BOROUGH OF BERLIN

COUNTY OF CAMDEN

REPORT OF AUDIT

FOR THE YEAR 2010

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

16800

BOROUGH OF BERLIN
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BOROUGH OF BERLIN

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2010

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Berlin
Berlin, New Jersey 08009

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, because of the effects on the financial statements of the requirement that the Borough prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough of Berlin, in the County of Camden, State of New Jersey, as of December 31, 2010 and 2009, or the results of its operations and changes in fund balance for the years then ended.

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Berlin's basic financial statements. The supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Joseph J. Hoffmann
Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 13, 2011

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

The Honorable Mayor and
Members of the Borough Council
Borough of Berlin
Berlin, New Jersey 08009

We have audited the financial statements (regulatory basis) of the Borough of Berlin, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2010, and have issued our report thereon dated July 13, 2011, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and in compliance with audit requirements 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 Borough of Berlin's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Berlin'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 that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

This report is intended solely for the information and use of the management of the Borough, the Division of Local Government Services, Department of Community Affairs, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 13, 2011

BOROUGH OF BERLIN
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of December 31, 2010 and 2009

	Ref.	Dec. 31, 2010	Dec. 31, 2009
ASSETS			
Regular Fund:			
Cash	SA-1	$ 2,983,644.36	$ 2,493,303.77
Cash--Change Funds	SA-3	200.00	200.00
		2,983,844.36	2,493,503.77
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	293,673.95	372,354.97
Tax Title Liens Receivable	SA-10	14,416.31	6,183.15
Revenue Accounts Receivable	SA-5	18,016.34	28,408.33
Prepaid Local School Tax	SA-15		8,713.00
Due from Animal Control Fund	SB-1;SB3		6,257.89
Due from Trust Other Fund	SB-5	988.57	59,851.00
Due from Sewer Utility Operating Fund	E		239,668.00
		327,095.17	721,436.34
Deferred Charges:			
Special Emergency Authorizations	SA-6	186,000.00	234,000.00
		3,496,939.53	3,448,940.11
Federal and State Grant Fund:			
Due from Trust Other Fund	B		7,713.37
Due from Current Fund	A	72,971.61	67,883.33
Federal and State Grants Receivable	SA-20	67,417.11	221,596.00
		140,388.72	297,192.70
		$ 3,637,328.25	$ 3,746,132.81

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of December 31, 2010 and 2009

	Ref.	Dec. 31, 2010	Dec. 31, 2009
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3; SA-8	$ 92,319.10	$ 207,537.63
Reserve for Encumbrances	A-3; SA-8	16,237.37	38,718.99
Due to State of New Jersey:			
Senior Citizens/Veterans Deductions	SA-7	14,635.43	18,635.55
State Training Fees	SA-9	1,028.00	764.00
Prepaid Taxes	SA-11	207,522.85	211,081.72
Reserve for Revision of Tax Map	A	15,000.00	15,000.00
Reserve for Revaluation of Real Property	SA-18	42,115.90	44,263.65
Reserve for Land Sale Deposits	SA-19		1,030.00
Reserve for Sale of Municipal Assets	SA-19	10,300.00	
Contracts Payable	SA-1	32,507.60	179,600.00
Tax Overpayments	SA-12		0.40
Due County for Added and Omitted Taxes	SA-13	66,883.19	25,018.14
Local District School Taxes Payable	SA-15	271,710.00	
Regional High School Taxes Payable	SA-17	1,272.52	9,649.45
Due Library	SA-1		556.00
Due to Water Utility Operating Fund	A	221,097.84	221,097.84
Due to Water Utility Capital Fund	A	650,000.00	650,000.00
Due to Open Space Trust Fund	B-1	1,147.84	195.49
Due to Federal and State Grant Fund	A	72,971.61	67,883.33
Due to General Capital Fund	SC-10	191,542.11	551,542.11
		1,908,291.36	2,242,574.30
Reserves for Receivables and Other Assets	A	327,095.17	721,436.34
Fund Balance	A-1	1,261,553.00	484,929.47
		3,496,939.53	3,448,940.11
Federal and State Grant Fund:			
Unappropriated Reserves	SA-21	36,398.91	47,365.80
Appropriated Reserves	SA-22	56,549.08	249,826.90
Reserve for Encumbrances	SA-22	3,189.00	
Reserve for Contracts Payable	SA-22	44,251.73	
		140,388.72	297,192.70
		$ 3,637,328.25	$ 3,746,132.81

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

BOROUGH OF BERLIN
CURRENT FUND
Statements of Operations and Changes in Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	Dec. 31, 2010	Dec. 31, 2009
Revenue and Other Income Realized		
Fund Balance Utilized	$ 55,000.00	$ 570,000.00
Miscellaneous Revenues Anticipated	1,971,310.68	2,294,066.44
Receipts from Delinquent Taxes	346,902.27	283,992.00
Receipts from Current Taxes	19,776,445.59	18,724,367.16
Non-Budget Revenue	218,115.66	142,681.92
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	193,050.39	113,700.96
Liquidation of Reserve for:		
Due Trust Other Fund	34,862.43	15,315.50
Due General Capital Fund		10,000.30
Due Federal and State Grant Fund		16,685.51
Due Animal Control Fund	257.89	
Due Sewer Utility Operating Fund	9,668.00	
Police Outside Services Receivable		5,670.00
Cancellation of Tax Overpayments		407.89
Cancellation of Trust Other Fund Escrow Balances		65,359.16
Cancellation of Accounts Payable		376.49
Cancellation of Grants Appropriated		103.89
Total Income	22,605,612.91	22,242,727.22
Expenditures		
Budget Appropriations:		
Within "CAPS":		
Operations -- Salaries and Wages	2,295,225.77	2,613,698.98
Operations -- Other Expenses	1,785,287.89	2,142,189.00
Deferred Charges and Statutory Expenditures	390,657.00	487,791.72
Excluded from "CAPS":		
Operations -- Salaries and Wages	178,467.13	181,479.18
Operations -- Other Expenses	316,770.93	241,454.90
Capital Improvements--Excluded from "CAPS"	25,000.00	
Municipal Debt Service--Excluded from "CAPS"	1,013,366.65	980,531.94
Deferred Charges--Municipal--Excluded from "CAPS"	48,000.00	209,659.30
Transfer to Local School Districts	45,918.00	58,808.00
Regional High School Tax	3,427,034.21	3,288,567.53
Local District School Tax	6,763,013.00	6,482,932.00
Municipal Open Space Tax	83,118.38	41,313.68
County Taxes	5,330,973.65	5,251,860.45
Due County for Added and Omitted Taxes	66,883.19	25,018.14
Creation of Reserve for:		
Due Animal Control Fund		5,575.02
Due Sewer Utility Operating Fund		200,000.00
Prepaid Local School Taxes		8,713.00
Prior Year Property Tax Deductions Disallowed	2,000.00	1,913.65
Cancellation of General Capital Grants Receivable		17,325.70
Refund of Prior Year Revenues	2,273.58	2,172.93
Total Expenditures	21,773,989.38	22,241,005.12

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statements of Operations and Changes in Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	Dec. 31, 2010	Dec. 31, 2009
Excess in Revenues	$ 831,623.53	$ 1,722.10
Adjustments to Income Before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	-	225,000.00
Statutory Excess to Fund Balance	831,623.53	226,722.10
Fund Balance		
Balance Jan. 1	484,929.47	828,207.37
	1,316,553.00	1,054,929.47
Decreased by:		
Utilized as Revenue	55,000.00	570,000.00
Balance Dec. 31	$ 1,261,553.00	$ 484,929.47

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

BOROUGH OF BERLIN
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2010

	Anticipated Budget	Anticipated Special N.J.S. 40A: 4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	$ 55,000.00	-	$ 55,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	9,000.00		9,820.10	$ 820.10
Other	53,000.00		55,474.67	2,474.67
Fees and Permits	34,000.00		41,597.50	7,597.50
Fines and Costs -- Municipal Court	132,000.00		132,537.87	537.87
Interest and Costs on Taxes	78,000.00		91,746.76	13,746.76
Interest on Investments and Deposits	9,000.00		6,932.41	(2,067.59)
Payment in Lieu of Taxes -- Virtua hospital	20,000.00		20,000.00	
Payment in Lieu of Taxes -- Assisted Living Inc.	41,000.00			(41,000.00)
Payment in Lieu of Taxes -- Jet Associates	21,000.00		21,645.77	645.77
Rental of Borough Property:				
U.S. Post Office	5,000.00		5,660.04	660.04
131 South White Horse Pike	3,500.00		2,000.00	(1,500.00)
Bell Telephone / Verizon Rental	50,000.00		50,170.57	170.57
Cable T.C. Co.	20,000.00		20,736.00	736.00
Nextel	45,000.00		50,992.34	5,992.34
69 South White Horse Pike	10,800.00		10,800.00	
Consolidated Municipal Property Tax Relief Act	84,243.00		83,574.46	(668.54)
Energy Receipts Taxes	612,454.00		612,454.00	
Garden State Preservation Trust	1.00			(1.00)
Dedicated Uniform Construction Code Fees Offset				
With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17):				
Uniform Construction Code Fees	80,000.00		140,809.00	60,809.00
Special Items of General Revenue Anticipated with Prior Written Consent				
of the Director of the Division of Local Government Services:				
State and Federal Revenue Off-Set with Appropriations:				
Clean Communities Grant	20,080.51	$ 11,277.72	31,358.23	
Safe and Secure Communities Program-P.L. 1993, Chapter 220	60,000.00		60,000.00	
Recycling Tonnage Grant	11,067.38		11,067.38	
County Recycling Rebate Grant	8,359.96		8,359.96	
Drunk Driving Enforcement Fund	2,050.00	3,317.13	5,367.13	
Municipal Alliance on Alcoholism and Drug Abuse	6,958.00		6,958.00	
Body Armor Replacement Grant		988.36	988.36	
Tischler Graphic Novel Grant	3,000.00		3,000.00	
Over the Limit Under Arrest	5,100.00		5,100.00	
Other Special Items:				
Uniform Fire Safety Act	45,000.00		52,052.72	7,052.72
Water Utility Operating Fund Balance	75,000.00		75,000.00	
Cable TV Franshise Fee	55,000.00		83,394.41	28,394.41
Reserve for Payment of Bonds -- General Capital	3,000.00		3,000.00	
Liquidation of Reserve for:				
Due from Sewer Utility Operating Fund	230,000.00		230,000.00	
Due from Animal Control Fund	6,000.00		6,000.00	
Due from Trust Other Fund	24,000.00		24,000.00	
Prepaid Local School Taxes	8,713.00		8,713.00	
	1,871,326.85	15,583.21	1,971,310.68	84,400.62
Receipts from Delinquent Taxes	348,000.00	-	346,902.27	(1,097.73)
Amount to be Raised by Taxes for				
Support of Municipal Budget:				
Local Tax for Municipal Purposes				
including Reserve for Uncollected Taxes	4,271,783.66	-	4,568,423.50	296,639.84
Budget Totals	6,546,110.51	15,583.21	6,941,636.45	379,942.73
Non-Budget Revenue	-	-	218,115.66	218,115.66
	$ 6,546,110.51	$ 15,583.21	$ 7,159,752.11	$ 598,058.39

