations	08-14	5-13-08	15,000.00		15,000.00	
b. Various Major Information Technology and Telecommunications Equipment			3,000.00			3,000.00
Various Improvements to Water Utility System	09-25	6-16-09	49,500.00			49,500.00
Various Improvements to Water Utility System	10-14	7-20-10		13,250.00		13,250.00
			<u>\$ 1,349,500.00</u>	<u>\$ 13,250.00</u>	<u>\$ 35,250.00</u>	<u>\$ 1,327,500.00</u>

Reference

D

D-24

D-27

D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

BOND ANTICIPATION NOTES

D-29

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>
06-09	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00%	\$ 200,000.00	\$ 200,000.00
08-14	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00%	285,000.00	285,000.00
09-25	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00%	370,500.00	370,500.00
						<u>\$ 855,500.00</u>	<u>\$ 855,500.00</u>

Reference

D

D-5

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

D-30

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	Original Issue		Loan Maturities Outstanding Dec. 31, 2010		Interest Rate	Balance Dec. 31, 2009	Decrease	Balance Dec. 31, 2010
	Date	Amount	Date	Amount				
Trust Share	11-01-01	\$ 245,000.00	8-01-11/12	\$ 10,000.00	5.5%			
			8-01-13	15,000.00	5.50			
			8-01-14/19	15,000.00	5.00			
			8-01-20/21	20,000.00	4.75	\$ 175,000.00	\$ 10,000.00	\$ 165,000.00
Fund Share	11-01-01	254,039.00	2-01-11	2,681.47	*			
			8-01-11	9,123.44	*			
			2-01-12	2,504.31	*			
			8-01-12	8,946.28	*			
			2-01-13	2,327.16	*			
			8-01-13	11,990.12	*			
			2-01-14	2,061.43	*			
			8-01-14	11,724.38	*			
			2-01-15	1,819.85	*			
			8-01-15	11,482.81	*			
			2-01-16	1,578.28	*			
			8-01-16	11,241.24	*			
			2-01-17	1,336.70	*			
			8-01-17	10,999.66	*			
			2-01-18	1,095.13	*			
			8-01-18	10,758.09	*			
			2-01-19	853.56	*			
			8-01-19	10,516.51	*			
			2-01-20	611.98	*			
			8-01-20	13,495.93	*			
			2-01-21	305.99	*			
			8-01-21	13,190.11	*	152,803.64	12,159.21	140,644.43
						\$ 327,803.64	\$ 22,159.21	\$ 305,644.43

Reference

D

D-27

D

*Interest Free

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

REFUNDING BONDS

D-31

<u>Purpose</u>	<u>Original Issue</u>		<u>Maturities of Bonds Outstanding Dec. 31, 2010</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Increase</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>					
Water Improvement: Capital Appreciation Bonds	4-01-92	\$ 5,154,000.00				\$ 52,266.15	\$ 52,266.15	\$	
Water Improvements	6-15-93	3,199,000.00	2-01-2011	\$ 127,000.00	5.00 %	362,000.00	235,000.00	127,000.00	
Water Improvements	2-01-03	1,185,000.00	12-01-2011	120,000.00	3.50				
			12-01-2012	120,000.00	4.00				
			12-01-2013	125,000.00	4.00	475,000.00	110,000.00	365,000.00	
Water Improvements	4-28-09	1,630,000.00	12-01-2011	20,000.00	2.00				
			12-01-2011	150,000.00	4.00				
			12-01-2012	175,000.00	2.00				
			12-01-2013	95,000.00	3.125				
			12-01-2013	80,000.00	4.00				
			12-01-2014	180,000.00	4.00				
			12-01-2015	185,000.00	4.00				
			12-01-2016	190,000.00	2.875				
			12-01-2017	190,000.00	4.125	1,435,000.00	170,000.00	1,265,000.00	
Water Improvements	5-04-10	1,524,000.00	10-01-2011	199,000.00	2.00				
			10-01-2012	200,000.00	3.00				
			10-01-2013	5,000.00	2.00				
			10-01-2013	205,000.00	2.875				
			10-01-2014	10,000.00	2.00				
			10-01-2014	180,000.00	3.00				
			10-01-2014	25,000.00	4.00				
			10-01-2015	170,000.00	3.00				
			10-01-2015	55,000.00	4.00				
			10-01-2016	55,000.00	3.00				
			10-01-2016	30,000.00	4.00				
			10-01-2016	150,000.00	5.00				
			10-01-2017	10,000.00	3.00				
			10-01-2017	230,000.00	5.00				
						1,524,000.00		1,524,000.00	
						\$ 2,324,266.15	\$ 567,266.15	\$ 3,281,000.00	

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

D-32

SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2010	Interest Rate	Balance Dec. 31, 2009	Increase	Decrease		Balance Dec. 31, 2010
							Budget Appropriation	Bonds Defeased	
Water Improvements	10-01-02	\$ 2,835,000.00			\$ 1,765,000.00	\$	\$ 190,000.00	\$ 1,575,000.00	\$
Water Improvements	6-01-05	456,000.00	7-15-2011/2012 \$ 30,000.00	4.00 %					
			7-15-2013 31,000.00	4.00					
			7-15-2014/2018 35,000.00	4.00					
			7-15-2019/2020 40,000.00	4.00	371,000.00		25,000.00		346,000.00
Water Improvements	7-01-08	1,700,000.00	7-01-2011/2013 100,000.00	3.50					
			7-01-2014 200,000.00	3.50					
			7-01-2015/2017 200,000.00	3.75					
			7-01-2018/2019 200,000.00	4.00	1,600,000.00		100,000.00		1,500,000.00
Water Improvements	10-26-10	1,988,000.00	11-01-2011/2012 90,000.00	2.00					
			11-01-2013 100,000.00	2.00					
			11-01-2014 153,000.00	2.00					
			11-01-2015/2016 165,000.00	2.00					
			11-01-2017 175,000.00	2.25					
			11-01-2018 175,000.00	2.50					
			11-01-2019 175,000.00	2.75					
			11-01-2020/2023 175,000.00	3.00		1,988,000.00		1,988,000.00	
					\$ 3,736,000.00	\$ 1,988,000.00	\$ 315,000.00	\$ 1,575,000.00	\$ 3,834,000.00
Reference					D	D-5	D-27	Below	D
Refunding Bonds					Ref.				
Paid from Third Party Escrow Trust Funds					D-31	\$ 1,524,000.00	D-27	51,000.00	
					Above	\$ 1,575,000.00			

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

D-33

Ordinance _Number_	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Bond Anticipation Notes Redeemed	Serial Bonds Issued	Balance Dec. 31, 2010
06-09	Multi-Purpose: a. Improvement to the Farnay Booster Supply Main	\$	\$	\$ 200,000.00	\$ 200,000.00	\$
07-19	Multi-Purpose: a. Various Equipment and Structural Improvements b. Various Major Information Technology and Telecommunications Equipment	308,000.00 47,500.00			308,000.00 47,500.00	
08-14	Multi-Purpose: a. Meter Installations b. Various Major Information Technology and Telecommunications Equipment	57,000.00		285,000.00	285,000.00 57,000.00	
09-25	Improvements to Water Utility System	570,000.00		370,500.00	940,500.00	
10-14	Improvements to Water Utility System	982,500.00	251,750.00	855,500.00	150,000.00 1,988,000.00	101,750.00 \$ 101,750.00
	Reference	D	D-23	D-29	D-32	D

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
TREASURER

E-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance December 31, 2009	E	\$ 5,579,622.64		\$ 3,646,337.61
Increased by Receipts:				
Premium on Sale of Bonds	E-2	\$	\$ 8,968.30	
Interest on Investments	E-3	28,017.11		
Collector	E-6	15,329,929.90		
Grants Receivable	E-8		5,000,000.00	
Loans Receivable	E-9		370,819.00	
Interfunds Receivable	E-10	389,038.38		450.00
Capital Improvement Fund	E-23		96,250.00	
Interfunds Payable	E-24		15,654.14	
Serial Bonds	E-30		4,003,300.00	
Contra Item:				
Petty Cash	Contra	200.00		
		15,747,185.39		9,495,441.44
		21,326,808.03		13,141,779.05
Decreased by Disbursements:				
Prior Year Revenue Refunds	E-1	453,105.35		
Budget Appropriations	E-4	11,169,148.03		
Appropriation Reserves	E-16	1,059,870.53		
Accounts Payable	E-17	133,919.24		
Accrued Interest on Loans	E-18	166,835.89		
Accrued Interest on Bonds	E-19	818,785.34		
Accrued Interest on Notes	E-20	80,066.00		
Sewer Overpayments	E-21	2,690.93		
Improvement Authorizations	E-22		5,518,272.27	
Interfunds Payable	E-24	450.00		15,654.14
Bond Anticipation Notes	E-27		4,003,300.00	
Contra Item	Contra	200.00		
		13,885,071.31		9,537,226.41
Balance December 31, 2010	E	\$ 7,441,736.72		\$ 3,604,552.64
<u>Bank Reconciliation December 31, 2010</u>				
Balance per Statement:				
The Provident Bank,				
ParsIPPany, New Jersey:				
#9812100411		\$ 7,441,427.89		\$ 3,604,861.47
#9812100429				
Plus: Deposit-in-Transit		758.83		450.00
		7,442,186.72		3,605,311.47
Less: Outstanding Checks		450.00		758.83
		\$ 7,441,736.72		\$ 3,604,552.64

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

E-6

	<u>Ref.</u>	
Increased by:		
Capacity and Connection Fees	E-3	\$ 17,184.39
Miscellaneous Revenue Not Anticipated	E-3	40,935.54
Sewer Revenue Accounts Receivable	E-11	15,217,977.68
Sewer Overpayments	E-21	53,832.29
		<u>15,329,929.90</u>
Decreased by:		
Turnovers to Treasurer	E-5	<u>15,329,929.90</u>
		<u>\$ -</u>

TOWNSHIP OF PARSHIPPANY-TROY HILLS
SEWER UTILITY

ANALYSIS OF CAPITAL CASH

E-7

	Receipts		Disbursements			Transfers		Balance Dec. 31, 2010
	Balance Dec. 31, 2009	Serial Bonds	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	
Improvement Authorizations								
General Improvements:								
#99-14	\$ 14,026.08	\$	\$	\$ 1,423.18	\$	\$	\$	\$ 14,026.08
#01-18	1,423.18							
#04-25	(450.00)							
#06-10a	84,351.74			62,062.30	163,600.00			22,289.44
#07-20a	176,405.00	163,600.00		4,859.24	76,100.00			171,545.76
#07-20b	(90.00)	76,100.00						(90.00)
#07-20c	2,385.00			120.31				2,264.69
#08-15a	1,288,231.51	2,798,600.00		186,971.41	2,798,600.00			1,101,260.10
#08-15b	2,500.00			49,934.82				(47,434.82)
#09-26	958,889.62	965,000.00		335,059.22	965,000.00			623,830.40
#09-28				4,792,067.29				578,751.71
#10-15			5,370,819.00	85,774.50			96,250.00	10,475.50
Other Accounts								
Fund Balance	94,915.48		8,968.30					103,883.78
Capital Improvement Fund	1,023,750.00		96,250.00				96,250.00	1,023,750.00
Sewer Operating Fund Interfund			16,104.14			15,654.14	450.00	
	\$ 3,646,337.61	\$ 4,003,300.00	\$ 5,492,141.44	\$ 5,518,272.27	\$ 4,003,300.00	\$ 15,654.14	\$ 96,700.00	\$ 3,604,552.64
Reference	E	E-30	Below	E-22	E-21	E-24	Contra	E
Fund Balance		Ref.						
Grants Receivable		E-2	\$ 8,968.30					
Loans Receivable		E-8	5,000,000.00					
Interfunds Receivable		E-9	370,819.00					
Capital Improvement Fund		E-10	450.00					
Interfunds Payable		E-23	96,250.00					
		E-24	15,654.14					
		Above	\$ 5,492,141.44					