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2010

Analysis of Realized Revenue		
Allocation of Current Tax Collections:		
Revenue from Collections		$ 19,776,445.59
Allocated to County, School, and Open Space Taxes		15,671,022.43
Amount for Support of Municipal Budget Appropriations		4,105,423.16
Add: Appropriation "Reserve for Uncollected Taxes"		463,000.34
Amount for Support of Municipal Budget Appropriations		$ 4,568,423.50
Receipts from Delinquent Taxes:		
Delinquent Tax Collections		$ 346,696.77
Tax Title Lien Collections		205.10
Overpayments Applied		0.40
		$ 346,902.27
Fees and Permits--Other:		
Clerk		$ 15,962.50
Searches for Municipal Improvements		50.00
Planning		3,690.00
Zoning		3,770.00
Police		2,005.00
Registrar of Vital Statistics		16,120.00
		$ 41,597.50
Analysis of Non-Budget Revenues		
Miscellaneous Revenue not Anticipated:		
Receipts -- Treasurer:		
Senior Citizen and Veteran Administrative Fee	$ 1,920.00	
Refund of Prior Year Expenditures -- Reforestation Grant	49,633.05	
Refund of Prior Year Expenditures -- Other	31,848.39	
Cancellation of Due to Violent Crime Commission - Trust Other Fund	3,281.56	
DMV Inspection Fees	1,609.50	
PILOT Program -- 294 S. White Horse Pike	14,601.13	
PILOT Program -- Lonaconing	30,494.03	
PILOT Program -- Constitution Boulevard	2,300.00	
Federal Emergency Management Reimbursement	30,477.14	
Camp Fees	22,558.00	
Police Outside Service Administrative Fees	3,322.12	
Copy Fees	887.70	
Sale of Municipal Assets	5,335.36	
Sale of Trash Cans	1,820.00	
Community Center Fees	4,405.00	
Cancellation of Outstanding Checks	5,751.14	
Miscellaneous	5,946.54	
Rental Income -- PNC	900.00	
		$ 217,090.66
Receipts -- Collector:		
Tax Search Fees	640.00	
Duplicate Tax Bills	385.00	
		1,025.00
		$ 218,115.66

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

BOROUGH OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS"						
General Government						
Mayor and Council						
Salaries and Wages	$ 5,800.00	$ 5,700.00	$ 5,693.76		$ 6.24	
Other Expenses	3,300.00	3,500.00	3,384.25	$ 27.30	88.45	
Administrative and Executive						
Salaries and Wages	40,975.00	38,375.00	36,312.78	1,980.00	82.22	
Other Expenses	31,688.75	27,988.75	26,363.38	1,403.90	221.47	
Financial Administration						
Salaries and Wages	47,000.00	42,800.00	42,765.60		34.40	
Other Expenses	25,255.00	23,255.00	22,145.98	39.54	1,069.48	
Audit Services						
Other Expenses	29,500.00	12,500.00	12,145.40		354.60	
Engineering Services						
Other Expenses	14,000.00	17,000.00	15,067.25		1,932.75	
Collection of Taxes						
Salaries and Wages	30,400.00	29,800.00	29,783.61		16.39	
Other Expenses	9,855.00	8,355.00	7,674.49	119.12	561.39	
Public Employees' Award Program (NJSA 40A:9-8) (NJSA 40A:5-31)						
Other Expenses	1,400.00	1,400.00	978.88		421.12	
Assessment of Taxes						
Salaries and Wages	11,100.00	9,900.00	9,860.76		39.24	
Other Expenses	2,925.00	2,425.00	2,132.57		292.43	
Municipal Court						
Salaries and Wages	71,000.00	62,000.00	61,991.11		8.89	
Other Expenses	8,000.00	5,000.00	4,296.75	554.00	149.25	
Legal Services and Costs						
Other Expenses	160,000.00	118,940.00	104,933.67	4,197.01	9,809.32	
Economic Development Committee						
Salaries and Wages	600.00	1,210.00	990.00		220.00	
Other Expenses	3,250.00	750.00	733.39		16.61	
Municipal Land Use Law (NJSA 40:55D-1):						
Planning Board						
Salaries and Wages	1,320.00	1,320.00	1,320.00			
Other Expenses	29,000.00	9,800.00	8,706.75	750.00	343.25	
Zoning Enforcement Officer						
Salaries and Wages	14,500.00	14,050.00	14,043.68		6.32	
Other Expenses	250.00	250.00			250.00	

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS" (CONT'D)						
General Government (Cont'd)						
Insurance						
Opt-out Payments	$ 28,500.00	$ 21,600.00	$ 21,265.85		$ 334.15	
Workers Compensation	54,000.00	54,000.00	54,000.00			
Other Insurance	85,000.00	85,000.00	84,429.04		570.96	
Unemployment Compensation Insurance	17,500.00	16,500.00	15,268.19		1,231.81	
Group Insurance for Employees	432,432.00	428,432.00	425,357.34		3,074.66	
Public Safety						
Police						
Salaries and Wages	1,476,795.40	1,484,995.40	1,471,003.65		13,991.75	
Other Expenses:						
Leasing of Vehicles	31,267.14	31,267.14	31,267.14			
Miscellaneous Other Expenses	47,700.00	47,700.00	31,137.03	$ 100.00	16,462.97	
Fire						
Aid to Volunteer Fire Company	26,400.00	26,400.00	26,400.00			
Fire Hydrant Service	17,000.00	17,050.00	16,873.60		176.40	
Miscellaneous Other Expenses	55,550.00	55,550.00	54,634.22	100.00	815.78	
Aid to Volunteer Ambulance/Emergency Squad						
Other Expenses	31,200.00	31,200.00	31,200.00			
Public Defender						
Other Expenses	5,900.00	5,900.00	5,402.84	491.16	6.00	
Uniform Fire Safety Act (P.L. 1983 CH 383):						
Fire						
Salaries and Wages	50,000.00	56,000.00	55,275.62		724.38	
Other Expenses	8,150.00	7,150.00	6,622.29	242.61	285.10	
Emergency Management Services						
Salaries and Wages	5,150.00	5,350.00	5,304.50		45.50	
Other Expenses	1,350.00	1,350.00	1,162.50		187.50	
Municipal Prosecutor						
Other Expenses	12,500.00	12,500.00	11,458.34	1,041.66		
Streets and Roads						
Road Repairs and Maintenance						
Salaries and Wages	54,566.00	115,566.00	113,989.60		1,576.40	
Other Expenses	33,100.00	34,100.00	32,579.23	734.68	786.09	
Public Buildings and Grounds						
Salaries and Wages	47,750.00	52,350.00	52,045.90		304.10	
Other Expenses	42,250.00	49,950.00	49,554.43	334.73	60.84	

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS" (CONT'D)						
Streets and Roads						
Garbage and Trash Collection						
Salaries and Wages	$ 182,959.37	$ 132,859.37	$ 132,765.69		$ 93.68	
Other Expenses	13,150.00	11,950.00	11,623.32	$ 230.00	96.68	
Vehicle and Equipment Maintenance						
Other Expenses	56,000.00	63,500.00	58,058.46	216.43	5,225.11	
Garage Operations						
Salaries and Wages	101,450.00	100,450.00	100,093.01		356.99	
Health and Welfare						
Board of Health						
Salaries and Wages	7,800.00	7,900.00	7,852.15		47.85	
Other Expenses	500.00	500.00	399.74		100.26	
Recreation and Education						
Senior Citizen Coordinator						
Salaries and Wages	1,800.00	1,800.00	1,754.74		45.26	
Other Expenses	12,500.00	12,500.00	10,833.10		1,666.90	
Animal Control						
Other Expenses	2,500.00	2,400.00	1,101.00	660.00	639.00	
Expense of Participation in Free Public Library						
Salaries and Wages	39,900.00	34,950.00	34,947.19		2.81	
Other Expenses	3,900.00	3,900.00	1,535.15	855.23	1,509.62	
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	250.00	950.00	950.00			
Uniform Construction Code -- Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)						
Construction Official						
Salaries and Wages	58,000.00	65,100.00	64,994.14		105.86	
Other Expenses	3,850.00	3,850.00	2,981.71		868.29	
Sub-Code Officials:						
Fire						
Salaries and Wages	7,500.00	5,250.00	5,208.27		41.73	

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS"(CONT'D)						
Unclassified						
Electricity	$ 35,300.00	$ 49,950.00	$ 49,830.20		$ 119.80	
Water Service	15,000.00	6,700.00	6,618.00		82.00	
Sewer Service	4,525.00	5,025.00	4,916.02		108.98	
Telephone	26,500.00	26,200.00	22,645.92	$ 885.00	2,669.08	
Gas / Fuel Oil	14,650.00	13,650.00	13,627.24		22.76	
Trash Disposal	233,600.00	268,600.00	259,816.45	1,275.00	7,508.55	
Street Lighting	60,700.00	99,700.00	99,644.26		55.74	
Gasoline / Motor Fuel	72,500.00	86,600.00	81,266.64		5,333.36	
	4,060,013.66	4,080,513.66	3,981,017.77	16,237.37	83,258.52	-
Detail:						
Salaries and Wages	2,290,765.77	2,295,225.77	2,274,664.45	2,471.16	18,090.16	
Other Expenses (Including Contingent)	1,769,247.89	1,785,287.89	1,706,353.32	13,766.21	65,168.36	
DEFERRED CHARGES AND STATUTORY EXPENDITURES --MUNICIPAL--WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Police and Firemen's Retirement System of N.J.	170,470.00	170,470.00	170,470.00			
Public Employees Retirement System	24,187.00	24,187.00	24,187.00			
Social Security System (O.A.S.I.)	218,000.00	196,000.00	195,333.69		666.31	
Total Deferred Charges and Statutory Expenditures Within--"CAPS"	412,657.00	390,657.00	389,990.69	-	666.31	-
Total General Appropriations for Municipal Purposes Within--"CAPS"	4,472,670.66	4,471,170.66	4,371,008.46	16,237.37	83,924.83	-
OPERATIONS-- EXCLUDED FROM "CAPS"						
Insurance						
Employee Group Health	43,568.00	43,568.00	43,568.00			
Solid Waste Disposal						
Recycling Tax (P.L. 2007, c. 311)	8,000.00	9,500.00	7,404.48		2,095.52	
Contribution to:						
Police and Firemens Retirement System	163,300.00	163,300.00	163,300.00			
Public Employees Retirement System	24,421.00	24,421.00	24,421.00			
Storm Water Management						
Salaries and Wages	25,800.00	25,800.00	24,854.60		945.40	
Other Expenses	11,750.00	11,750.00	8,896.65		2,853.35	

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS-- EXCLUDED FROM "CAPS" (CONT'D)						
State and Federal Programs Off-set by Revenues:						
Municipal Alliance on Alcoholism and Drug Abuse						
Other Expenses	$ 6,958.00	$ 6,958.00	$ 6,958.00			
Recycling Tonnage Grant						
Other Expenses	11,067.38	11,067.38	11,067.38			
Clean Communities Grant						
Road Repairs and Maintenance						
Other Expenses (NJSA 40A:4-87 $11,277.72)	20,080.51	31,358.23	31,358.23			
Drunk Driving Enforcement Grant						
Salaries and Wages (NJSA 40A:4-87 $3,317.13)	2,050.00	5,367.13	5,367.13			
Body Armor Replacement Grant						
Other Expenses (NJSA 40A:4-87 $988.36)		988.36	988.36			
Over the Limit Under Arrest						
Salaries and Wages	5,100.00	5,100.00	5,100.00			
County Recycling Rebate Grant						
Other Expenses	8,359.96	8,359.96	8,359.96			
Tischler Graphic Noel Grant						
Other Expenses	3,000.00	3,000.00	3,000.00			
Safe and Secure Communities Program:						
Salaries and Wages	142,200.00	142,200.00	142,200.00			
Matching Funds for Grants	2,500.00	2,500.00			$ 2,500.00	
Total Operations--Excluded from "CAPS"	478,154.85	495,238.06	486,843.79	-	8,394.27	-
Detail:						
Salaries and Wages	175,150.00	178,467.13	177,521.73		945.40	
Other Expenses	303,004.85	316,770.93	309,322.06		7,448.87	
CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00			
Total Capital Improvements--Excluded from "CAPS"	25,000.00	25,000.00	25,000.00	-	-	-

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"						
Payment of Bond Principal	$ 618,000.00	$ 618,000.00	$ 618,000.00			
Interest on Bonds	362,898.60	362,898.60	362,898.60			
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	32,468.06	32,468.06	32,468.05			$ 0.01
Total Municipal Debt Service--Excluded from "CAPS"	1,013,366.66	1,013,366.66	1,013,366.65	-	-	0.01
DEFERRED CHARGES--MUNICIPAL--EXCLUDED FROM "CAPS"						
Special Emergency Authorizations--5 Year	48,000.00	48,000.00	48,000.00			
Total Deferred Charges--Excluded from "CAPS"	48,000.00	48,000.00	48,000.00	-	-	-
TRANSFERRED TO BOARD OF EDUCATION FOR USE OF LOCAL SCHOOLS (NJSA 40:48-17.1 & 17.3)	45,918.00	45,918.00	45,918.00	-	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,610,439.51	1,627,522.72	1,619,128.44	-	$ 8,394.27	0.01
Subtotal General Appropriations	6,083,110.17	6,098,693.38	5,990,136.90	$ 16,237.37	92,319.10	0.01
Reserve for Uncollected Taxes	463,000.34	463,000.34	463,000.34	-	-	-
Total	$ 6,546,110.51	$ 6,561,693.72	$ 6,453,137.24	$ 16,237.37	$ 92,319.10	$ 0.01

Adopted Budget	$ 6,546,110.51
Appropriation by NJSA 40A:4-87	15,583.21
	$ 6,561,693.72

Disbursed	$ 5,842,449.14
Refunds	(114,711.30)
Reserve for Uncollected Taxes	463,000.34
Reserve for Federal and State Grants Appropriated	214,399.06
Deferred Charges -- Special Emergency Appropriation	48,000.00
	$ 6,453,137.24

BOROUGH OF BERLIN
TRUST FUNDS
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	Ref.	2010	2009
ASSETS			
Animal Control Fund:			
Cash	SB-1	$ 19.92	$ 14,561.49
Open Space Fund:			
Cash	SB-1	46,442.83	9,836.60
Due from Current Fund	B-1	1,147.84	195.49
		47,590.67	10,032.09
Other Funds:			
Cash -- Treasurer	SB-1	932,512.38	1,091,309.12
Cash -- Collector	SB-2	119,076.00	92,094.29
Police Outside Services Receivable	SB-1;SB-6	6,080.00	15,122.50
Due from Developers	SB-1	1,705.96	6,314.80
Due from Camden County Community Development	SB-4	29,117.00	29,117.00
		1,088,491.34	1,233,957.71
		$ 1,136,101.93	$ 1,258,551.29

(Continued)

BOROUGH OF BERLIN
TRUST FUNDS
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

LIABILITIES, RESERVES AND FUND BALANCE	Ref.	2010	2009
Animal Control Fund:			
Due to Current Fund	SB-1		$ 6,257.89
Reserve for Animal Control Fund Expenditures	SB-3	$ 19.92	8,303.60
		19.92	14,561.49
Open Space Fund:			
Reserve for Future Use	B-1;B-2	47,590.67	10,032.09
Other Funds:			
Reserve for Recreation Facilities	SB-6	79,371.73	66,871.73
Reserve for Student Exchange Program	SB-6	1,184.00	1,184.00
Reserve for Parking Offenses Adjudication Act	SB-6	404.10	1,748.00
Reserve for Ambulance Hall	SB-6	2,865.42	2,865.42
Reserve for Election	SB-6	285.00	285.00
Reserve for Payroll Deductions Payable	SB-6	28,077.59	43,103.84
Reserve for Affordable Housing	SB-6	586,362.61	585,096.47
Reserve for COAH Fees	SB-6	5,017.50	5,017.50
Reserve for Developers' Escrow Deposits	SB-6	120,011.86	175,689.42
Reserve for Tax Title Lien Redemptions	SB-6		1,734.11
Reserve for Premiums Received at Tax Sale	SB-6	119,076.00	89,587.00
Reserve for Recycling Funds	SB-6	9,467.01	36,500.49
Reserve for Community Development Block Grant	SB-6	17,990.67	21,580.82
Reserve for Bid Bonds	SB-6	12,120.00	470.00
Reserve for Security Deposits	SB-6	3,340.00	3,340.00
Reserve for Technology	SB-6		16,273.88
Reserve for Encumbrances	SB-6	3,269.50	10,413.12
Reserve for Public Defender	SB-6	1,894.88	670.88
Reserve for Performance Bonds	SB-6	86,196.52	83,221.52
Reserve for Investigation Fund	SB-6	327.00	785.00
Reserve for Fire Safety	SB-6	5,491.50	7,127.00
Reserve for Police Donation	SB-6	1,480.00	1,480.00
Reserve for Special Law Enforcement	SB-6	3,269.88	7,940.13
Due Current Fund	SB-5	988.57	59,851.00
Due Federal and State Grant Fund	SB-1		7,713.37
Due to Water Utility Operating Fund	SB-1		31.79
Due to Sewer Utility Operating Fund	SB-1		94.66
Due to NJ Criminal Disposition & Review Collection Fund	SB-5		3,281.56
		1,088,491.34	1,233,957.71
		$ 1,136,101.93	$ 1,258,551.29

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

BOROUGH OF BERLIN
TRUST -- MUNICIPAL OPEN SPACE FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2010

	Anticipated Budget	Realized	Excess (Deficit)
Amount to be Raised by Taxation	$ 82,166.03	$ 83,118.38	$ 952.35
Reserve for Future Use	67.97	67.97	
Budget Totals	82,234.00	83,186.35	952.35
Non-Budget Revenue	-	35.57	35.57
	$ 82,234.00	$ 83,221.92	$ 987.92

Analysis of Realized Revenues		
Analysis of Current Tax Collections:		
Receipts:		
Open Space Tax Levy	$ 82,166.03	
Due from Current Fund:		
Added / Omitted Taxes	952.35	
		$ 83,118.38

Analysis of Realized Revenues	
Interest on Investments and Deposits	$ 35.57

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

BOROUGH OF BERLIN
TRUST -- MUNICIPAL OPEN SPACE FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
Operating:						
Salaries and Wages	$ 57,734.00	$ 57,734.00	$ 45,415.37			$ 12,318.63
Other Expenses	24,500.00	24,500.00	180.00			24,320.00
Total Operating	82,234.00	82,234.00	45,595.37	-	-	36,638.63
Total Open Space Appropriations	$ 82,234.00	$ 82,234.00	$ 45,595.37	-	-	$ 36,638.63

Disbursed	$ 58,176.75
Reimbursed	(12,581.38)
	$ 45,595.37

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

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

ASSETS	Ref.	2010	2009
Cash	SC-1	$ 642,711.63	$ 213,574.86
Due from State of New Jersey	SC-4	280,000.00	510,100.00
Due from Current Fund	SC-10	191,542.11	551,542.11
Due from Sewer Utility Operating Fund	E	6,189.12	6,189.12
Due from Sewer Utility Capital Fund	E	106,800.57	106,800.57
Deferred Charges to Future Taxation:			
Funded	SC-3	8,523,643.46	9,166,586.26
Unfunded	SC-5	652,650.00	484,500.00
		$ 10,403,536.89	$ 11,039,292.92
LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds	SC-11	$ 8,166,119.00	$ 8,784,119.00
Bond Anticipation Notes	SC-12	652,650.00	
Green Acres Loan Payable	SC-13	357,524.46	382,467.26
Improvement Authorizations:			
Funded	SC-8	511,434.57	1,060,889.66
Unfunded	SC-8	63,885.88	405,936.25
Reserve for the Payment of Debt	SC-7		3,000.00
Contracts Payable	SC-9	309,253.98	20,186.25
Reserve For Encumbrances	SC-1; SC-8	13,137.50	69,630.00
Due to Water Utility Capital Fund	D	308,868.50	308,868.50
Fund Balance	SC-1	317.00	
Capital Improvement Fund	SC-6	20,346.00	4,196.00
		$ 10,403,536.89	$ 11,039,292.92