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

GRANTS RECEIVABLE

E-8

<u>Ordinance Number</u>	<u>Purpose</u>	<u>2010 Grant</u>	<u>Collection</u>
	<u>Federal Grant</u>		
09-28	U.S. Environmental Protection Agency: ARRA Funding for Improvements to Waste Water Treatment Plant	<u>\$ 5,000,000.00</u>	<u>\$ 5,000,000.00</u>
	<u>Reference</u>	<u>Reserve</u>	<u>E-5,26</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

LOANS RECEIVABLE

E-9

	<u>Ref.</u>	
Increased by:		
2010 Loans	E-28	\$ 20,363,110.00
Decreased by:		
Collections	E-5	<u>370,819.00</u>
Balance December 31, 2010	E	<u>\$ 19,992,291.00</u>

Analysis of Balance

N.J. Environmental Infrastructure

Trust Loan:

Ordinance #08-15a	\$ 174,900.00
Ordinance #09-28:	
ARRA Share	2,129,181.00
State Share	<u>17,688,210.00</u>
	<u>\$ 19,992,291.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-10

INTERFUNDS RECEIVABLE

<u>Ref.</u>	<u>Total Sewer Operating Fund</u>	<u>Sewer Operating Fund Current Fund</u>	<u>Sewer Operating Fund Sewer Capital Fund</u>	<u>Sewer Capital Fund</u>	<u>Sewer Operating Fund</u>	<u>Sewer Capital Fund</u>
Balance December 31, 2009	\$ 385,194.42	\$ 385,194.42	\$	\$	\$	\$
Increased by:						
Interest on Deposits	15,654.14		15,654.14			
Budget Appropriation:						
Unfunded Improvement Authorizations	<u>400,848.56</u>	<u>385,194.42</u>	<u>15,654.14</u>	<u>450.00</u>	<u>450.00</u>	
Decreased by:						
Settlements	<u>389,038.38</u>	<u>373,384.24</u>	<u>15,654.14</u>	<u>450.00</u>	<u>450.00</u>	
Balance December 31, 2010	<u>\$ 11,810.18</u>	<u>\$ 11,810.18</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-11

SEWER REVENUE ACCOUNTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Adjusted</u> <u>Billings</u>	<u>Collections</u>	<u>Overpayments</u> <u>Applied</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Sewer Rents:						
Residential and Industrial	\$ 471,118.29	\$ 11,591,495.22	\$ 11,456,944.33	\$ 69,101.81	\$	\$ 536,567.37
Municipalities:						
Township of East Hanover		1,300,790.76	1,300,790.76			
Township of Montville		1,598,429.28	1,598,429.28			
Borough of Mountain Lakes		319,124.16	319,124.16			
Township of Denville	<u>471,118.29</u>	<u>14,867,459.10</u>	<u>14,732,908.21</u>	<u>69,101.81</u>		<u>536,567.37</u>
Septage Removal	<u>53,858.93</u>	<u>616,825.93</u>	<u>485,069.47</u>	<u>10,394.18</u>	<u>3,398.99</u>	<u>171,822.22</u>
	<u>\$ 524,977.22</u>	<u>\$ 15,484,285.03</u>	<u>\$ 15,217,977.68</u>	<u>\$ 79,495.99</u>	<u>\$ 3,398.99</u>	<u>\$ 708,389.59</u>
<u>Reference</u>	<u>E</u>	<u>Reserve</u>	<u>E-6, Below</u>	<u>E-21</u>	<u>Reserve</u>	<u>E</u>
Cash Receipts:						
Sewer Rents		E-3	\$ 14,732,908.21			
Septage Removal		E-3	<u>485,069.47</u>			
		Above	<u>\$ 15,217,977.68</u>			

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

SEWER LIENS RECEIVABLE

E-12

	<u>Ref.</u>	
Balance December 31, 2009	E	<u>\$ 721.81</u>
Balance December 31, 2010	E	<u><u>\$ 721.81</u></u>

INVENTORY
MATERIALS AND SUPPLIES

E-13

	<u>Ref.</u>	
Balance December 31, 2009	E	\$ 55,620.00
Increased by:		
Adjustment to Inventory Record	Reserve	<u>6,883.00</u>
Balance December 31, 2010	E	<u><u>\$ 62,503.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

FIXED CAPITAL

E-14

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Additions</u> <u>by</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Sanitary Sewer Facilities	\$ 132,380,188.85	\$	\$ 132,380,188.85
Equipment	674,000.00		674,000.00
Moving Equipment	208,719.84		208,719.84
Office Equipment	2,784.12		2,784.12
Maintenance Equipment	28,361.31		28,361.31
Communication Equipment	81,798.58	25,000.00	106,798.58
Automotive Equipment	50,539.44		50,539.44
Vehicles	140,000.00		140,000.00
Outflow Line	19,462.30		19,462.30
Issuance Costs - Various	1,892,465.00		1,892,465.00
	<u>\$ 135,478,319.44</u>	<u>\$ 25,000.00</u>	<u>\$ 135,503,319.44</u>

Reference

E

E-15

E

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-15

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Ordinance _Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Authorizations</u>	<u>Costs to Fixed Capital</u>	<u>Balance Dec. 31, 2010</u>
99-14	Improvements to Sewer Utility System	\$ 400,000.00	\$	\$	\$ 400,000.00
01-18	Acquisition of a Geographic Information System	25,000.00		25,000.00	
06-10	Multi-Purpose: a. Improvements to Sewer Utility System	330,000.00			330,000.00
07-20	Multi-Purpose: a. Various Equipment and Structural Improvements c. Various Major Information Technology and Telecommunications Equipment	426,405.00 50,000.00			426,405.00 50,000.00
08-15	Multi-Purpose: a. Various Sewer Utility Improvements and Equipment Acquisitions b. Various Major Information Technology and Telecommunications Equipment	3,130,000.00 50,000.00			3,130,000.00 50,000.00
09-26	Various Sewer Utility Improvements	1,900,000.00			1,900,000.00
09-28	Improvements and Upgrades to the Township's Waste Water Treatment Plant	33,200,000.00			33,200,000.00
10-15	Various Sewer Utility Improvements		1,925,000.00		1,925,000.00
		<u>\$ 39,511,405.00</u>	<u>\$ 1,925,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 41,411,405.00</u>

Reference

E

E-22

E-14

E

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-16

APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>		
Operating:				
Salaries and Wages	\$ 513,437.33	\$ 199,642.83	\$ 150,726.97	\$ 48,915.86
Other Expenses	<u>513,437.33</u>	<u>827,416.35</u>	<u>864,371.69</u>	<u>476,481.99</u>
		<u>1,027,059.18</u>	<u>1,015,098.66</u>	<u>525,397.85</u>
Statutory Expenditures:				
Social Security System (OASII)		<u>55,442.38</u>	<u>44,771.87</u>	<u>10,670.51</u>
	<u>\$ 513,437.33</u>	<u>\$ 1,082,501.56</u>	<u>\$ 1,059,870.53</u>	<u>\$ 536,068.36</u>

Reference

E

E

E-5

E-1

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

ACCOUNTS PAYABLE

E-17

	<u>Ref.</u>		
Balance December 31, 2009	E		\$ 175,905.74
Decreased by:			
Cancelled	E-1	\$ 41,986.50	
Payments	E-5	<u>133,919.24</u>	
			<u>175,905.74</u>
			<u><u>\$ -</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

ACCRUED INTEREST ON LOANS

E-18

	<u>Ref.</u>	
Increased by:		
Budget Appropriation	E-4	\$ 276,937.32
Decreased by:		
Payments	E-5	<u>166,835.89</u>
Balance December 31, 2010	E	<u>\$ 110,101.43</u>

Analysis of Balance

Principal Outstanding Dec. 31, 2010	Interest Rate	%	Accrued		Period	Amount
			From	To		
\$ 1,928.92	0.62	%	8-01-10	12-31-10	5 Months	\$ 4.98
1,940.88	0.86		8-01-10	12-31-10	5 Months	6.95
1,957.57	1.15		8-01-10	12-31-10	5 Months	9.38
1,980.08	1.55		8-01-10	12-31-10	5 Months	12.79
2,010.78	1.94		8-01-10	12-31-10	5 Months	16.25
2,049.78	2.28		8-01-10	12-31-10	5 Months	19.47
2,096.52	2.57		8-01-10	12-31-10	5 Months	22.45
2,150.40	2.75		8-01-10	12-31-10	5 Months	24.64
2,209.54	2.95		8-01-10	12-31-10	5 Months	27.16
2,274.72	3.14		8-01-10	12-31-10	5 Months	29.76
2,346.14	3.27		8-01-10	12-31-10	5 Months	31.97
2,422.86	3.46		8-01-10	12-31-10	5 Months	34.93
2,506.69	3.60		8-01-10	12-31-10	5 Months	37.60
2,596.93	3.69		8-01-10	12-31-10	5 Months	39.93
2,692.76	3.79		8-01-10	12-31-10	5 Months	42.52
2,794.82	3.89		8-01-10	12-31-10	5 Months	45.30
2,903.54	3.98		8-01-10	12-31-10	5 Months	48.15
3,019.10	4.07		8-01-10	12-31-10	5 Months	51.20
3,141.97	4.15		8-01-10	12-31-10	5 Months	54.33
3,315,000.00	4.00		8-01-10	12-31-10	5 Months	55,250.00
2,115,000.00	5.00		8-01-10	12-31-10	5 Months	44,062.50
340,000.00	3.00		8-01-10	12-31-10	5 Months	4,250.00
410,000.00	3.50		8-01-10	12-31-10	5 Months	<u>5,979.17</u>
						<u>\$ 110,101.43</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

ACCRUED INTEREST ON BONDS

E-19

	<u>Ref.</u>	
Balance December 31, 2009	E	\$ 66,859.48
Increased by:		
Budget Appropriation	E-4	822,017.63
		<u>888,877.11</u>
Decreased by:		
Payments	E-5	818,785.34
		<u>818,785.34</u>
Balance December 31, 2010	E	<u>\$ 70,091.77</u>

Analysis of Balance

Principal Outstanding Dec. 31, 2010	Interest Rate	Accrued		Period	Amount
		From	To		
<u>Serial Bonds</u>					
\$ 953,000.00	4.00%	7-15-10	12-31-10	5.5 Month	\$ 17,471.67
250,000.00	3.50	7-01-10	12-31-10	6 Months	4,375.00
230,000.00	3.75	7-01-10	12-31-10	6 Months	4,312.50
200,000.00	4.00	7-01-10	12-31-10	6 Months	4,000.00
1,558,300.00	2.00	11-01-10	12-31-10	2 Months	4,825.10
310,000.00	2.25	11-01-10	12-31-10	2 Months	1,162.50
325,000.00	2.50	11-01-10	12-31-10	2 Months	1,354.17
350,000.00	2.75	11-01-10	12-31-10	2 Months	1,604.17
1,460,000.00	3.00	11-01-10	12-31-10	2 Months	7,300.00