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

BOROUGH OF BERLIN
WATER UTILITY FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	Ref.	2010	2009
ASSETS			
Operating Fund:			
Cash -- Treasurer	SD-1	$ 49,379.23	$ 73,876.75
Due From Current Fund	D	221,097.84	221,097.84
Due From Water Utility Capital Fund	D-2; SD-1	395,652.84	464,652.84
Due From Trust Other Fund	SD-1		31.79
		666,129.91	759,659.22
Receivables with Full Reserves:			
Water Rents Receivable	SD-4	314,718.48	237,275.00
Fire Hydrant and Sprinkler Rents Receivable	SD-5	22,006.80	30,188.02
		336,725.28	267,463.02
Deferred Charges:			
Emergency Appropriations	SD-3	-	25,000.00
Total Operating Fund		1,002,855.19	1,052,122.24
Capital Fund:			
Cash -- Treasurer	SD-1	254,901.87	547,728.46
Due From General Capital Fund	D	308,868.50	308,868.50
Due From Current Fund	D	650,000.00	650,000.00
Due From NJ Environmental Infrastructure	SD-1	379,217.00	379,217.00
Fixed Capital	SD-9	13,955,302.93	13,955,302.93
Fixed Capital Authorized and Uncompleted	SD-8	6,178,045.00	6,178,045.00
Total Capital Fund		21,726,335.30	22,019,161.89
		$ 22,729,190.49	$ 23,071,284.13

(Continued)

BOROUGH OF BERLIN
WATER UTILITY FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of December 31, 2010 and 2009

	Ref.	2010	2009
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Liabilities:			
Water Rent Overpayments	SD-6	$ 9,380.04	$ 9,210.89
Reserve for Encumbrances	D-3; SD-7	68,345.61	66,597.64
Due to Sewer Utility Operating Fund	D	7,414.62	7,414.62
Appropriation Reserves	D-3; SD-7	114,611.44	123,526.74
Accrued Interest on Bonds and Notes	SD-10	61,591.77	68,144.47
		261,343.48	274,894.36
Reserve for Receivables	D	336,725.28	267,463.02
Fund Balance	D-1	404,786.43	509,764.86
Total Operating Fund		1,002,855.19	1,052,122.24
Capital Fund:			
Serial Bonds	SD-14	3,234,881.00	3,786,881.00
New Jersey Environmental Trust Loan	SD-15	3,155,443.50	3,322,585.21
Due to Water Utility Operating Fund	D-2; SD-1	395,652.84	464,652.84
Improvement Authorizations:			
Funded	SD-11	1,109,952.88	1,116,603.65
Unfunded	SD-11	354,844.53	944,109.85
Capital Improvement Fund	D	2,530.71	2,530.71
Reserve for Payment of Debt	D-2	116,273.13	232,273.13
Contracts Payable	SD-11	521,344.00	
Reserve for Encumbrances	SD-1; SD-11	42,389.28	75,643.78
Reserve for Amortization	SD-12	12,670,174.43	11,951,032.72
Deferred Reserve for Amortization	SD-13	122,849.00	122,849.00
		21,726,335.30	22,019,161.89
Total Capital Fund		$ 22,729,190.49	$ 23,071,284.13

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

BOROUGH OF BERLIN
WATER UTILITY OPERATING FUND
Statements of Operations and Changes in Operating Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	2010	2009
Revenue and Other Income Realized		
Operating Surplus Anticipated	$ 401,000.00	$ 74,400.00
Water Rents	2,370,936.42	2,133,842.46
Fire Hydrant and Sprinkler Service	398,417.44	474,707.62
Miscellaneous	85,755.50	460,568.43
Reserve for Payment of Debt	116,000.00	578,609.84
New Jersey Environmental Protection		568,265.81
Other Credits to Income:		
Cancellation of Accounts Payable		1,975.85
Unexpended Balance of Appropriation Reserves	129,244.06	80,622.22
Total Income	3,501,353.42	4,372,992.23
Expenditures		
Operating	2,069,000.00	1,933,920.00
Capital Improvements		65,000.00
Debt Service	937,241.85	1,723,593.14
Deferred Charges and Statutory Expenditures	124,090.00	165,719.00
Deficit in Prior Year Operations		225,595.94
Total Expenditures	3,130,331.85	4,113,828.08
Excess (Deficit) in Revenue	371,021.57	259,164.15
Adjustments to Income Before Fund Balance		25,000.00
Statutory Excess to Fund Balance	371,021.57	284,164.15
Fund Balance		
Balance Jan. 1	509,764.86	300,000.71
	880,786.43	584,164.86
Decreased by:		
Utilized as Revenue in Current Fund	75,000.00	
Utilized as Revenue in Water Utility Fund	401,000.00	74,400.00
Balance Dec. 31	$ 404,786.43	$ 509,764.86

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

BOROUGH OF BERLIN
WATER UTILITY OPERATING FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2010

	Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	$ 401,000.00	$ 401,000.00	
Water Rents	2,130,000.00	2,370,936.42	$ 240,936.42
Fire Hydrant and Sprinkler Service	470,000.00	398,417.44	(71,582.56)
Miscellaneous	28,800.00	85,755.50	56,955.50
Reserve to Pay Debt Service	116,000.00	116,000.00	
	$ 3,145,800.00	$ 3,372,109.36	$ 226,309.36

Analysis of Realized Revenues

Water Rents Receivable:		
Collector:		
Collections		$ 2,361,520.24
Overpayments Applied		9,416.18
		$ 2,370,936.42
Fire Hydrant and Sprinkler Service:		
Collector:		
Collections		$ 398,417.44
Miscellaneous:		
Receipts:		
Treasurer:		
Interest on Deposits		$ 805.39
Collector:		
Interest on Delinquent Accounts	$ 11,015.58	
Turn-On Charges	3,596.55	
Radio Read Charges	3,600.00	
Miscellaneous	4,583.14	
Return Check Fee	20.00	
Refund of Prior Year Expenditure	57,984.84	
Connection Fees	4,150.00	
		84,950.11
		$ 85,755.50
Reserve for Payment of Debt:		
Due from Water Utility Capital Fund		$ 116,000.00

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

BOROUGH OF BERLIN
WATER UTILITY OPERATING FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended			Unexpended Balance
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Cancelled
Operating:						
Salaries and Wages	$ 437,300.00	$ 437,300.00	$ 426,958.00		$ 10,342.00	
Other Expenses	1,631,700.00	1,631,700.00	1,460,436.94	$ 68,345.61	102,917.45	
Total Operating	2,069,000.00	2,069,000.00	1,887,394.94	68,345.61	113,259.45	-
Debt Service:						
Payment of Bond Principal	552,000.00	552,000.00	552,000.00			
Interest on Bonds	156,089.53	156,089.53	147,161.96			$ 8,927.57
Principal and Interest on Loans	244,620.47	244,620.47	238,079.89			6,540.58
Total Debt Service	952,710.00	952,710.00	937,241.85	-	-	15,468.15
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Emergency Authorizations	25,000.00	25,000.00	25,000.00			
Statutory Expenditures:						
Contribution to:						
Unemployment Compensation Insurance	3,800.00	3,800.00	3,328.08		471.92	
Public Employees Retirement System	61,790.00	61,790.00	61,790.00			
Social Security System (O.A.S.I.)	33,500.00	33,500.00	32,619.93		880.07	
Total Deferred Charges and Statutory Expenditures	124,090.00	124,090.00	122,738.01	-	1,351.99	-
	$ 3,145,800.00	$ 3,145,800.00	$ 2,947,374.80	$ 68,345.61	$ 114,611.44	$ 15,468.15

Accrued Interest on Bonds and Notes	$ 218,100.14
Deferred Charges -- Emergency Authorizations	25,000.00
Disbursed	2,704,274.66
	$ 2,947,374.80

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

BOROUGH OF BERLIN
SEWER UTILITY FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

	Ref.	2010	2009
ASSETS			
Operating Fund:			
Cash -- Treasurer	SE-1	$ 139,708.14	$ 357,171.01
Due Water Utility Operating Fund	E	7,414.62	7,414.62
Due Sewer Utility Capital Fund	E	13,000.00	13,000.00
Due Trust Other Fund	SE-1		94.66
		160,122.76	377,680.29
Receivables with Full Reserves:			
Sewer Rents Receivable	SE-4	83,639.04	66,380.88
		83,639.04	66,380.88
Total Operating Fund		243,761.80	444,061.17
Capital Fund:			
Cash -- Treasurer	SE-1	200,860.02	205,260.02
Fixed Capital	SE-6	3,565,451.65	3,565,451.65
Fixed Capital Authorized and Uncompleted	SE-7	153,230.00	153,230.00
Total Capital Fund		3,919,541.67	3,923,941.67
		$ 4,163,303.47	$ 4,368,002.84
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-3; SE-5	$ 30,006.50	$ 16,817.97
Reserve for Encumbrances	E-3; SE-5	6,981.19	9,096.01
Due Current Fund	SE-1		239,668.00
Due to General Capital Fund	C	6,189.12	6,189.12
Sewer Rent Overpayments	SE-11	882.28	720.02
Accrued Interest on Bonds and Notes	SE-8	5,251.85	5,766.71
		49,310.94	278,257.83
Reserve for Receivables	E	83,639.04	66,380.88
Fund Balance	E-1	110,811.82	99,422.46
Total Operating Fund		243,761.80	444,061.17
Capital Fund:			
Serial Bonds	SE-13	591,000.00	651,000.00
Improvement Authorizations Funded	SE-9	72,602.00	77,002.00
Due to General Capital Fund	C	106,800.57	106,800.57
Due to Sewer Utility Operating Fund	E	13,000.00	13,000.00
Capital Improvement Fund	E	1,721.95	1,721.95
Deferred Reserve for Amortization	SE-12	14,430.00	14,430.00
Reserve for Amortization	SE-10	3,113,251.65	3,053,251.65
Reserve for Payment of Debt	E	6,735.50	6,735.50
		3,919,541.67	3,923,941.67
Total Capital Fund			
		$ 4,163,303.47	$ 4,368,002.84

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

BOROUGH OF BERLIN
SEWER UTILITY FUND
Statements of Operations and Changes in Operating Fund Balance--Regulatory Basis
For the Years Ended December 31, 2010 and 2009