Refunding Bonds

161,000.00	5.00	8-01-10	12-31-10	5 Months	3,354.17
330,000.00	3.50	12-01-10	12-31-10	1 Month	962.50
345,000.00	4.00	12-01-10	12-31-10	1 Month	1,150.00
335,000.00	2.00	12-01-10	12-31-10	1 Month	558.33
330,000.00	2.875	12-01-10	12-31-10	1 Month	790.63
180,000.00	3.125	12-01-10	12-31-10	1 Month	468.75
1,055,000.00	4.00	12-01-10	12-31-10	1 Month	3,516.67
330,000.00	4.125	12-01-10	12-31-10	1 Month	1,134.38
199,000.00	2.00	10-01-10	12-31-10	3 Month	995.00
545,000.00	3.00	10-01-10	12-31-10	3 Month	4,087.50
180,000.00	2.875	10-01-10	12-31-10	3 Month	1,293.75
100,000.00	4.00	10-01-10	12-31-10	3 Month	1,000.00
350,000.00	5.00	10-01-10	12-31-10	3 Month	4,375.00

\$ 70,091.77 199

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

ACCRUED INTEREST ON NOTES

E-20

	<u>Ref.</u>	
Balance December 31, 2009	E	\$ 11,120.28
Increased by:		
Budget Appropriation	E-4	<u>68,945.72</u>
		80,066.00
Decreased by:		
Payments	E-5	<u>80,066.00</u>
		<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

SEWER OVERPAYMENTS

E-21

	<u>Ref.</u>		
Balance December 31, 2009	E		\$ 79,495.99
Increased by:			
Collections	E-6		<u>53,832.29</u>
			133,328.28
Decreased by:			
Applied to Revenue:			
Sewer Rents	E-3	\$ 69,101.81	
Septage Removal	E-3	<u>10,394.18</u>	
	E-11	79,495.99	
Refunded	E-5	<u>2,690.93</u>	
			<u>82,186.92</u>
Balance December 31, 2010	E		<u><u>\$ 51,141.36</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-22
Sheet #1

IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance Number	Ordinance Date	Amount	Balance Dec. 31, 2009		2010 Authorizations	Expended	Balance Dec. 31, 2010	
				Funded	Unfunded			Funded	Unfunded
Improvements to Sewer Utility System	99-14	5-11-99	\$ 400,000.00	\$ 14,026.08	\$	\$	\$ 14,026.08	\$	
Acquisition of a Geographic Information System	01-18	5-22-01	25,000.00	1,423.18		1,423.18			
Multi-Purpose: a. Improvements to Sewer Utility System	06-10	5-23-06	330,000.00	84,951.74		62,062.30	22,289.44		
Multi-Purpose: a. Various Equipment and Structural Improvements c. Various Major Information Technology and Telecommunications Equipment	07-20	7-24-07	426,405.00	176,405.00		4,859.24	171,545.76		
Multi-Purpose: a. Various Sewer Utility Improvements and Equipment Acquisitions b. Various Major Information Technology and Telecommunications Equipment	08-15	5-13-08	3,130,000.00	1,463,131.51		186,971.41	1,101,260.10	174,900.00	
Various Sewer Utility Improvements	09-26	6-16-09	1,900,000.00	1,798,889.62		49,934.82	2,264.89	85.18	
Improvements and Upgrades to the Township's Waste Water Treatment Plant	09-28	6-16-09	33,200,000.00	33,200,000.00		4,792,067.29	578,751.71	27,829,181.00	
Various Sewer Utility Improvements	10-15	7-20-10	1,925,000.00		1,925,000.00	85,774.50	10,475.50	1,828,750.00	
			Reference	\$ 104,686.00	\$ 36,733,541.13	\$ 5,518,272.27	\$ 2,524,443.68	\$ 30,720,511.18	
				E	E	E-5	E	E	

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

IMPROVEMENT AUTHORIZATIONS

E-22
Sheet #2

	<u>Ref.</u>	<u>2010</u> <u>Authorizations</u>
Capital Improvement Fund	E-23	\$ 96,250.00
Bonds and Notes Authorized but Not Issued	E-31	<u>1,828,750.00</u>
	Sheet #1	<u><u>\$ 1,925,000.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

CAPITAL IMPROVEMENT FUND

E-23

	<u>Ref.</u>	
Balance December 31, 2009	E	\$ 1,023,750.00
Increased by:		
Budget Appropriations	E-5	<u>96,250.00</u>
		1,120,000.00
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#10-15	E-22,26	<u>96,250.00</u>
Balance December 31, 2010	E	<u>\$ 1,023,750.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

INTERFUNDS PAYABLE

E-24

	<u>Ref.</u>	<u>Sewer Operating Fund</u>	<u>Sewer Capital Fund</u>
Increased by:			
Budget Appropriation:			
Unfunded Improvement Authorizations	E-4	\$ 450.00	\$
Interest on Deposit	E-5		15,654.14
Decreased by:			
Settlements	E-5	<u>450.00</u>	<u>15,654.14</u>
		<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

RESERVE FOR AMORTIZATION

E-25

	<u>Ref.</u>		
Balance December 31, 2009	E		\$ 128,744,915.23
Increased by:			
Budget Appropriation:			
Unfunded Improvement Authorizations	E-10	\$ 450.00	
Transferred from Deferred Reserve for Amortization	E-26	25,000.00	
Refunding Bonds Paid by Operating Budget	E-29	1,168,764.21	
Serial Bonds Paid by Operating Budget	E-30	305,000.00	
Serial Bonds Paid from Third Party Escrow Trust Funds	E-30	<u>46,000.00</u>	
			<u>1,545,214.21</u>
Balance December 31, 2010	E		<u><u>\$ 130,290,129.44</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

DEFERRED RESERVE FOR AMORTIZATION

E-26

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2009</u>	<u>Increase</u>	<u>Collections</u>	<u>Loans Paid by Operating Budget</u>	<u>To Reserve for Amortization</u>	<u>Balance Dec. 31, 2010</u>
99-14	Improvements to Sewer Utility System	\$ 20,000.00	\$	\$	\$	\$	\$ 20,000.00
01-18	Acquisition of a Geographic Information System	25,000.00				25,000.00	
06-10	Multi-Purpose: a. Improvements to Sewer Utility System	16,500.00					16,500.00
07-20	Multi-Purpose: a. Various Equipment and Structural Improvements c. Various Major Information Technology and Telecommunications Equipment	20,305.00 2,385.00					20,305.00 2,385.00
08-15	Multi-Purpose: a. Various Sewer Utility Improvements and Equipment Acquisitions b. Various Major Information Technology and Telecommunications Equipment	156,500.00 2,500.00			4,402.57		160,902.57 2,500.00
09-26	Various Sewer Utility Improvements	95,000.00					95,000.00
09-28	Improvements to the Township's Waste Water Treatment Plant			5,000,000.00	474,854.57		5,474,854.57
10-15	Various Sewer Utility Improvements		96,250.00				96,250.00
		<u>\$ 338,190.00</u>	<u>\$ 96,250.00</u>	<u>\$ 5,000,000.00</u>	<u>\$ 479,257.14</u>	<u>\$ 25,000.00</u>	<u>\$ 5,888,697.14</u>
	<u>Reference</u>	<u>E</u>	<u>E-23</u>	<u>E-8</u>	<u>E-28</u>	<u>E-25</u>	<u>E</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-27

BOND ANTICIPATION NOTES

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>
07-20	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00%	\$ 239,700.00	\$ 239,700.00
08-15	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00	2,798,600.00	2,798,600.00
09-26	Various Sewer Utility Improvements	11-10-09	11-10-09	11-10-10	2.00	<u>965,000.00</u>	<u>965,000.00</u>
						<u>\$ 4,003,300.00</u>	<u>\$ 4,003,300.00</u>
					<u>Reference</u>	<u>E</u>	<u>E-5</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-28
Sheet #1

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	Original Issue		Loan Maturities Outstanding Dec. 31, 2010		Interest Rate	Increase	Decrease	Balance Dec. 31, 2010
	Date	Amount	Date	Amount				
Trust Share	2-17-10	\$ 45,024.00	8-01-2011	\$ 1,928.92	0.62%			
			8-01-2012	1,940.88	0.86			
			8-01-2013	1,957.57	1.15			
			8-01-2014	1,980.08	1.55			
			8-01-2015	2,010.78	1.94			
			8-01-2016	2,049.78	2.28			
			8-01-2017	2,096.52	2.57			
			8-01-2018	2,150.40	2.75			
			8-01-2019	2,209.54	2.95			
			8-01-2020	2,274.72	3.14			
			8-01-2021	2,346.14	3.27			
			8-01-2022	2,422.86	3.46			
			8-01-2023	2,506.69	3.60			
			8-01-2024	2,596.93	3.69			
			8-01-2025	2,692.76	3.79			
			8-01-2026	2,794.82	3.89			
			8-01-2027	2,903.54	3.98			
			8-01-2028	3,019.10	4.07			
			8-01-2029	3,141.97	4.15			
						\$ 45,024.00	\$	45,024.00
Fund Share	2-17-10	129,876.00	2-01-2011	2,201.28	*			
			8-01-2011	4,402.57	*			
			2-01-2012	2,201.28	*			
			8-01-2012	4,402.57	*			
			2-01-2013	2,201.28	*			
			8-01-2013	4,402.57	*			
			2-01-2014	2,201.28	*			
			8-01-2014	4,402.57	*			
			2-01-2015	2,201.28	*			
			8-01-2015	4,402.57	*			
			2-01-2016	2,201.28	*			
			8-01-2016	4,402.57	*			
			2-01-2017	2,201.28	*			

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-28
Sheet #2

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	Original Issue		Loan Maturities Outstanding Dec. 31, 2010		Interest Rate	Increase	Decrease	Balance Dec. 31, 2010
	Date	Amount	Date	Amount				
Fund Share	2-17-10	\$ 129,876.00	8-01-2017	\$ 4,402.57	*			
			2-01-2018	2,201.28	*			
			8-01-2018	4,402.57	*			
			2-01-2019	2,201.28	*			
			8-01-2019	4,402.57	*			
			2-01-2020	2,201.28	*			
			8-01-2020	4,402.57	*			
			2-01-2021	2,201.28	*			
			8-01-2021	4,402.57	*			
			2-01-2022	2,201.28	*			
			8-01-2022	4,402.57	*			
			2-01-2023	2,201.28	*			
			8-01-2023	4,402.57	*			
			2-01-2024	2,201.28	*			
			8-01-2024	4,402.57	*			
			2-01-2025	2,201.28	*			
			8-01-2025	4,402.57	*			
			2-01-2026	2,201.28	*			
			8-01-2026	4,402.57	*			
			2-01-2027	2,201.28	*			
			8-01-2027	4,402.57	*			
			2-01-2028	2,201.28	*			
			8-01-2028	4,402.57	*			
			2-01-2029	2,201.28	*			
			8-01-2029	4,402.85	*			
			8-01-2011	210,000.00	4.00			
			8-01-2012	220,000.00	5.00			
			8-01-2013	230,000.00	5.00			
			8-01-2014	245,000.00	5.00			
			8-01-2015	255,000.00	5.00			
			8-01-2016	270,000.00	5.00			
			8-01-2017	280,000.00	5.00			
Trust Share	3-10-10	6,180,000.00						
						\$ 129,876.00	\$ 4,402.57	\$ 125,473.43