Revenue and Other Income Realized	2010	2009
Operating Surplus Anticipated	$ 15,000.00	
Sewer Rents	621,643.29	$ 638,366.20
Interest on Deposits	716.71	1,578.58
Miscellaneous	40,458.53	20,129.47
Reserve for Payment of Debt		12,430.89
Sewer Utility Capital Surplus		569.11
Other Credits to Income:		
Cancellation of Overpayments	46.50	2,687.24
Unexpended Balance of Appropriation Reserves	16,608.97	87,320.91
Total Income	694,474.00	763,082.40
Expenditures		
Operating	536,950.00	478,968.00
Debt Service	84,924.64	86,736.53
Deferred Charges and Statutory Expenditures	46,210.00	35,750.00
Surplus Anticipated as Current Fund Budget Revenue		70,000.00
Total Expenditures	668,084.64	671,454.53
Excess (Deficit) in Revenue	26,389.36	91,627.87
Adjustments to Income Before Fund Balance	-	-
Statutory Excess to Fund Balance	26,389.36	91,627.87
Fund Balance		
Balance Jan. 1	99,422.46	137,794.59
	125,811.82	229,422.46
Less:		
Utilized as Revenue in Sewer Operating Budget	15,000.00	130,000.00
Balance Dec. 31	$ 110,811.82	$ 99,422.46

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

BOROUGH OF BERLIN
SEWER UTILITY FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2010

	Anticipated Budget	Realized	Excess (Deficit)
Operating Surplus Anticipated	$ 15,000.00	$ 15,000.00	
Sewer Rents	635,000.00	621,643.29	$ (13,356.71)
Interest on Investments and Deposits	1,109.30	716.71	(392.59)
Miscellaneous	20,090.70	40,458.53	20,367.83
	$ 671,200.00	$ 677,818.53	$ 6,618.53

Analysis of Realized Revenues

Sewer Rents Receivable:	
Collector:	
Collections	$ 620,969.77
Overpayments Applied	673.52
	$ 621,643.29
Interest on Investments and Deposits:	
Treasurer:	
Receipts	$ 716.71
Miscellaneous:	
Collector:	
Receipts:	
Interest on Delinquent Accounts	$ 2,483.23
Connection Fees	23,434.62
Refund of Prior Year Expenditures	14,540.68
	$ 40,458.53

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

BOROUGH OF BERLIN
SEWER UTILITY FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2010

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	Balance Cancelled
Operating:						
Salaries and Wages	$ 217,800.00	$ 217,800.00	$ 202,789.23		$ 15,010.77	
Other Expenses	319,150.00	319,150.00	298,892.95	$ 6,981.19	13,275.86	
Total Operating	536,950.00	536,950.00	501,682.18	6,981.19	28,286.63	-
Debt Service:						
Payment of Bond Principal	60,000.00	60,000.00	60,000.00			
Interest on Bonds	28,040.00	28,040.00	24,924.64			$ 3,115.36
Total Debt Service	88,040.00	88,040.00	84,924.64	-	-	3,115.36
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	27,310.00	27,310.00	27,310.00			
Unemployment Compensation Insurance	2,200.00	2,200.00	1,694.59		505.41	
Social Security System (O.A.S.I.)	16,700.00	16,700.00	15,485.54		1,214.46	
Total Deferred Charges and Statutory Expenditures	46,210.00	46,210.00	44,490.13	-	1,719.87	-
Surplus Anticipated for Current Fund Budget	-	-	-	-	-	-
Total	$ 671,200.00	$ 671,200.00	$ 631,096.95	$ 6,981.19	$ 30,006.50	$ 3,115.36

Accrued Interest on Bonds and Notes	$ 24,924.64
Disbursed	606,172.31
	$ 631,096.95

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

BOROUGH OF BERLIN
FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Asset Account Group
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009	Additions	Deletions	Balance Dec. 31, 2010
General Fixed Assets:				
Land	$ 1,555,200.00		$ 5,000.00	$ 1,550,200.00
Buildings	2,078,766.54			2,078,766.54
Vehicles and Equipment	4,712,014.82	$ 353,922.25	141,638.25	4,924,298.82
	$ 8,345,981.36	$ 353,922.25	$ 146,638.25	$ 8,553,265.36
Investment in General Fixed Assets:				
General Capital Fund	$ 8,345,981.36	$ 353,922.25	$ 146,638.25	$ 8,553,265.36

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

BOROUGH OF BERLIN
Notes to Financial Statements
For the Year Ended December 31, 2010

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Financial Reporting Entity - The Borough of Berlin was incorporated in 1927 and is located in southwest New Jersey approximately twenty miles southeast of the City of Philadelphia. The population according to the 2002 census is 6,759.

The Borough operates under a Mayor-Council form of government. The Mayor is the chief executive officer of the Borough and is elected by the public at the general election for a four-year term. The Council is the legislative body of the Borough and consists of six members elected by popular vote to three-year terms. Executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Clerk/Administrator.

Component Units - The Borough of Berlin had no component units as defined by Governmental Accounting Standards Board Statement No. 14.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Borough of Berlin contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Borough of Berlin accounts for its financial transactions through the use of separate funds which are described as follows:

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

Water Utility Operating and Capital Funds - The Water Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Water Utility.

Sewer Utility Operating and Capital Funds - The Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Budgets and Budgetary Accounting - The Borough of Berlin must adopt an annual budget for its current, water utility, sewer utility and open space funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Borough of Berlin requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of $5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment and improvements and contributed capital.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

Deferred Charges - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Fund Balance - Fund Balances included in the current fund, water utility operating fund, and sewer utility operating fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the County of Camden, Borough of Berlin Local School District and the Eastern Regional High School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Borough of Berlin Local School District and the Eastern Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate the local and regional school districts for the period from July 1 to June 30, increased by the amount deferred at December 31, 2009 and decreased by the amount deferred at December 31, 2010.

County Taxes - The municipality is responsible for levying, collecting and remitting county taxes for the County of Camden. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Borough's annual budget protects the Borough from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for “other expenses”, an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Long-Term Debt - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital and Utility Capital Funds. Where an improvement is a “local Improvement”, i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough’s deposits might not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition.

As of December 31, 2010, none of the Borough’s bank balances of $5,563,382.62, were not exposed to custodial credit risk.

Note 3: **PROPERTY TAXES**

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

	2010	2009	2008	2007	2006
Tax Rate	$4.838	$4.627	$4.393	$4.328	$4.192
Apportionment of Tax Rate:					
Municipal	$1.059	$.935	$.810	$.742	$.698
County	1.298	1.279	1.249	1.249	1.265
Regional School	.834	.836	.766	.802	.760
Local School	1.647	1.577	1.568	1.535	1.469

Note 3: **PROPERTY TAXES (CONT'D)**

Assessed Valuation

2010	$410,830,135.00
2009	411,175,965.00
2008	409,441,568.00
2007	404,749,492.00
2006	396,629,099.00

Comparison of Tax Levies and Collections

Year	Tax Levy	Collections	Percentage of Collections
2010	$20,124,124.17	$19,776,445.59	98.27%
2009	19,115,619.46	18,724,367.16	97.95%
2008	18,065,985.15	17,765,294.87	98.34%
2007	17,713,925.53	17,426,593.66	98.38%
2006	16,797,885.48	16,510,755.86	98.29%

Delinquent Taxes and Tax Title Liens

Year	Tax Title Liens	Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2010	$14,416.31	$293,673.95	$308,090.26	1.53%
2009	6,183.15	372,354.97	378,538.12	1.98%
2008	1,734.01	291,708.05	293,442.06	1.62%
2007	---	258,153.59	258,153.59	1.46%
2006	---	250,778.30	250,778.30	1.49%

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

Year	Number
2010	6
2009	3
2008	3
2007	---
2006	---

Note 4: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The Borough has no property acquired by liquidation of tax title liens as of December 31, 2010 or the previous four years.

Note 5: **WATER UTILITY SERVICE CHARGES**

The following is a five-year comparison of water utility service charges (rents) for the current and previous four years.

Year	Balance Beginning of Year Receivable	Liens	Levy	Total	Cash Collections
2010	$267,463.02	---	$2,840,295.51	$3,107,758.53	$2,769,353.86
2009	308,180.13	---	2,567,982.19	2,876,162.32	2,608,550.08
2008	350,017.04	---	3,088,107.50	3,438,124.54	3,008,925.53
2007	226,209.74	---	2,970,724.29	3,196,934.07	2,552,835.60
2006	194,682.45	---	2,461,227.33	2,655,909.78	2,058,735.25

Note 6: **SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years.

Year	Balance Beginning of Year Receivable	Liens	Levy	Total	Cash Collections
2010	$66,380.88	---	$638,904.88	$705,285.76	$621,643.29
2009	71,361.58	---	633,385.50	704,747.08	638,366.20
2008	70,133.62	---	636,828.30	706,961.92	632,301.73
2007	39,093.93	---	632,695.30	671,789.23	599,751.01
2006	24,843.58	---	623,415.00	648,258.58	607,671.85

Note 7: **FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

Year	Balance Dec. 31	Utilized In Budget of Succeeding Year	Percentage of Fund Balance Used
Current Fund			
2010	$1,261,553.00	$780,000.00	61.83%
2009	484,929.47	55,000.00	11.34%
2008	828,207.37	570,000.00	68.82%
2007	697,453.13	560,000.00	80.29%
2006	1,184,414.39	1,050,000.00	88.65%
Water Utility Operating Fund			
2010	$404,786.43	$363,000.00	89.68%
2009	509,764.86	476,000.00	93.37%
2008	300,000.71	74,400.00	24.80%
2007	349,243.71	49,243.00	14.10%
2006	37,321.85	37,000.00	99.14%

Note 7: **FUND BALANCES APPROPRIATED (CONT'D)**

Year	Balance Dec. 31	Utilized In Budget of Succeeding Year	Percentage of Fund Balance Used
Sewer Utility Operating Fund			
2010	$110,811.82	$82,000.00	80.00%
2009	99,422.46	15,000.00	15.09%
2008	137,794.59	130,000.00	94.34%
2007	72,278.59	---	---
2006	15,695.15	---	---

Note 8: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2010:

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	$988.57	$1,136,759.40
Federal and State Grant Fund	72,971.61	
Trust – Animal Control Fund		
Trust – Open Space Fund	1,147.84	
Trust – Other Funds		988.57
General Capital Fund	304,531.80	308,868.50
Water Utility Operating Fund	616,750.68	7,414.62
Water Utility Capital Fund	958,868.50	395,652.84
Sewer Utility Operating Fund	20,414.62	6,189.12
Sewer Utility Capital Fund		119,800.57
	$1,975,673.62	$1,975,673.62

Note 9: **PENSION PLANS**

The Borough of Berlin contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, the Borough approved participation in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits, however as of yet, no employees are enrolled in the DCRP. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Note 9: **PENSION PLANS (CONT'D)**

Public Employees' Retirement System - The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Borough is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

Year	Normal Contribution	Accrued Liability	Total Liability	Pension Deferral	Funded by State	Paid by Borough	
2010	$69,700.00	$68,008.00	$137,708.00	---	---	$137,708.00	
2009	69,725.00	63,597.00	133,322.00	$59,291.00	---	74,031.00	
2008	76,203.00	58,725.00	134,928.00	---	$26,985.60	107,942.40	(1)

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Borough is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

Year	Normal Contribution	Accrued Liability	Total Liability	Pension Deferral	Funded by State	Paid by Borough
2010	$201,628.00	$132,142.00	$333,770.00	---	---	$333,770.00
2009	192,418.00	124,477.00	316,895.00	$152,189.50	---	164,705.50
2008	170,523.00	100,767.00	271,29000	---		271,290.00

Note 9: **PENSION PLANS (CONT'D)**

Pension Deferral – Public Law 2009, c.19 (S-21) was enacted on March 17, 2009 and allowed the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying the full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the PERS and PFRS obligations for payments due in the State fiscal year ending June 30, 2009. The payments were due on April 1, 2009 with a grace period until April 30. The amount will be repaid starting in April of 2012 over a 15 year period. The amount will fluctuate based on pension system investment earnings on the deferred amount.