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

E-28
Sheet #3

	Original Issue		Loan Maturities Outstanding Dec. 31, 2010		Interest Rate	Increase	Decrease	Balance Dec. 31, 2010
	Date	Amount	Date	Amount				
Trust Share	3-10-10	\$ 6,180,000.00	8-01-2018	\$ 295,000.00	5.00%			
			8-01-2019	310,000.00	4.00			
			8-01-2020	320,000.00	5.00			
			8-01-2021	340,000.00	3.00			
			8-01-2022	350,000.00	4.00			
			8-01-2023	365,000.00	4.00			
			8-01-2024	375,000.00	4.00			
			8-01-2025	390,000.00	4.00			
			8-01-2026	410,000.00	3.50			
			8-01-2027	420,000.00	4.00			
			8-01-2028	440,000.00	4.00			
			8-01-2029	455,000.00	4.00	\$ 6,180,000.00	\$	6,180,000.00
Fund Share	3-10-10	14,008,210.00	2-01-2011	237,427.28	*			
			8-01-2011	474,854.57	*			
			2-01-2012	237,427.28	*			
			8-01-2012	474,854.57	*			
			2-01-2013	237,427.28	*			
			8-01-2013	474,854.57	*			
			2-01-2014	237,427.28	*			
			8-01-2014	474,854.57	*			
			2-01-2015	237,427.28	*			
			8-01-2015	474,854.57	*			
			2-01-2016	237,427.28	*			
			8-01-2016	474,854.57	*			
			2-01-2017	237,427.28	*			
			8-01-2017	474,854.57	*			
			2-01-2018	237,427.28	*			
			8-01-2018	474,854.57	*			
			2-01-2019	237,427.28	*			
			8-01-2019	474,854.57	*			
			2-01-2020	237,427.28	*			
			8-01-2020	474,854.57	*			

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

REFUNDING BONDS

E-29

	Original Issue		Date	Maturities of Bonds Outstanding Dec. 31, 2010	Interest Rate	Balance Dec. 31, 2009	Increase	Budget Appropriations	Balance Dec. 31, 2010
	Date	Amount							
Refunding Bonds: Capital Appreciation Bonds	4-01-92	\$ 24,494,000.00		\$		\$ 250,764.21	\$	\$ 250,764.21	\$
Sewer Improvements	6-15-93	4,068,000.00	2-01-2011	161,000.00	5.00	459,000.00		298,000.00	161,000.00
Sewer Improvements	2-01-03	2,985,000.00	12-01-2011 12-01-2012 12-01-2013	330,000.00 175,000.00 170,000.00	3.50 4.00 4.00	1,000,000.00		325,000.00	675,000.00
Sanitary Sewer Collection System	4-28-09	2,871,000.00	12-01-2011 12-01-2011 12-01-2012 12-01-2013 12-01-2013 12-01-2014 12-01-2015 12-01-2016 12-01-2017	25,000.00 280,000.00 310,000.00 180,000.00 135,000.00 315,000.00 325,000.00 330,000.00 330,000.00	2.00 4.00 2.00 3.125 4.00 4.00 4.00 2.875 4.125	2,525,000.00		295,000.00	2,230,000.00
Sewer improvements	5-04-10	1,374,000.00	10-01-2011 10-01-2012 10-01-2013 10-01-2013 10-01-2014 10-01-2014 10-01-2014 10-01-2015 10-01-2015 10-01-2016 10-01-2016 10-01-2016 10-01-2017 10-01-2017	179,000.00 180,000.00 10,000.00 180,000.00 10,000.00 160,000.00 25,000.00 50,000.00 50,000.00 25,000.00 135,000.00 5,000.00 215,000.00	2.00 3.00 2.00 2.875 2.00 3.00 4.00 3.00 3.00 4.00 5.00 3.00 5.00		1,374,000.00		1,374,000.00
						\$ 4,234,764.21	\$ 1,374,000.00	\$ 1,168,764.21	\$ 4,440,000.00

TOWNSHIP OF PARSHIPPANY-TROY HILLS
SEWER UTILITY

SEWER SERIAL BONDS

E-30
Sheet #1

	Date	Original Issue Amount	Date	Maturities of Bonds Outstanding Dec. 31, 2010 Amount	Interest Rate	Balance Dec. 31, 2009	Increase	Budget Appropriation	Decrease Bonds Defeased	Balance Dec. 31, 2010
Sanitary Sewer Collection System	10-01-02	\$ 2,565,000.00				\$ 1,590,000.00	\$	\$ 170,000.00	\$ 1,420,000.00	\$
Sewer Improvements	6-01-05	1,283,000.00	7-15-2011	\$ 75,000.00	4.00%					
			7-15-2012	80,000.00	4.00					
			7-15-2013	88,000.00	4.00					
			7-15-2014	90,000.00	4.00					
			7-15-2015/2016	95,000.00	4.00					
			7-15-2017	100,000.00	4.00					
			7-15-2018	105,000.00	4.00					
			7-15-2019	110,000.00	4.00					
			7-15-2020	115,000.00	4.00	1,028,000.00		75,000.00		953,000.00
Sewer Improvements	7-01-08	800,000.00	7-01-2011/2013	60,000.00	3.50					
			7-01-2014	70,000.00	3.50					
			7-01-2015	70,000.00	3.75					
			7-01-2016/2017	80,000.00	3.75			60,000.00		680,000.00
			7-01-2018/2019	100,000.00	4.00	740,000.00				
Sewer Improvements	10-26-10	4,003,300.00	11-01-2011/2012	185,000.00	2.00					
			11-01-2013	275,000.00	2.00					
			11-01-2014	288,300.00	2.00					
			11-01-2015	305,000.00	2.00					
			11-01-2016	310,000.00	2.00					
			11-01-2017	310,000.00	2.25					
			11-01-2018	325,000.00	2.50					
			11-01-2019	350,000.00	2.75					
			11-01-2020	350,000.00	3.00					
			11-01-2021/2023	370,000.00	3.00					
							4,003,300.00			4,003,300.00
						\$ 3,358,000.00	\$ 4,003,300.00	\$ 305,000.00	\$ 1,420,000.00	\$ 5,636,300.00
						E	E-5	E-25	Sheet #2	E

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

SEWER SERIAL BONDS

E-30
Sheet #2

	<u>Ref.</u>	<u>Bonds</u> <u>Defeased</u>
Refunding Bonds	E-29	\$ 1,374,000.00
Paid from Third Party Escrow Trust Funds	E-25	<u>46,000.00</u>
	Sheet #1	<u>\$ 1,420,000.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-31

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance</u> <u>Number</u>	<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>2010</u> <u>Authorizations</u>	<u>Bond</u> <u>Anticipation</u> <u>Notes</u> <u>Redeemed</u>	<u>Collections</u>	<u>Funded by</u> <u>Budget</u> <u>Appropriation</u>	<u>Loans</u> <u>Issued</u>	<u>Serial</u> <u>Bonds</u> <u>Issued</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
04-25	Improvements to Sewer Utility System	\$ 450.00	\$	\$	\$	\$ 450.00	\$	\$	\$
07-20	Multi-Purpose: a. Various Equipment and Structural Improvements b. Acquisition of Various Equipment and Vehicles c. Various Major Information Technology and Telecommunications Equipment	90.00		163,600.00				163,600.00	90.00
08-15	Multi-Purpose: a. Various Sewer Utility Improvements and Equipment Acquisitions b. Various Major Information Technology and Telecommunications Equipment	47,615.00		76,100.00				76,100.00	47,615.00
09-26	Various Sewer Utility Improvements	840,000.00		965,000.00				965,000.00	840,000.00
09-28	Improvements to the Township's Waste Water Treatment Plant	33,200,000.00					174,900.00	2,798,600.00	47,500.00
10-15	Various Sewer Utility Improvements		1,828,750.00		5,000,000.00		20,188,210.00		8,011,790.00
		<u>\$ 34,310,655.00</u>	<u>\$ 1,828,750.00</u>	<u>\$ 4,003,300.00</u>	<u>\$ 5,000,000.00</u>	<u>\$ 450.00</u>	<u>\$ 20,363,110.00</u>	<u>\$ 4,003,300.00</u>	<u>\$ 10,775,745.00</u>
	Reference	E	E-22	E-27	E-8	E-25	E-28	E-30	E

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
TREASURER

F-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance December 31, 2009	F	\$ 17,102.58		\$
Increased by Receipts:				
Premium on Sale of Bonds	F-2	\$		\$ 1,699.66
Interest on Deposits and Investments	F-3	1,900.50		
Collector	F-6	4,825,103.93		
Money Market Account Withdrawals	F-7	3,550,221.09		123,183.04
Interfunds Receivable	F-9	2,104.05		
Capital Improvement Fund	F-22			15,000.00
Serial Bonds	F-28			758,700.00
Contra Item: Change Fund	Contra	<u>1,800.00</u>		
		8,381,129.57		<u>898,582.70</u>
		<u>8,398,232.15</u>		<u>898,582.70</u>
Decreased by Disbursements:				
Budget Appropriations	F-4	4,437,597.80		
Money Market Account Deposits	F-7	2,504,132.85		13,028.80
Appropriation Reserves	F-13	248,111.10		
Accounts Payable	F-14	48,430.01		
Sales Tax Payable	F-15	41,975.96		
Accrued Interest on Bonds	F-16	122,151.98		
Accrued Interest on Notes	F-17	11,424.00		
Membership Overpayments	F-18	694.34		
Improvement Authorizations	F-21			312,249.85
Interfunds Payable	F-23			2,104.05
Bond Anticipation Notes	F-26			571,200.00
Contra Item	Contra	<u>1,800.00</u>		
		7,416,318.04		<u>898,582.70</u>
Balance December 31, 2010	F	<u>\$ 981,914.11</u>		<u>\$ -</u>

Bank Reconciliation December 31, 2010

Balance per Statement:

Valley National Bank,
ParsIPPany, New Jersey:
#41347218

\$ 977,615.66

Plus: Deposit- in-Transit

4,298.45

\$ 981,914.11

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

F-6

	<u>Ref.</u>	
Increased by Receipts:		
Room Rentals	F-3	\$ 14,354.50
Concession:		
Utilities	F-3	26,172.94
Rental	F-3	1,302,480.00
Miscellaneous Revenue Not		
Anticipated	F-3	3,564.44
Revenue Accounts Receivable	F-10	3,428,574.75
Sales Tax Payable	F-15	41,957.07
Membership Overpayments	F-18	4,000.23
Prepaid Revenue	F-19	4,000.00
		<u>4,825,103.93</u>
Decreased by Disbursements:		
Turnovers to Treasurer	F-5	<u>4,825,103.93</u>
		<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

CASH - MONEY MARKET ACCOUNT

F-7

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2009	F	<u>\$ 1,520,045.82</u>	<u>\$ 320,641.47</u>
Increased by:			
Accrued Interest	F-3,23	17,396.18	2,104.05
Deposits	F-5	<u>2,504,132.85</u>	<u>13,028.80</u>
		<u>2,521,529.03</u>	<u>15,132.85</u>
		4,041,574.85	335,774.32
Decreased by:			
Withdrawals	F-5	<u>3,550,221.09</u>	<u>123,183.04</u>
Balance December 31, 2010	F	<u><u>\$ 491,353.76</u></u>	<u><u>\$ 212,591.28</u></u>

Bank Reconciliation December 31, 2010

Balance per Statement:

The Provident Bank,
Parsippany, New Jersey:
#9812100445
#9812100452

	\$ 491,220.91	\$ 212,724.13
--	---------------	---------------

Plus: Deposits-in-Transit

	132.85	
	<u>491,353.76</u>	<u>212,724.13</u>

Less: Outstanding Checks

		132.85
	<u>491,353.76</u>	<u>212,591.28</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

F-8

	Balance Dec. 31, 2009	Receipts		Disbursements			Transfers		Balance Dec. 31, 2010
		Serial Bond	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
<u>Improvement Authorizations</u>									
Ordinance Numbers:									
#99-15	\$ 1,496.11	\$	\$	\$	\$	\$	\$	\$	\$ 1,496.11
#05-10, 07-52	5,964.87			1,385.04					4,579.83
#06-11b	51,954.04			51,954.04					10,930.51
#07-21	95,050.10			84,119.59	261,500.00				123,882.92
#08-16a	3,251.80	261,500.00		66,868.88					
#08-16b	18,112.96	187,500.00		18,112.96	142,500.00				
#08-16c	10,145.76	142,500.00		10,145.76	71,250.00				9,736.42
#09-27	73,500.00	95,950.00		63,763.58	95,950.00			15,000.00	(900.00)
#10-16				15,900.00					
<u>Other Accounts</u>									
Fund Balance	32,822.78		1,699.66						34,522.44
Capital Improvement Fund	28,343.05		15,000.00				15,000.00		28,343.05
Golf and Recreation Operating Fund Interfund			2,104.05		2,104.05				
	\$ 320,641.47	\$ 758,700.00	\$ 18,803.71	\$ 312,249.85	\$ 571,200.00	\$ 2,104.05	\$ 15,000.00	\$ 15,000.00	\$ 212,591.28
Reference	F	F-28	Below	F-21	F-28	F-23	Contra	Contra	F

Fund Balance	Ref.
Capital Improvement Fund	F-2
Interfunds Payable	F-22
	F-23
	Above
	\$ 18,803.71

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

INTERFUNDS RECEIVABLE

F-9

Golf and
Recreation
Operating
Fund
Golf and
Recreation
Capital
Fund

Ref.

Increased by:
Interest on Investments

F-3

\$ 2,104.05

Decreased by:
Settlements

F-5

2,104.05

\$ -

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

REVENUE ACCOUNTS RECEIVABLE

F-10

	<u>Ref.</u>		
Balance December 31, 2009	F		\$ 53,292.33
Increased by:			
Revenue:			
Membership Fees		\$ 826,015.58	
Other Fees		2,027,308.76	
Cart Rentals		594,080.37	
	Reserve	<u>3,447,404.71</u>	<u>3,500,697.04</u>
Decreased by:			
Collections	F-6	3,428,574.75	
Membership Overpayments Applied	F-18	2,144.30	
Prepaid Revenue Applied	F-19	7,500.00	
	F-3	<u>3,438,219.05</u>	
Cancelled	Reserve	<u>7,289.37</u>	<u>3,445,508.42</u>
Balance December 31, 2010	F		<u>\$ 55,188.62</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

FIXED CAPITAL

F-11

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Increase</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Building Renovations	\$ 687,336.18	\$	\$ 687,336.18
Improvement of the Property of the Parsippany-Troy Hills Golf and Recreation Utility	452,536.41		452,536.41
Improvement of the Knoll Country Club	2,004,800.00	150,000.00	2,154,800.00
Various Capital Improvements	1,863,760.66	289,000.00	2,152,760.66
Reconstruction of the Knoll Country Club West	2,465,000.00		2,465,000.00
Construction of the West Tee House	210,000.00		210,000.00
Acquisition of Furniture and Equipment	152,638.16		152,638.16
Acquisition of Vehicles	95,450.00		95,450.00
Acquisition of Equipment	941,867.00		941,867.00
Acquisition of Various Vehicles and Equipment	655,936.70		655,936.70
Supplemental Appropriation for the Construction of the Tee House	26,500.00		26,500.00
Acquisition of Property Known as Knoll Country Club	5,000,000.00		5,000,000.00
Reconstruction of the West Course Main Building	7,150,000.00		7,150,000.00
Installation of Sewer Lines to all Knoll Buildings	401,000.00		401,000.00
Issuance Cost	186,451.50		186,451.50
	<u>\$ 22,293,276.61</u>	<u>\$ 439,000.00</u>	<u>\$ 22,732,276.61</u>

Reference

E

F-12

E

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

F-12

<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Authorizations</u>	<u>Costs to Fixed Capital</u>	<u>Balance Dec. 31, 2010</u>
Construction of Golf Paths	5-11-99	\$ 60,000.00	\$ 60,000.00	\$	\$	\$ 60,000.00
Various Improvements to Golf Course and Recreational Utility	05-10 07-52	1,060,000.00	1,060,000.00			1,060,000.00
Multi-Purpose: b. Various Improvements	06-11	214,000.00	214,000.00		214,000.00	
Various Improvements to and Equipment for the Golf Course and Recreational Utility	07-21	1,160,000.00	1,160,000.00			1,160,000.00
Multi-Purpose: a. Various Improvements and Equipment b. Installation of Fire Sprinkler c. Repaving of Parking Lot	08-16	250,000.00 150,000.00 75,000.00	250,000.00 150,000.00 75,000.00		150,000.00 75,000.00	250,000.00
Various Improvements and Purchase of Equipment for Golf Course and Recreation Utility	09-27	151,000.00	151,000.00			151,000.00
Various Improvements to and Equipment for Golf Course and Recreational Utility	10-16	300,000.00		300,000.00		300,000.00
			<u>\$ 3,120,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ 439,000.00</u>	<u>\$ 2,981,000.00</u>

Reference

E

F-21

F-11

F

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-13

APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>		
Operating:				
Salaries and Wages	\$ 107,787.07	\$ 90,144.37	\$ 51,907.80	\$ 38,236.57
Other Expenses	<u>107,787.07</u>	<u>218,479.62</u>	<u>172,637.77</u>	<u>153,628.92</u>
		<u>308,623.99</u>	<u>224,545.57</u>	<u>191,865.49</u>
Statutory Expenditures:				
Social Security System		<u>34,532.15</u>	<u>23,565.53</u>	<u>10,966.62</u>
(OASI)				
	<u>\$ 107,787.07</u>	<u>\$ 343,156.14</u>	<u>\$ 248,111.10</u>	<u>\$ 202,832.11</u>

F-1

F-5

F

F

Reference

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

ACCOUNTS PAYABLE

F-14

	<u>Ref.</u>		
Balance December 31, 2009	F		\$ 60,000.00
Decreased by:			
Cancelled	F-1	\$ 11,569.99	
Payments	F-5	<u>48,430.01</u>	
			<u>60,000.00</u>
			<u>\$ -</u>

SALES TAX PAYABLE

F-15

	<u>Ref.</u>		
Balance December 31, 2009	F		\$ 169.58
Increased by:			
Collections	F-6		<u>41,957.07</u>
			42,126.65
Decreased by:			
Payments	F-5		<u>41,975.96</u>
Balance December 31, 2010	F		<u>\$ 150.69</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

ACCRUED INTEREST ON BONDS

F-16

	<u>Ref.</u>	
Balance December 31, 2009	F	\$ 30,246.88
Increased by:		
Budget Appropriation	F-4	122,456.70
		152,703.58
Decreased by:		
Payments	F-5	122,151.98
Balance December 31, 2010	F	\$ 30,551.60

Analysis of Balance

<u>Principal Outstanding Dec. 31, 2010</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
<u>Serial Bonds</u>					
\$ 500,000.00	3.50%	7-01-10	12-31-10	6 Months	\$ 8,750.00
480,000.00	3.75	7-01-10	12-31-10	6 Months	9,000.00
340,000.00	4.00	7-01-10	12-31-10	6 Months	6,800.00
268,700.00	2.00	11-01-10	12-31-10	2 Months	824.52
55,000.00	2.25	11-01-10	12-31-10	2 Months	206.25
60,000.00	2.50	11-01-10	12-31-10	2 Months	250.00
60,000.00	2.75	11-01-10	12-31-10	2 Months	275.00
315,000.00	3.00	11-01-10	12-31-10	2 Months	1,575.00
<u>Refunding Bonds</u>					
410,000.00	3.50	12-01-10	12-31-10	1 Month	1,195.83
415,000.00	4.00	12-01-10	12-31-10	1 Month	1,383.34
5,000.00	2.00	12-01-10	12-31-10	1 Month	8.33
85,000.00	4.00	12-01-10	12-31-10	1 Month	283.33
					\$ 30,551.60

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

ACCRUED INTEREST ON NOTES

F-17

	<u>Ref.</u>	
Balance December 31, 2009	F	\$ 1,586.67
Increased by:		
Budget Appropriation	F-4	<u>9,837.33</u>
		11,424.00
Decreased by:		
Payments	F-5	<u>11,424.00</u>
		<u><u>\$ -</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

MEMBERSHIP OVERPAYMENTS

F-18

	<u>Ref.</u>		
Balance December 31, 2009	F		\$ 2,144.30
Increased by:			
Collections	F-6		4,000.23
			<u>6,144.53</u>
Decreased by:			
Refunds	F-5	\$ 694.34	
Applied to Revenue Accounts Receivable	F-10	<u>2,144.30</u>	
			<u>2,838.64</u>
Balance December 31, 2010	F		<u><u>\$ 3,305.89</u></u>

PREPAID REVENUE

F-19

	<u>Ref.</u>		
Balance December 31, 2009	F		\$ 7,500.00
Increased by:			
Collections	F-6		4,000.00
			<u>11,500.00</u>
Decreased by:			
Applied to Revenue Accounts Receivable	F-10		<u>7,500.00</u>
Balance December 31, 2010	F		<u><u>\$ 4,000.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

SECURITY DEPOSIT

F-20

	<u>Ref.</u>	
Balance December 31, 2009	F	<u>\$ 648,000.00</u>
Balance December 31, 2010	F	<u>\$ 648,000.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-21
Sheet #1

IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance Number	Date	Amount	Balance Dec. 31, 2009		2010 Authorizations	Balance Dec. 31, 2010	
				Funded	Unfunded		Funded	Unfunded
Construction of Golf Paths	*99-15	5-11-99	\$ 60,000.00	\$ 1,496.11	\$	\$	\$ 1,496.11	\$
Various Improvements to Golf Course and Recreational Utility	05-10	5-10-05						
	07-52	11-27-07	1,060,000.00	5,964.87	1,385.04	4,579.83		
Multi-Purpose: b. Various Improvements	06-11	5-23-06	214,000.00	51,954.04	51,954.04			
	07-21	7-24-07	1,160,000.00		84,119.59	10,930.51		
Multi-Purpose: a. Various Improvements and Equipment b. Installation of Fire Sprinkler c. Repaving of Parking Lot	08-16	5-13-08	250,000.00	3,251.80	66,868.88	123,882.92		50,000.00
			150,000.00		18,112.96			
			75,000.00		10,145.76			
Various Improvements and Purchase of Equipment	09-27	6-16-09	151,000.00		63,763.58	9,736.42		47,500.00
Various Improvements to and Equipment for Golf Course and Recreational Utility	10-16	7-20-10	300,000.00		15,900.00			284,100.00
				\$ 62,666.82	\$ 481,808.82	\$ 300,000.00	\$ 150,625.79	\$ 381,600.00
			Reference	F	F	F-12, Sheet #2	F-5	F

*Funded in Full from the Capital Improvement Fund.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

IMPROVEMENT AUTHORIZATIONS

F-21
Sheet #2

	<u>Ref.</u>	<u>2010</u> <u>Authorizations</u>
Capital Improvement Fund	F-22	\$ 15,000.00
Bonds and Notes Authorized but Not Issued	F-29	<u>285,000.00</u>
	Sheet #1	<u>\$ 300,000.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

CAPITAL IMPROVEMENT FUND

F-22

	<u>Ref.</u>	
Balance December 31, 2009	F	\$ 28,343.05
Increased by:		
Budget Appropriations	F-5	<u>15,000.00</u>
		43,343.05
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#10-16	F-21,25	<u>15,000.00</u>
Balance December 31, 2010	F	<u>\$ 28,343.05</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

INTERFUNDS PAYABLE

F-23

Golf and
Recreation
Capital
Fund

Golf and
Recreation
Operating
Fund

Ref.