The Borough applied for and received approval from the Local Finance Board to defer a portion of the 2009 liability due for both PERS and PFRS in the amount of $59,291.00 and $152,189.50, respectively.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Borough.

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(1) Under the provisions of Chapter 108, P.L. 2003 the Borough's share of the total normal contribution and accrued liability will increase approximately 20% per year until the Borough is paying 100% of the total normal contribution and accrued liability.

Note 10: **POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

Plan Description - The Borough contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1991 the Borough adopted Resolution R-15-1991 which authorized the participation in Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990. This law requires employers to fund post-retirement medical benefits for those employees who retire after accumulating 25 years of credited service or on a disability retirement from either the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS).

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

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis.

Note 10: **POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN (CONT'D)**

The Borough contributions to SHBP for the years ended December 31, 2010, 2009, and 2008, were $192,113.01, $143,389.32, and $135,219.63, respectively, which equaled the required contributions for each year. There were approximately 18, 13, and 13 retired participants eligible at December 31, 2010, 2009, and 2008, respectively.

Note 11: **COMPENSATED ABSENCES**

Unused vacation may not be accumulated and carried forward to the subsequent year.

Police officers who are enrolled in the Berlin Police Association are entitled to unlimited sick days therefore, no accumulation is required and at no time is compensation paid in lieu of sick days.

Public works employees who have been employed for 6 months are entitled to 10 sick days per year. They may accumulate no more than 120 unused days and the Borough compensates employees for unused sick leave upon termination or retirement.

Borough employees who are members of AFSCME and have been employed for a minimum of six months are entitled to 10 sick days per year. Unused sick days can accumulate at a rate not to exceed 5 days per year up to a maximum of 80 days. Employees may sell back up to 5 unused sick days annually, subject to varying conditions. Also, employees may be compensated for unused sick leave upon termination or retirement.

The Police Chief is entitled to 15 sick days per year. Unused sick days can accumulate at a rate not to exceed 8 days per year up to a maximum of 85 days. The Police Chief may sell back up to 7 unused sick days annually, subject to varying conditions. Also, the Police Chief may be compensated for unused sick leave upon termination or retirement.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2010, accrued benefits for compensated absences are valued at $147,656.91.

Note 12: **DEFERRED COMPENSATION SALARY ACCOUNT**

The Borough offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

Note 13: **LEASE OBLIGATIONS**

At December 31, 2010, the Borough had lease agreements in effect for the following:

Capital:
One (1) 2008 Crown Victoria
One (1) 2009 Crown Victoria
One (1) 2010 Crown Victoria

The following is an analysis of capital and operating leases.

Capital Leases - The following capital fixed assets were acquired by capital lease.

	Balance	
	Dec. 31, 2010	**Dec. 31, 2009**
Vehicles	$29,019.30	$28,495.13

Future minimum lease payments under capital lease agreements are as follows:

Year	**Amount**
2011	$21,239.87
2012	10,714.09
2013	1.00

Note 14: **CAPITAL DEBT**

Summary of Debt

	Year 2010	Year 2009	Year 2008
Issued			
General:			
Bonds, Notes and Loans	$9,176,293.46	$9,166,586.26	$9,761,037.59
Water Utility:			
Bonds, Notes and Loans	6,390,324.50	7,109,466.21	8,601,980.79
Sewer Utility:			
Bonds and Notes	591,000.00	651,000.00	711,000.00
Total Issued	16,157,617.96	16,927,052.47	19,074,018.38
Authorized but not Issued			
General:			
Bonds and Notes	---	484,500.00	$133,006.02
Water Utility:			
Bonds and Notes	950,000.00	950,000.00	88,957.00
Sewer Utility:			
Bonds and Notes	---	---	---
Total Authorized but Not Issued	950,000.00	1,434,500.00	221,963.02
Total Issued and Authorized but Not Issued	17,107,617.96	18,361,552.47	19,295,981.40
Deductions:			
Cash Pledged to Debt		3,000.00	661,424.51
Self-liquidating Debt	7,931,324.50	8,710,466.21	8,923,552.59
Total Deductions	7,931,324.50	8,713,466.21	9,584,977.10
Net Debt	$9,176,293.46	$9,648,086.26	$9,711,004.30

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.14%.

	Gross Debt	Deductions	Net Debt
Regional High School District	$1,117,085.77	$1,117,085.77	
Local School District	7,016,000.00	7,016,000.00	
Utilities	7,931,324.50	7,931,324.50	
General	9,176,293.46	---	$9,176,293.46
	$25,240,703.73	$16,064,410.27	$9,176,293.46

Net Debt $9,176,293.46 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, $808,235,550.33 equals 1.14%

Note 14: **CAPITAL DEBT (CONT'D)**

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

3 1/2% of Equalized Valuation Basis (Municipal)		$28,288,244.26
Net Debt		9,176,293.46
Remaining Borrowing Power		$19,111,950.80

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year		$3,372,109.36
Deductions:		
Operating and Maintenance Cost	$2,168,090.00	
Debt Service per Water Fund	937,241.85	
Total Deductions		3,105,331.85
Excess in Revenue		$266,777.51

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year		$677,818.53
Deductions:		
Operating and Maintenance Cost	$583,160.00	
Debt Service per Sewer Fund	84,924.64	
Total Deductions		668,084.64
Excess in Revenue		$9,733.89

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

Note 14: **CAPITAL DEBT (CONT'D)**

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

	General Bonds		Green Acres Loan		
Year	**Principal**	**Interest**	**Principal**	**Interest**	**Total**
2011	$647,000.00	$333,616.10	$25,444.15	$7,023.90	$1,013,084.15
2012	675,000.00	305,613.85	25,955.57	6,512.47	1,013,081.89
2013	700,000.00	276,782.60	26,477.29	5,990.77	1,009,250.66
2014	735,000.00	246,688.85	27,009.48	5,458.57	1,014,156.90
2015	766,000.00	215,009.85	27,552.36	4,915.68	1,013,477.89
2016-20	4,196,000.00	620,154.28	146,294.89	16,045.36	4,978,494.53
2021-23	447,119.00	20,120.36	78,790.72	2,379.40	548,409.48

	Water Bonds		Water Loans		
Year	**Principal**	**Interest**	**Principal**	**Interest**	**Total**
2011	$425,000.00	$128,164.64	$173,579.21	$75,868.76	$802,612.61
2012	295,000.00	108,802.14	179,395.97	72,118.76	655,316.87
2013	300,000.00	97,514.64	176,782.33	68,118.76	642,415.73
2014	300,000.00	85,889.64	182,435.75	64,118.76	632,444.15
2015	300,000.00	74,264.64	187,925.80	59,868.76	622,059.20
2016-20	1,614,881.00	186,641.06	1,012,046.61	233,043.80	3,046,612.47
2021-25	---	---	1,118,191.51	117,143.76	1,235,335.27
2026	---	---	125,086.32	6,162.50	131,248.82

	Sewer Bonds		
Year	**Principal**	**Interest**	**Total**
2011	$65,000.00	$23,139.50	$88,139.50
2012	65,000.00	20,627.00	85,627.00
2013	65,000.00	18,114.50	83,114.50
2014	70,000.00	15,577.00	85,577.00
2015	70,000.00	12,827.00	82,827.00
2016-19	256,000.00	23,768.00	279,768.00

Note 15: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the Current Fund:

	Balance Dec. 31, 2010	2011 Budget Appropriation
Special Emergency Authorizations	$186,000.00	$48,000.00

The appropriations in the 2011 Budget as adopted are not less than that required by the statutes.

Note 16: **SCHOOL TAXES**

The Berlin Local School Tax and Eastern Regional High School Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

Local School District:	Balance Dec. 31, 2010	Balance Dec. 31, 2009
Balance of Tax	$3,483,374.00	$3,211,664.00
Deferred	3,211,664.00	3,211,664.00
	$271,710.00	---

Regional High School District:	Balance Dec. 31, 2010	Balance Dec. 31, 2009
Balance of Tax	$1,721,479.06	$1,729,855.99
Deferred	1,720,206.54	1,720,206.54
	$1,272.52	$9,649.45

Note 17: **JOINT INSURANCE POOL**

The Borough of Berlin is a member of the Camden County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
Liability other than Motor Vehicles
Property Damage other than Motor Vehicles
Motor Vehicles

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

Note 17: **JOINT INSURANCE POOL (CONT'D)**

The Fund provides the Borough with the following coverage:

Property - Blanket Building and Grounds
Boiler and Machinery
General and Automobile Liability
Public Official Bonds
Excess Liability
Environmental and Employment Practices Liability
Workers Compensation Liability

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Borough's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of $50,000 to $200,000 based on the line of coverage for each insured event.