Increased by:
Interest on Investments

F-7

\$ 2,104.05

Decreased by:
Settlements

F-5

2,104.05

\$ -

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

RESERVE FOR AMORTIZATION

F-24

	<u>Ref.</u>		
Balance December 31, 2009	F		\$ 20,855,091.09
Increased by:			
Transferred from Deferred Reserve for Amortization	F-25	\$ 225,250.00	
Refunding Bonds Paid by Operating Budget	F-27	499,185.52	
Serial Bonds Paid by Operating Budget	F-28	<u>90,000.00</u>	
			<u>814,435.52</u>
Balance December 31, 2010	F		<u>\$ 21,669,526.61</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-25

DEFERRED RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Date</u>	<u>Balance Dec. 31, 2009</u>	<u>Increase</u>	<u>To Reserve for Amortization</u>	<u>Balance Dec. 31, 2010</u>
Construction of Golf Paths	99-15	5-11-99	\$ 60,000.00	\$	\$	\$ 60,000.00
Improvements to Golf Course and Recreational Utility	05-10 07-52	5-10-05 11-27-07	315,000.00			315,000.00
Multi-Purpose: b. Various Improvements	06-11	5-23-06	214,000.00		214,000.00	
Various Improvements to and Equipment for the Golf Course and Recreational Utility	07-21	7-24-07	257,500.00			257,500.00
Multi-Purpose: a. Various Improvements and Equipment b. Installation of Fire Sprinkler c. Repaving of Parking Lot	08-16	5-13-08	12,500.00 7,500.00 3,750.00		7,500.00 3,750.00	12,500.00
Various Improvements and Purchase of Equipment	09-27	6-16-09	7,550.00			7,550.00
Various Improvements to and Equipment for Golf Course and Recreational Utility	10-16	7-20-10		15,000.00		15,000.00
			<u>\$ 877,800.00</u>	<u>\$ 15,000.00</u>	<u>\$ 225,250.00</u>	<u>\$ 667,550.00</u>

Reference

F

F-22

F-24

F

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-26

BOND ANTICIPATION NOTES

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Decrease</u>
07-21	Various Improvements to Golf Course and Recreational Utility	11-10-09	11-10-09	11-10-10	2.00%	\$ 261,500.00	\$ 261,500.00
08-16	Multi-Purpose	11-10-09	11-10-09	11-10-10	2.00	213,750.00	213,750.00
09-27	Various Improvements and Purchase of Equipment	11-10-09	11-10-09	11-10-10	2.00	95,950.00	95,950.00
						<u>\$ 571,200.00</u>	<u>\$ 571,200.00</u>

Reference F F-5

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-27

REFUNDING BONDS

Purpose	Original Issue		Maturities of Bonds Outstanding Dec. 31, 2010		Interest Rate	Balance Dec. 31, 2009	Budget Appropriation	Balance Dec. 31, 2010
	Date	Amount	Date	Amount				
General Improvement: Capital Appreciation Bonds	4-01-92	\$ 860,474.50				\$ 9,185.52	\$ 9,185.52	\$
General Improvement	2-01-03	3,805,000.00	12-01-2011	\$ 410,000.00	3.50%	1,230,000.00	405,000.00	825,000.00
General Improvement	5-15-09	259,000.00	12-01-2012	415,000.00	4.00			
			12-01-2011	5,000.00	2.00	175,000.00	85,000.00	90,000.00
			12-01-2011	85,000.00	4.00			
						<u>\$ 1,414,185.52</u>	<u>\$ 499,185.52</u>	<u>\$ 915,000.00</u>

Reference

F-24

F

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-28

SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2009</u>	<u>Issued</u>	<u>Decrease Budget Appropriation</u>	<u>Balance Dec. 31, 2010</u>				
			<u>Date</u>	<u>Amount</u>									
General Improvement	7-01-08	\$ 1,500,000.00	7-01-2011/2012	\$ 100,000.00	3.50%	\$ 1,410,000.00							
			7-01-2013/2014	150,000.00	3.50								
			7-01-2015	150,000.00	3.75								
			7-01-2016	160,000.00	3.75								
			7-01-2017	170,000.00	3.75								
			7-01-2018/2019	170,000.00	4.00								
												\$ 90,000.00	\$ 1,320,000.00
General Improvement	10-26-10	758,700.00	11-01-2011/2013	40,000.00	2.00								
			11-01-2014	40,700.00	2.00								
			11-01-2015	53,000.00	2.00								
			11-01-2016	55,000.00	2.00								
			11-01-2017	55,000.00	2.25								
			11-01-2018	60,000.00	2.50								
			11-01-2019	60,000.00	2.75								
			11-01-2020	75,000.00	3.00								
			11-01-2021/2023	80,000.00	3.00								
												758,700.00	758,700.00
													\$ 90,000.00

Reference

E

F-5

F-24

F

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-29

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2009</u>	<u>2010 Authorization</u>	<u>Bond Anticipation Notes Redeemed</u>	<u>Serial Bonds Issued</u>	<u>Balance Dec. 31, 2010</u>
07-21	Various Improvements to and Equipment for Golf Course and Recreational Utility	\$	\$	\$ 261,500.00	\$ 261,500.00	\$
08-16	Multi-Purpose: a. Various Improvements and Equipment b. Installation of Fire Sprinkler c. Repaving of Parking Lot	237,500.00		142,500.00 71,250.00	187,500.00 142,500.00 71,250.00	50,000.00
09-27	Various Improvements and Purchase of Equipment	47,500.00		95,950.00	95,950.00	47,500.00
10-16	Various Improvements to and Equipment for Golf Course and Recreational Utility		285,000.00			285,000.00
		<u>\$ 285,000.00</u>	<u>\$ 285,000.00</u>	<u>\$ 571,200.00</u>	<u>\$ 758,700.00</u>	<u>\$ 382,500.00</u>
	<u>Reference</u>	E	F-21	F-26	F-28	F

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION

G-1

	<u>Ref.</u>		
Balance December 31, 2009	G		\$ 10,843.40
Increased by:			
Interfunds Payable	G-2	\$ 17.82	
Reserve for Public Assistance			
Trust Fund Expenditures	G-3	<u>10,757.61</u>	
			<u>10,775.43</u>
			21,618.83
Decreased by:			
Interfunds Payable	G-2	15.12	
Reserve for Public Assistance			
Trust Fund Expenditures	G-3	<u>7,735.71</u>	
			<u>7,750.83</u>
Balance December 31, 2010	G		<u>\$ 13,868.00</u>
 <u>Bank Reconciliation December 31, 2010</u>			
Balance per Statement:			
Valley National Bank,			
Parsippany, New Jersey:			
Account #41347161			
			<u>\$ 13,868.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

INTERFUNDS PAYABLE

G-2

	<u>Ref.</u>	
Increased by:		
Interest on Deposits	G-1	\$17.82
Decreased by:		
Settlements	G-1	<u>15.12</u>
Balance December 31, 2010	G	<u>\$ 2.70</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

RESERVE FOR PUBLIC ASSISTANCE TRUST FUND EXPENDITURES

G-3

	<u>Ref.</u>		
Balance December 31, 2009	G		\$ 10,843.40
Increased by:			
Donations		\$ 10,753.03	
Interest on Deposits		<u>4.58</u>	
	G-1		<u>10,757.61</u>
			<u>21,601.01</u>
Decreased by:			
Public Assistance Expenditures	G-1		<u>7,735.71</u>
Balance December 31, 2010	G		<u><u>\$ 13,865.30</u></u>

PART II
REPORT ON INTERNAL CONTROL
SINGLE AUDIT ATTACHMENTS
ROSTER OF OFFICIALS
LETTER OF TRANSMITTAL, COMMENTS AND RECOMMENDATIONS
(MANAGEMENT LETTER)
YEAR ENDED DECEMBER 31, 2010

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-4543
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 301
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

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

Honorable Mayor and Members of the
Township Council
Township of Parsippany-Troy Hills
Parsippany, New Jersey 07054

We have audited the statutory basis financial statements of the various funds of the Township of Parsippany-Troy Hills, County of Morris, as of and for the years ended December 31, 2010 and December 31, 2009, and have issued our report thereon dated June 2, 2011, which was qualified as a result of the Municipality's policy to prepare its financial statements on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates 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. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Municipality'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 Municipality's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Municipality'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the Municipality's governing body and management, appropriate State and Federal awarding agencies, and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. It is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
June 2, 2011

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-4543
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 301
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH FEDERAL OMB CIRCULAR A-133 AND STATE CIRCULAR LETTER 04-04 OMB

Honorable Mayor and Members of the
Township Council
Township of Parsippany-Troy Hills
Parsippany, New Jersey 07054

Compliance

We have audited the compliance of the Township of Parsippany-Troy Hills, County of Morris, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*, and the New Jersey State Office of Management and Budget's *State Grant Compliance Supplement* that are applicable to each of its major federal and state programs for the year ended December 31, 2010. The municipality's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedules of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the management of the municipality. Our responsibility is to express an opinion on the municipality's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, *Audits of State, Local Governments, and Nonprofit Organizations*; and the provisions of state Treasury Circular Letter 04-04 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments* and the *New Jersey State Office of Management and Budget's State Grant Compliance Supplement*. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the municipality's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the municipality's compliance with those requirements.

In our opinion the Township of Parsippany-Troy Hills, County of Morris, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2010.

Internal Control Over Compliance

The management of the Township of Parsippany-Troy Hills is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the municipality's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Municipality's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

However, we noted certain immaterial instances of noncompliance and other matters involving the internal control over financial reporting that we have reported and described in Part II of the accompanying "Report on Examination of Accounts".

Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the financial statements of the Township of Parsippany-Troy Hills as of and for the year ended December 31, 2010, and have issued our report thereon dated June 2, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the municipality's basic financial statements. The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and State of New Jersey Circular 04-04 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Municipality's governing body and management, State and Federal awarding agencies and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. It is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
June 2, 2011

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE A
Sheet #1

Federal Funding Department and Description	Grant Number	CFDA Number	Program Amount	2010 Funds Received	Disbursed	
					Fiscal Year	Total
Housing and Urban Development						
Community Development Block Grant:						
7-01-08 to 6-30-09 - Housing Rehabilitation	B08-MC34-0113	14.218	\$ 114,432.00	\$ 25,460.10	\$ 114,432.00	
7-01-09 to 6-30-10 - Housing Rehabilitation	B09-MC34-0113	14.218	121,302.00	71,914.84	71,914.84	
7-01-10 to 6-30-11 - Housing Rehabilitation	B10-MC34-0113	14.218	110,960.00			
7-01-09 to 6-30-10 - Program Administration	B09-MC34-0113	14.218	39,000.00	11,134.47	39,000.00	
7-01-10 to 6-30-11 - Program Administration	B10-MC34-0113	14.218	40,000.00	30,729.11	30,729.11	
7-01-05 to 6-30-06 - Removal of Handicapped Accessible Barriers for Municipally-Owned Facilities:						
Phase VI						
7-01-04 to 6-30-05 - Littleton Schoolhouse Historic Preservation:	B05-MC34-0113	14.218	10,000.00		8,782.44	
Phase V						
7-01-09 to 6-30-10 - Baldwin Museum Rehabilitation:	B04-MC34-0113	14.218	30,000.00		25,250.50	
Phase V						
7-01-09 to 6-30-10 - Senior Center Improvements	B09-MC34-0113	14.218	15,000.00	15,000.00	15,000.00	
7-01-09 to 6-30-10 - Sidewalk Improvements	B09-MC34-0113	14.218	27,000.00	15,538.02	27,000.00	
7-01-09 to 6-30-10 - Vehicle Purchases for Seniors and Handicapped	B09-MC34-0113	14.218	50,263.00	50,241.59	50,241.59	
7-01-09 to 6-30-10 - Knoll Road Resurfacing Project - Ordinance #09-24f	B09-MC34-0113	14.218	35,000.00	35,000.00	35,000.00	
7-01-10 to 6-30-11 - Curbing, Drainage and Paving Improvements on Ronald Road, Ridgewood Avenue and Oak Lane	B10-MC34-0113	14.218	125,000.00	125,000.00	125,000.00	
7-01-10 to 6-30-11 - ADA Accessible Improvements to Various Township Facilities	B10-MC34-0113	14.218	105,000.00			
7-01-10 to 6-30-11 - Littleton Schoolhouse on Route 202 Restoration and Rehabilitation	B10-MC34-0113	14.218	25,000.00	11,800.00	11,800.00	
U.S. Department of Justice Justice Assistance Grant: 2009		16.738	201,116.00	198,077.03	198,077.03	

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE A
Sheet #2

Federal Funding Department and Description	Grant Number	CFDA Number	Program Amount	2010 Funds Received	Disbursed	
					Fiscal Year	Total
U.S. Department of Energy Energy Efficiency and Conservation Block Grant Program: 2009						
ARRA - Energy Efficiency and Conservation Block Grant: 2010						
		81.128	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
		81.128	523,800.00	256,000.00	204,788.00	204,788.00
U.S. Department of Environmental Protection Municipal Storm Water Regulation Program: Passed-Through State of New Jersey: 1-01-10 to 12-31-10						
Capitalization Grants for State Revolving Funds: Passed-Through State of New Jersey: 2010 ARRA Funding for Improvements to Waste Water Treatment Plant: DEP Principal Forgiveness Fund Loan						
		66.605	10,310.00	10,310.00		
		66.458	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
		66.458	2,500,000.00	370,819.00	1,011,554.48	1,011,554.48
			\$ 9,128,183.00	\$ 6,048,947.13	\$ 6,826,237.64	\$ 6,988,569.99

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE B
Sheet #1

<u>State Funding</u> <u>Department and Description</u>	<u>State</u> <u>Account Number</u>	<u>Program</u> <u>Amount</u>	<u>Funds</u> <u>Received</u>	<u>Disbursements</u>	
				<u>Fiscal</u> <u>Year</u>	<u>Total</u>
<u>Department of Health</u>					
Public Health Priority Funding:					
1-01-10 to 12-31-10	046-4E10-100-307-6020	\$ 8,656.00	\$ 8,656.00	\$ 8,656.00	\$ 8,656.00
Municipal Alcohol Education, Rehabilitation Program:					
1-01-09 to 12-31-09		1,724.29		1,010.00	1,010.00
Tobacco Age-of-Sale Enforcement Grant:					
1-01-05 to 12-31-05		4,380.00			2,971.30
1-01-07 to 12-31-07		3,720.00			
1-01-08 to 12-31-08		2,280.00			
1-01-09 to 12-31-09		2,280.00			
Passed-Through County of Morris:					
Municipal Alliance:					
1-01-09 to 12-31-09		23,991.97	23,991.97	3,419.24	23,991.97
1-01-10 to 12-31-10		28,901.00		8,543.96	8,543.96
<u>Environmental Protection</u> <u>Clean Communities Act:</u>					
1-01-07 to 12-31-07	042-4900-765-004-6020	60,828.83		1,000.00	60,828.83
1-01-08 to 12-31-08		64,533.53		1,000.00	64,533.53
1-01-09 to 12-31-09		82,990.27		7,580.30	82,990.27
1-01-10 to 12-31-10		86,296.52	86,296.52	62,206.47	62,206.47
Recycling Tonnage Grant:					
1-01-05 to 12-31-05		28,449.29			27,341.29
1-01-06 to 12-31-06		22,796.80			22,508.80
1-01-07 to 12-31-07		22,946.27		3,180.62	22,946.27
1-01-08 to 12-31-08		34,042.90		29,267.90	34,042.90
1-01-09 to 12-31-09		51,625.98		38,866.86	38,866.86
1-01-10 to 12-31-10		62,600.38	62,600.38		

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE B
Sheet #2

<u>State Funding</u> <u>Department and Description</u>	<u>State Account</u> <u>Number</u>	<u>Program</u> <u>Amount</u>	<u>Funds</u> <u>Received</u>	<u>Disbursements</u>	
				<u>Fiscal</u> <u>Year</u>	<u>Total</u>
<u>Environmental Protection</u> Green Acres Program: 1-01-10 to 12-31-10	042-4800-727-002-6120	\$ 445,295.00	\$ 445,295.00	\$ 445,295.00	\$ 445,295.00
Green Communities Grant: 1-01-10 to 12-31-10		3,000.00	2,894.33	2,800.00	2,800.00
N.J. Environmental Infrastructure Trust Loan: Sewer Utility Improvements (Ordinance #08-15a) Improvements to Waste Water Treatment Plant (Ordinance #09-28)	042-4860-711-001-6020	174,900.00 17,688,210.00		15,758.00	15,758.00
<u>Economic Development Authority</u> Hazardous Discharge Site Remediation Grant - 1996		43,345.00			39,405.00
<u>Transportation</u> New Jersey Transportation Trust Fund: Knoll Road Resurfacing Project (Ordinance # 09-24f) Park Road Improvement Project (Ordinance # 10-13d)	078-6320-480-AKE-6010	195,000.00 250,000.00		195,000.00	195,000.00
<u>Division of Motor Vehicles</u> Drunk Driving Enforcement Program: 1-01-08 to 12-31-08 1-01-10 to 12-31-10		10,243.62 12,407.66		1,000.00 3,900.00	6,600.83 3,900.00

TOWNSHIP OF PARSEPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE B
Sheet #3

State Funding Department and Description	State Account Number	Program Amount	Funds Received	Disbursements	
				Fiscal Year	Total
<u>Division of Highway Traffic Safety</u>					
Click It or Ticket Grant:					
1-01-10 to 12-31-10	066-1160-100-113-6020	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
<u>Think Safety Pedestrian Safety Mobilization</u>					
Grant:					
1-01-09 to 12-31-09		5,400.00		5,400.00	5,400.00
<u>Aggressive Driving Enforcement Grant:</u>					
1-01-07 to 12-31-07		7,500.00		700.00	7,500.00
<u>Pedestrian Safety Education and</u>					
<u>Enforcement Grant:</u>					
1-01-10 to 12-31-10	066-1160-100-146-6010	31,600.00	22,500.00	22,500.00	22,500.00
Over the Limit, Under Arrest 2009 Year					
End Statewide Crackdown:					
1-01-09 to 12-31-09		5,000.00	5,000.00	3,250.00	5,000.00
Over the Limit, Under Arrest:					
1-01-10 to 12-31-10		5,000.00		1,500.00	1,500.00
Hang Up Just Drive:					
1-01-10 to 12-31-10		4,000.00	4,000.00		
<u>Department of Law and Public Safety</u>					
Body Armor Fund:					
1-01-07 to 12-31-07	066-1020-718-001-6120	9,708.56		393.07	9,708.56
1-01-08 to 12-31-08		11,163.09		4,044.71	11,163.09
1-01-09 to 12-31-09		10,351.23		7,753.57	7,753.57
1-01-10 to 12-31-10		3,063.88	3,063.88		
<u>Emergency Management Assistance Grant:</u>					
1-01-08 to 12-31-08		5,000.00		5,000.00	5,000.00
1-01-10 to 12-31-10		5,000.00	5,000.00		

TOWNSHIP OF PARSHIPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

SCHEDULE B
Sheet #4

State Funding Department and Description	State Account Number	Program Amount	Funds Received	Disbursements	
				Fiscal Year	Total
<u>N.J. Offices of Information Technology</u> Enhanced 911 General Assistance Grant: 1-01-06 to 12-31-06		\$ 47,079.00		\$	\$ 44,800.00
<u>New Jersey Highlands Council</u> N.J. Highlands Water Protection and Planning Council: Initial Assessment Grant: 1-01-09 to 12-31-09 1-01-10 to 12-31-10		15,000.00 5,224.46	5,224.46		
<u>Department of Human Services</u> Passed-Through County of Morris: Juvenile Accountability Incentive Block Grant: 1-01-09 to 12-31-09 1-01-10 to 12-31-10		2,500.00 3,120.00	3,120.00	1,789.24 426.02	2,499.24 426.02
<u>N.J. Department of Health and Senior Services</u> 2010 State Health Services Grant Influenza A - H1N1 Virus: 1-01-09 to 12-31-09		127,752.00	81,315.00	106,388.66	124,177.04
		<u>\$ 19,722,907.53</u>	<u>\$ 775,365.20</u>	<u>\$ 991,629.62</u>	<u>\$ 1,421,624.80</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS

NOTES TO THE SCHEDULES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

DECEMBER 31, 2010

1. GENERAL

The accompanying Schedules of Expenditures of Awards and Financial Assistance present the activity of all federal and state financial assistance programs of the Township of Parsippany-Troy Hills. The Township of Parsippany-Troy Hills is defined in Note 1(A) to the Township's general purpose financial statements. All federal and state financial assistance received directly from federal and state agencies as well as federal and state financial assistance, passed-through other government agencies, is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles. This basis of accounting is described in Note 1(C) and 1(D) to the Township's statutory basis financial statements.

3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORT

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

4. RELATIONSHIP TO STATUTORY BASIS FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's statutory basis financial statements. Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2010

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material Weakness(es) identified? _____ Yes X No

Deficiency(ies) identified? _____ Yes X None Reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal Control over major federal programs:

Material Weakness(es) identified? _____ Yes X No

Deficiency(ies) identified? _____ Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133? _____ Yes X No

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
14.218	Community Development Block Grant
66.458	Capitalization Grants for State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 300,000.00

Auditee qualified as low-risk auditee? X Yes _____ No

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2010
(Continued)

Section I - Summary of Auditors' Results: (Continued)

State Awards

Internal Control over major state programs:

Material weakness(es) identified? Yes No

Deficiency(ies) identified? Yes None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular 04-04 and listed in Section III of the Schedule? Yes No

Identification of major state programs:

<u>Account Number(s)</u>	<u>Name of State Program or Cluster</u>
042-4800-727-002-6120	Green Acres Program

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 300,000.00

Auditee qualified as low-risk auditee? Yes No

Section II - Financial Statement Findings

None Reported

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

Federal Awards

None Reported

State Awards

None Reported

**TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2010**

Federal Awards

There were no prior year audit findings for Federal Award Programs.

State Awards

There were no prior year audit findings for State Financial Assistance.

**ROSTER OF OFFICIALS AND CERTAIN EMPLOYEES
FOR THE YEAR 2010 AND REPORT ON SURETY BONDS**

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
James R. Barberio	Mayor	\$
Ann F. Grossi	Council President	
John M. Fox	Council Vice President	
John Cesaro	Councilperson	
Michael J. dePierro	Councilperson	
Brian S. Stanton	Councilperson	
Judith I. Silver	Township Clerk	
John P. Inglesino	Township Attorney	
Jasmine Lim	Business Administrator	
Michael Hardie	Director of Purchasing	
Ruby Malcolm	Chief Financial Officer Treasurer	1,000,000.00
Terence Whalen	Tax Collector	1,000,000.00
Helen B. Scarnato	Deputy Tax Collector	
Daniel Cassese	Tax Assessor	
Anthony J. Frese	Judge	
Leslie E. Silver	Judge	
Alvaro Leal	Court Administrator	
Justin Lizza	Engineer	

All of the above surety bonds were issued by Municipal Excess Liability Joint Insurance Fund.

A Public Employee Dishonesty Bond issued by Municipal Excess Liability Joint Insurance Fund in the amount of \$1,000,000.00 is part of a multi-peril policy and covers all employees.