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

Camden County Municipal Joint Insurance Fund
Park 80 West Plaza One
Saddle Brook, New Jersey 07663

Note 18: **LITIGATION**

The Borough is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Borough, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 19: **SUBSEQUENT EVENTS**

Subsequent to December 31, the Borough of Berlin authorized additional Bonds and Notes as follows:

Purpose	Date	Amount
General Capital:		
Bonds and Notes:		
Road Reconstruction	May 2, 2011	$425,000.00
Public Works Equipment	May 2, 2011	66,500.00
Fire Department Equipment	May 2, 2011	52,250.00
Office Equipment and Senior's Bus	May 2, 2011	61,750.00
		$605,500.00

Additionally, subsequent to December 31, the Borough of Berlin was notified that the unexpended portion of the Water Capital New Jersey Environmental Infrastructure Trust Fund Loan will be de-obligated and credits will be issued against each future payment equaling the unexpended portion of the Water Capital New Jersey Environmental Infrastructure Trust Loan. At December 31, 2010, the amount of the unexpended portion is $379,217.00.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF BERLIN
CURRENT FUND
Statement of Current Cash
Per N.J.S.40A:5-5 -- Chief Financial Officer
For the Year Ended December 31, 2010

		Regular		Federal and State Grant Fund
Balance Dec. 31, 2009		$ 2,493,303.77		-
Increased by Receipts:				
From Tax Collector	$ 20,132,560.91			
Consolidated Municipal Property Tax Relief Act	83,574.46			
Energy Receipts Tax	612,454.00			
Uniform Fire Safety Act Fees	52,052.72			
Miscellaneous Revenue Not Anticipated	217,090.66			
Revenue Accounts Receivable	650,692.40			
Due from State of New Jersey:				
Senior Citizen and Veteran Deductions	95,999.88			
State Training Fees	9,716.00			
Federal and State Grants Receivable			$ 266,161.01	
Due General Capital Fund	454.12			
Due Trust Other Fund	104,601.35		7,713.37	
Due Current Fund			77,111.72	
Due Sewer Utility Capital Fund	239,668.00			
Due Animal Control Fund	6,280.34			
Reserve for Payment of Bonds	3,000.00			
Water Operating Fund Balance	75,000.00			
Due Library	262.00			
Reserve for Sale of Municipal Assets	9,270.00			
2010 Appropriation Refunds	114,711.30			
Contra	2,208.40			
		22,409,596.54		$ 350,986.10
		24,902,900.31		350,986.10
Decreased by Disbursements:				
2010 Appropriations	5,842,449.14			
2009 Appropriation Reserves	53,206.23			
Due to State of New Jersey -- State Training Fees	9,452.00			
Refund of Tax Overpayments	22,000.56			
Due County for Added and Omitted Taxes	25,018.14			
County Taxes Payable	5,330,973.65			
Municipal Open Space Tax	82,166.03			
Local District School Taxes Payable	6,482,590.00			
Regional High School Taxes Payable	3,435,411.14			
Due Federal and State Grant Fund	77,111.72			
Reserve for Federal and State Grants--Appropriated			350,986.10	
Due Trust Other Fund	44,337.21			
Due General Capital Fund	360,000.00			
Due Library	818.00			
Contracts Payable	147,092.40			
Reserve for Revaluation of Real Property	2,147.75			
Operations -- Refund of Prior Year Revenue	2,273.58			
Contra	2,208.40			
		21,919,255.95		350,986.10
Balance Dec. 31, 2010		$ 2,983,644.36		-

Exhibit SA-2

BOROUGH OF BERLIN
CURRENT FUND
Per N.J.S.40A:5-5 -- Collector
For the Year Ended December 31, 2010

Increased by Receipts:		
Taxes Receivable	$ 19,795,678.71	
Tax Title Liens Receivable	205.10	
Prepaid Taxes	207,522.85	
Interest and Costs on Taxes	91,746.76	
Tax Overpayments	36,382.49	
Miscellaneous Revenue Not Anticipated	1,025.00	
		$ 20,132,560.91
Decreased by Disbursements:		
Turnover to Treasurer		$ 20,132,560.91

Exhibit SA-3

CURRENT FUND
Schedule of Change Funds
For the Year Ended December 31, 2010

Office	Amount
Tax Office	$ 100.00
Municipal Court	100.00
	$ 200.00

BOROUGH OF BERLIN
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2010

Year	Balance Dec. 31, 2009	Levy	Added Taxes	Collections 2009	Collections 2010	Due from State of New Jersey	Transfer To Liens	Canceled	Overpayments Applied	Balance Dec. 31, 2010
2007	$ 474.20									$ 474.20
2008	8,488.60				$ 3,764.05			$ 903.70		3,820.85
2009	363,392.17		$ 2,000.00		342,932.72		$ 4,550.81	15,278.93	$ 0.40	2,629.31
	372,354.97	-	2,000.00	-	346,696.77	-	4,550.81	16,182.63	0.40	6,924.36
2010	-	$ 20,124,124.17	1,967.99	$ 211,081.72	19,448,981.94	$ 102,000.00	3,251.13	59,645.85	14,381.93	286,749.59
	$ 372,354.97	$ 20,124,124.17	$ 3,967.99	$ 211,081.72	$ 19,795,678.71	$ 102,000.00	$ 7,801.94	$ 75,828.48	$ 14,382.33	$ 293,673.95

Analysis of 2010 Property Tax Levy

Tax Yield:		
General Purpose Tax		$ 19,875,962.26
Added and Omitted Taxes (54:63.1 et seq.)		248,161.91
		$ 20,124,124.17

Tax Levy

Regional High School Tax		$ 3,427,034.21
Local District School Tax		6,763,013.00
County Taxes:		
County Taxes	$ 4,995,348.46	
County Library Tax	335,625.19	
Due County for Added and Omitted Taxes	66,883.19	
Total County Taxes		5,397,856.84
Municipal Open Space Taxes:		
Municipal Open Space Tax	82,166.03	
Municipal Added and Omitted Taxes	952.35	
Total Municipal Open Space Taxes		83,118.38
Local Tax for Municipal Purposes	4,271,783.66	
Add: Additional Tax Levied	181,318.08	
Local Tax for Municipal Purposes Levied		4,453,101.74
		$ 20,124,124.17

BOROUGH OF BERLIN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009	Accrued 2010	Miscellaneous Revenue Collected	Due From Animal Control Fund	Due From Trust Other Fund	Due From General Capital Fund	Canceled	Balance Dec. 31, 2010
Licenses:								
Alcoholic Beverages		$ 9,820.10	$ 9,820.10					
Other	$ 7,231.43	53,312.70	55,474.67					$ 5,069.46
Fees and Permits - Other:								
Clerk		15,962.50	15,962.50					
Registrar		16,120.00	16,120.00					
Planning		3,690.00	3,690.00					
Zoning		3,770.00	3,770.00					
Police		2,005.00	2,005.00					
Searches for Municipal Improvements		50.00	50.00					
Construction Code:								
Fees and Permits		140,809.00	140,809.00					
Cable TV Franchise Fees		83,394.41	83,394.41					
Municipal Court:								
Fines and Costs	7,654.26	132,917.02	132,537.87					8,033.41
Interest on Investments:								
Current Fund		4,977.92	4,977.92					
Animal Control Fund		22.45		$ 22.45				
Trust Other Fund		1,401.71			$ 1,401.71			
General Capital Fund		454.12				$ 454.12		
Municipal Court	5.05	53.82	58.87					
Clerk		17.34	17.34					
Payment in Lieu of Taxes:								
Virtua Hospital		20,000.00	20,000.00					
Jet Associates		21,645.77	21,645.77					
Rentals of Borough Property:								
U.S. Post Office	471.63	5,188.41	5,660.04					
131 South White Horse Pike	6,400.00		2,000.00				$ 4,400.00	
Bell Telephone / Verizon		50,615.92	50,170.57					445.35
69 S. White Horse Pike	2,300.00	10,800.00	10,800.00				2,300.00	
Cable T.C. Co. (Cingular)	288.00	20,448.00	20,736.00					
Nextel	4,057.96	51,402.50	50,992.34					4,468.12
	$ 28,408.33	$ 648,878.69	$ 650,692.40	$ 22.45	$ 1,401.71	$ 454.12	$ 6,700.00	$ 18,016.34

BOROUGH OF BERLIN
CURRENT FUND
Statement of Deferred Charges
N.J.S. 40A:4-55 -- Special Emergency Authorizations
For the Year Ended December 31, 2010

Date Authorized	Purpose	Net Amount Authorized	1/5 of Net Amount Authorized	Balance Dec. 31, 2009	Current Year Authorization	Raised in 2010 Budget	Balance Dec. 31, 2010
8/2/07	Revision of Tax Maps	$ 15,000.00	$ 3,000.00	$ 9,000.00		$ 3,000.00	$ 6,000.00
12/29/09	Revaluation of Real Property	225,000.00	45,000.00	225,000.00		45,000.00	180,000.00
				$ 234,000.00	-	$ 48,000.00	$ 186,000.00

BOROUGH OF BERLIN
CURRENT FUND
Statement of Due to State of New Jersey--Veterans' and Senior Citizens' Deductions
For the Year Ended December 31, 2010

Balance Dec. 31, 2009			$ 18,635.55
Increased by:			
Cash Received			95,999.88
			114,635.43
Decreased by:			
Deductions Allowed per Tax Billing	$ 102,500.00		
Deductions Allowed per Tax Collector -- Current Year	1,750.00		
		$ 104,250.00	
Less:			
Deductions Disallowed per Tax Collector -- Current Year		2,250.00	
Charge to Operations:			
Deductions Disallowed per Tax Collector -- Prior Year		2,000.00	
			100,000.00
Balance Dec. 31, 2010			$ 14,635.43

BOROUGH OF BERLIN
CURRENT FUND
Statement of 2009 Appropriation Reserves
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009				
	Encumbered	Reserved	Balance After Modification	Disbursed	Balance Lapsed
OPERATIONS--WITHIN "CAPS"					
General Government					
Mayor and Council					
Salaries and Wages		$ 106.68	$ 106.68		$ 106.68
Other Expenses		236.26	236.26		236.26
Administrative and Executive					
Salaries and Wages		68.75	68.75		68.75
Other Expenses	$ 3.27	9,088.77	9,092.04	$ 3.27	9,088.77
Financial Administration					
Salaries and Wages		1,103.20	1,103.20		1,103.20
Other Expenses	682.09	46.97	729.06	682.09	46.97
Engineering Services					
Other Expenses		2,208.83	2,208.83	122.00	2,086.83
Collection of Taxes					
Salaries and Wages		101.67	101.67		101.67
Other Expenses	503.39	2,492.82	2,996.21	1,523.19	1,473.02
Public Employees' Award Program					
(N.J.S.40A:9-8) (N.J.S.40A:5-31)		655.34	655.34		655.34
Assessment of Taxes					
Salaries and Wages		39.96	39.96		39.96
Other Expenses	1,151.94	426.99	1,578.93	1,151.18	427.75
Municipal Court					
Salaries and Wages		1,664.77	1,664.77		1,664.77
Other Expenses	1,048.52	1,931.19	2,979.71	964.27	2,015.44
Legal Services and Costs					
Salaries and Wages		400.04	400.04		400.04
Other Expenses	5,266.06	5,724.80	10,990.86	3,198.48	7,792.38
Economic Development Committee					
Salaries and Wages		800.00	800.00		800.00
Other Expenses		250.00	250.00		250.00
Municipal Land Use Law (N.J.S.40:55D-1):					
Planning Board					
Salaries and Wages		250.00	250.00		250.00
Other Expenses	17.16	1,356.83	1,373.99	17.16	1,356.83
Zoning Enforcement Officer					
Salaries and Wages		10.21	10.21		10.21
Other Expenses		234.50	234.50		234.50
Insurance					
Opt-out Payments		904.44	904.44		904.44
Other Insurance		1,673.51	1,673.51		1,673.51
Unemployment Compensation Insurance		284.80	284.80		284.80
Group Insurance for Employees		12,234.54	12,234.54		12,234.54
Public Safety					
Police					
Salaries and Wages		71,138.36	71,138.36		71,138.36
Other Expenses:					
Leasing of Vehicles		53.63	53.63		53.63
Miscellaneous Other Expenses	3,671.95	2,360.06	6,032.01	3,827.40	2,204.61
Fire					
Fire Hydrant Service		266.40	266.40		266.40
Miscellaneous Other Expenses	1,310.89	169.36	1,480.25	1,403.89	76.36
Aid to Volunteer Ambulance/Emergency Squad					
Other Expenses:		9,665.00	9,665.00	9,665.00	
Public Defender					
Salaries and Wages		800.00	800.00		800.00
Uniform Fire Safety Act (P.L. 1983 CH 383):					
Fire					
Salaries and Wages		944.44	944.44		944.44
Other Expenses	6,838.69		6,838.69	6,838.69	