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-4543
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 301
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

Honorable Mayor and Members of the
Township Council
Township of Parsippany-Troy Hills
Parsippany, New Jersey 07054

Madam and Gentlemen:

We have audited the financial statements, Federal and State Financial Assistance Programs and supplemental schedules and data of the

TOWNSHIP OF PARSIPPANY-TROY HILLS COUNTY OF MORRIS

for the years ended December 31, 2010 and December 31, 2009 and have issued our report thereon. As part of our audit, we reviewed and tested the municipality's system of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America; by the Division of Local Government Services of the Department of Community Affairs, State of New Jersey; by the *Government Auditing Standards* issued by the U.S. General Accounting Office; and by the provisions of the "Single Audit Act of 1984". Compliance requirements were also reviewed in accordance with the requirements of the aforementioned standards and guidelines or, where applicable, the terms and conditions of particular grant agreements and as approved by the Cognizant Audit Agency.

Our comments with respect to the audit, internal control, and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation found during the audit are herewith set forth.

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

N.J.S. 40A:11-4, as amended, states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to (N.J.S. 40A:11-3c), except by contract or agreement."

It is pointed out that the Township Council has the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Township Attorney should be sought before a commitment is made.

The statutory bidding threshold for the year 2010 was the sum of \$36,000.00, effective July 1, 2010 in accordance with the provisions of N.J.S.A. 40A:11-3a, based on the appointment of a qualified purchasing agent.

Notwithstanding N.J.S.A. 40A:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the "Pay to Play Law" provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity.

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

Service and Construction Contracts:

- Deck Structure at Knoll West Country Club
- Irrigation System for Jannarone Park
- Rental of Heavy Equipment
- Parts and Service for Sewer Pumps
- Reconstruction of Centeron Drive and Allentown Road
- Intersection Improvements for North Beverwyck Road and Vail Road
- Construction of Steel Building Upgrades
- Mount Tabor - Simpson Avenue Improvements
- Various Sidewalk Improvements
- HVAC Chiller Replacement
- Knoll Road Resurfacing
- South Beverwyck No. 1 Pump Station Replacement
- Roadway Improvement to Abingdon Street
- Repainting of I-287 Elevated Water Storage Tank
- Reconstruction of Manito Avenue, Morton Place and Ute Avenue
- Reconstruction of Curbs and Sidewalks
- Pumps, Motors, Generators, HVAC Units and Parts/Repairs
- Yard Waste Transportation and Disposal/Recycling
- Pumps, Motors, Generators, HVAC Units and Parts/Repairs

Material and Supplies:

- Fertilizers, Pesticides, Plant Materials and Related Products
- Bioxide for the Waste Water Treatment Plant
- Mannich Polymer for the Waste Water Treatment Plant
- Paper Leaf Bags

Vehicles and Equipment:
Emergency Medical Vehicle
Combination Turf Tractor, Large Area Mower and Debris Blower

The minutes indicate that proposals were solicited for professional services in accordance with N.J.S.A. 19:44A-20.5.

It is also noted that certain contracts were awarded for extraordinary unspecifiable services per N.J.S. 40A:11-5.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S. 54:4-67, as amended, provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body on June 11, 1991 adopted the following resolution authorizing interest to be charged on delinquent taxes and other municipal liens:

“BE IT RESOLVED by the Township Council of the Township of Parsippany-Troy Hills, the Tax Collector is hereby authorized and directed to charge 8 percent per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged against the delinquency. Effective January 1, 1991, there will be a ten day grace period of quarterly tax payments.”

Our review of the records of the Tax Collector indicated that computerized interest for taxes was generally collected in accordance with the provisions of the foregoing resolution.

Collection of Interest on Delinquent Water and Sewer Contracts

The Governing Body adopted Ordinance #90-23 on April 24, 1990 which authorized interest to be charged on delinquent water bills, which reads as follows:

BE IT ORDAINED by the Township Council of the Township of Parsippany-Troy Hills, Morris County that Chapter XII, entitled “WATER” of the Code is hereby amended and supplemented as follows:

Section 1. Section 12.2-3 entitled “Method of Payment” is hereby amended and supplemented to provide as follows:

“12-2.3 Method of Payment. Payments for use and consumption of water and for all other fees and charges incurred shall be paid to the Water Utility of the Township. All bills for continuous service shall be rendered quarterly. Any bill not paid within thirty (30) days will be considered delinquent and service may be discontinued after ten (10) days final notice. Interest at a rate of eight (8%) percent per annum on the first fifteen hundred (\$1,500.00) dollars and eighteen (18%) percent per annum on amounts in excess of fifteen hundred (\$1,500.00) dollars will be charged on delinquent accounts”.

The Governing Body adopted Ordinance #84-66 on October 9, 1984 which authorized interest to be charged on delinquent sewer bills. The ordinance states:

BE IT ORDAINED, by the Township Council of the Township of Parsippany-Troy Hills, in the County of Morris, and State of New Jersey, as follows:

Section 2. Chapter XIII, Sewage, of "The Revised General Ordinances of the Township of Parsippany-Troy Hills, 1972" is hereby amended by the addition of a new subsection 13-16.4, Interest on Late Payments, to read as follows:

"13-16.4 Interest on Late Payments. Unpaid sewer rental fees shall be subject to the same interest rate for late payments as unpaid municipal taxes. Any sewer rental fees which are unpaid after 30 days from the date of the sewer rental bill shall be subject to interest for late payment."

Our review of the records of the Tax Collector indicated that interest on delinquent water and sewer bills were generally collected in accordance with the provisions of the foregoing ordinances.

Delinquent Taxes

There were no delinquent taxes, exclusive of 2010, at December 31, 2010.

A tax sale was held on June 17, 2010 and was complete.

Tax Title and Utility Liens

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

<u>Year</u>	<u>Title Liens</u>	<u>Water Liens</u>	<u>Sewer Liens</u>
2010	4	1	1
2009	4	1	1
2008	2	None	None

Verification of Delinquent Taxes and Other Charges

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

	<u>Number of Confirmations Written</u>
Payment of 2010 and 2011 Taxes	200
Delinquent Taxes	3
Tax Title Liens	2
Payment of Water and Sewer Utility Charges	200
Unpaid Water Utility Charges	50
Unpaid Sewer Utility Charges	51
	<u>506</u>

There were no exceptions developed in connection with our examination.

Revenue Collecting Officials

Construction Code Official:

Receipting and record maintenance procedures implemented in the Office of the Construction Code Official appear to be in accordance with the provisions of the Uniform Construction Code of New Jersey and the precepts and directives of the New Jersey Division of Housing and Development in the Department of Community Affairs. The system mandates the use of standardized forms prepared and distributed by the State to all Chief Construction Code Officials. Private contractors may also maintain supplies of application forms. The forms are not prenumbered and their prescribed use eliminates such time-proven and inherent assurances of accountability, control of inspections and fiscal activity thus afforded. Reliance of the accuracy and integrity of all departmental activity is therefore necessarily placed upon internal numbering systems and recording practices.

Outside Employment of Off-Duty Police Officers

The Governing Body, on March 16, 2010, adopted Ordinance #2010:03 amending rules and regulations for employment of off-duty police officers from which the following is quoted:

“(F) All work will be paid for in advance and deposited in an escrow account to be held with the Finance Department of the Township of Parsippany-Troy Hills, with the exception of work performed for the Parsippany Board of Education, the Township and the New Jersey Department of Transportation and work related to emergencies.”

During our review it was noted that several entities received service prior to depositing money with the Township of Parsippany-Troy Hills.

It is recommended that fees for the employment of off-duty police officers be collected by the Township before services are rendered to ensure compliance with the provisions of Ordinance #2010:03.

Other Post-Employment Benefits

Local Finance Notice 2007-15 requires local units that provide non-pension benefits to retired employees, such as health insurance coverage, prescription or other benefits, to disclose the annual payment for currently retired employees and future cost for those employees in the Notes to the Financial Statements.

Those municipalities that are not members of the State Health Benefits Plan or other cost sharing plans must obtain an actuarially calculated post-employment benefit on a periodic basis for inclusion in the Notes to the Financial Statements.

The Township of Parsippany-Troy Hills maintains private health coverage and provides certain retired employees with post-employment benefits which require appropriate disclosure in the Notes to the Financial Statements in accordance with regulations promulgated by the Local Finance Board.

To date the aforementioned post-employment costs for the Township of Parsippany-Troy Hills have not been updated since December 31, 2009.

It is recommended that an actuarial study be prepared to determine certain post-employment benefits in accordance with regulations promulgated by the Local Finance Board.

Municipal Court

A segment of the Report of the Municipal Court for 2010, which is filed under separate cover with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk, is presented herewith for information purposes. The statement of receipts and disbursements is summarized as follows:

	Balance Dec. 31, 2009	Receipts	Disbursements	Balance Dec. 31, 2010
Municipal Treasurer	\$ 53,108.97	\$ 821,166.86	\$ 816,952.75	\$ 57,323.08
County Treasurer	15,640.50	285,689.46	279,887.20	21,442.76
State Treasurer	59,189.52	931,005.65	934,118.76	56,076.41
Bail	20,617.00	339,964.50	343,150.50	17,431.00
Other Items	10,652.50	174,131.38	177,844.38	6,939.50
	<u>\$159,208.49</u>	<u>\$ 2,551,957.85</u>	<u>\$ 2,551,953.59</u>	<u>\$159,212.75</u>

Our review of the records of the Municipal Court resulted in the following findings:

The report "Tickets Assigned but Not Issued" listed 16 unissued tickets in excess of six months.

The report "Tickets Issued Monthly but Not Assigned" listed 3 unassigned tickets.

The following recommendation with respect to the Municipal Court is noted as follows:

That tickets assigned but not issued in excess of six months be reviewed for proper disposition and that follow-up procedures be implemented for tickets whether issued or assigned.

Corrective Action Plan

In accordance with regulations promulgated by the Single Audit Act and the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services, a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received.

A Corrective Action Plan was prepared by the Chief Financial Officer and approved by resolution of the Governing Body and submitted to the Division within the time period provided in the regulations.

Status of Prior Years' Audit Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all with the exception of the following, which are included in this year's recommendations:

Municipal Court

That tickets assigned but not issued in excess of six months be reviewed for proper disposition and that follow-up procedures be implemented for tickets whether issued or assigned.

Miscellaneous

A report summarizing collections of Dog License Fees and remittances of State Registration Fees has been prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

In verifying expenditures, test computations were made on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Individual payments of the Local School District Tax by the Township for the year 2010 were confirmed as received by the Secretary of the Board of Education.

The propriety of deductions for pensions, withholding taxes, social security and other purposes from individual employee salaries was not verified as part of this examination.

A separate trust fund, established for State Unemployment Compensation Insurance, is detailed in Section "B" herein.

All sums of outstanding checks, reflected in cash reconciliations herein, are in agreement with the records of the Treasurer.

A summary or synopsis of this report was prepared for publication and filed with the Township Clerk.

A copy of this report was filed with the New Jersey Division of Local Government Services.

RECOMMENDATIONS

Page
Reference

General

That fees for the employment of off-duty police officers be collected by the Township before services are rendered to ensure compliance with the provisions of Ordinance #2010:03. 264

That an actuarial study be prepared to determine certain post-employment benefits in accordance with regulations promulgated by the Local Finance Board. 264

Municipal Court

That tickets assigned but not issued in excess of six months be reviewed for proper disposition and that follow-up procedures be implemented for tickets whether issued or assigned. 265

* * *

The foregoing comments and resultant recommendations are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

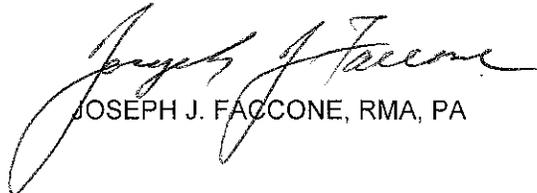
We shall be pleased to confer on questions that might arise with respect to any matters in this report.

We desire to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the examination.

Respectfully submitted,



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
June 2, 2011