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statement of 2009 Appropriation Reserves
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009				
	Encumbered	Reserved	Balance After Modification	Disbursed	Balance Lapsed
OPERATIONS--WITHIN "CAPS" (CONT'D)					
Public Safety (Cont'd)					
Emergency Management Services					
Other Expenses	$ 662.64	$ 519.22	$ 1,181.86	$ 662.64	$ 519.22
Municipal Prosecutor					
Salaries and Wages		545.36	545.36		545.36
Streets and Roads					
Road Repairs and Maintenance					
Salaries and Wages		542.69	542.69		542.69
Other Expenses	6,264.95	681.92	6,946.87	6,086.95	859.92
Public Buildings and Grounds					
Salaries and Wages		768.35	768.35		768.35
Other Expenses	715.96	979.29	1,695.25	1,410.46	284.79
Garbage and Trash Collection					
Salaries and Wages		14,594.33	14,594.33		14,594.33
Other Expenses		1,325.57	1,325.57	1,317.28	8.29
Vehicle and Equipment Maintenance					
Other Expenses	2,652.71	68.15	2,720.86	2,578.95	141.91
Garage Operations					
Salaries and Wages		2,749.50	2,749.50		2,749.50
Health and Welfare					
Board of Health					
Salaries and Wages		458.75	458.75		458.75
Other Expenses		2,105.69	2,105.69		2,105.69
Senior Citizen Coordinator					
Salaries and Wages		484.46	484.46		484.46
Other Expenses		1,531.59	1,531.59		1,531.59
Recreation and Education					
Parks and Playgrounds					
Other Expenses		1,100.00	1,100.00		1,100.00
Expense of Participation in Free Public Library					
Salaries and Wages		715.85	715.85		715.85
Other Expenses	350.24	1,551.56	1,901.80	310.24	1,591.56
Celebration of Public Event, Anniversary or Holiday					
Other Expenses		1,300.00	1,300.00		1,300.00
Uniform Construction Code -- Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)					
Construction Official					
Salaries and Wages		4,472.28	4,472.28		4,472.28
Other Expenses	221.66	1,593.04	1,814.70	221.66	1,593.04
Sub-Code Officials:					
Fire					
Salaries and Wages		300.00	300.00		300.00
Unclassified					
Electricity		8,524.12	8,524.12	2,039.00	6,485.12
Water Service		3,899.09	3,899.09		3,899.09
Sewer Service		1,538.92	1,538.92		1,538.92
Telephone		1,199.47	1,199.47	116.44	1,083.03
Gas / Fuel Oil		3,761.74	3,761.74		3,761.74
Trash Disposal		10,939.80	10,939.80	1,709.12	9,230.68
Street Lighting	3,707.59		3,707.59	3,707.59	
Gasoline / Motor Fuel	3,162.76	5,113.64	8,276.40	3,162.76	5,113.64

(Continued)

BOROUGH OF BERLIN
CURRENT FUND
Statement of 2009 Appropriation Reserves
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009				
	Encumbered	Reserved	Balance After Modification	Disbursed	Balance Lapsed
DEFERRED CHARGES AND STATUTORY EXPENDITURES --MUNICIPAL--WITHIN "CAPS"					
Statutory Expenditures:					
Contribution to:					
Police and Firemen's Retirement System of N.J.		$ 0.50	$ 0.50		$ 0.50
Social Security System (O.A.S.I.)		1,061.13	1,061.13		1,061.13
OPERATIONS-- EXCLUDED FROM "CAPS"					
Solid Waste Disposal					
Recycling Tax (P.L. 2007, c. 311)		1,120.05	1,120.05		1,120.05
Storm Water Management					
Salaries and Wages		57.23	57.23		57.23
Other Expenses	$ 486.52	2,241.22	2,727.74	$ 486.52	2,241.22
	$ 38,718.99	$ 207,537.63	$ 246,256.62	$ 53,206.23	$ 193,050.39

Exhibit SA-9

BOROUGH OF BERLIN
CURRENT FUND
Statement of Due to State of New Jersey -- State Training Fees
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 764.00
Increased by:	
Receipts -- Treasurer	9,716.00
	10,480.00
Decreased by:	
Disbursed -- Treasurer	9,452.00
Balance Dec. 31, 2010	$ 1,028.00

Exhibit SA-10

CURRENT FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 6,183.15
Increased by:		
Transfers from Taxes Receivable	$ 7,801.94	
Interest and Costs	636.32	
		8,438.26
		14,621.41
Decreased by:		
Receipts -- Collector		205.10
Balance Dec. 31, 2010		$ 14,416.31

Exhibit SA-11

BOROUGH OF BERLIN
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2010

Balance Dec. 31, 2009 (2010 Taxes)	$ 211,081.72
Increased by:	
Receipts:	
Collector -- 2011 Taxes	207,522.85
	418,604.57
Decreased by:	
Application to 2010 Taxes Receivable	211,081.72
Balance Dec. 31, 2010 (2011 Taxes)	$ 207,522.85

Exhibit SA-12

CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 0.40
Increased by:		
Collector Receipts:		
Overpayments Created		36,382.49
		36,382.89
Decreased by:		
Treasurer Disbursements:		
Overpayments Refunded	$ 22,000.56	
Applied to Taxes Receivable	14,382.33	
		$ 36,382.89

Exhibit SA-13

BOROUGH OF BERLIN
CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 25,018.14
Increased by:	
County Share of Added and Omitted Taxes	66,883.19
	91,901.33
Decreased by:	
Payments -- Treasurer	25,018.14
Balance Dec. 31, 2010	$ 66,883.19

Exhibit SA-14

CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2010

Increased by:		
2010 Levy:		
General County	$ 4,995,348.46	
County Library	335,625.19	
		$ 5,330,973.65
Decreased by:		
Payments -- Treasurer		$ 5,330,973.65

Exhibit SA-15

BOROUGH OF BERLIN
CURRENT FUND
Statement of Local District School Tax
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		
School Tax Payable	-	
School Tax Deferred	$ 3,211,664.00	
		$ 3,211,664.00
Increased by:		
Levy -- School Year July 1, 2010 to June 30, 2011		6,763,013.00
		9,974,677.00
Decreased by:		
Payments -- Treasurer	6,482,590.00	
Prepaid Taxes Applied	8,713.00	
		6,491,303.00
Balance Dec. 31, 2010		
School Tax Payable	271,710.00	
School Tax Deferred	3,211,664.00	
		$ 3,483,374.00
2010 Liability for Local District School Tax		
Tax Paid		$ 6,491,303.00
Tax Payable Dec. 31, 2010		271,710.00
		6,763,013.00
Less: Tax Payable Dec. 31, 2009		-
Amount Charged to 2010 Operations		$ 6,763,013.00

Exhibit SA-16

CURRENT FUND
Statement of Municipal Open Space Tax
For the Year Ended December 31, 2010

Increased by:		
Levy	$ 82,166.03	
Open Space Share of Added and Omitted Taxes	952.35	
		$ 83,118.38
Decreased by:		
Payments -- Treasurer	82,166.03	
Due Open Space Trust Fund	952.35	
		$ 83,118.38

BOROUGH OF BERLIN
CURRENT FUND
Statement of Regional High School Tax
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		
School Tax Payable	$ 9,649.45	
School Tax Deferred	1,720,206.54	
		$ 1,729,855.99
Increased by:		
Levy -- School Year July 1, 2010 to June 30, 2011		3,427,034.21
		5,156,890.20
Decreased by:		
Payments -- Treasurer		3,435,411.14
Balance Dec. 31, 2010		
School Tax Payable	1,272.52	
School Tax Deferred	1,720,206.54	
		$ 1,721,479.06
2010 Liability for Regional High School Tax:		
Tax Paid		$ 3,435,411.14
Tax Payable Dec. 31, 2010		1,272.52
		3,436,683.66
Less: Tax Payable Dec. 31, 2009		9,649.45
Amount Charged to 2010 Operations		$ 3,427,034.21

Exhibit SA-18

CURRENT FUND
Statement of Reserve for Revaluation of Real Property
For the Year Ended December 31, 2010

Charged to Current Year Budget Appropriation	$ 44,263.65
Decreased by:	
Disbursements	2,147.75
Balance Dec. 31, 2010	$ 42,115.90

Exhibit SA-19

BOROUGH OF BERLIN
CURRENT FUND
Reserve for Sale of Municipal Assets
For the Year Ended December 31, 2010

Increased by:		
Receipts	$ 9,270.00	
Transferred from Reserve for Land Sale Deposits	1,030.00	
Balance Dec. 31, 2010		$ 10,300.00

Exhibit SA-20

FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2010

Program	Balance Dec. 31, 2009	Accrued	Decreased	Balance Dec. 31, 2010
Federal Grants:				
Volunteer Firefighter Assistance Grant		$ 7,336.00	$ 7,336.00	
NJ DOT -- Marshall, Bishop and Pine	$ 200,000.00		147,582.89	$ 52,417.11
Total Federal Grants	200,000.00	7,336.00	154,918.89	52,417.11
State Grants:				
Clean Communities Grant		20,527.77	20,527.77	
Safe and Secure Communities Program	21,596.00	67,668.00	74,264.00	15,000.00
Body Armor Grant		2,907.61	2,907.61	
Recycling Tonage Grant		8,129.54	8,129.54	
Municipal Drug Alliance Grant		7,637.00	7,637.00	
Drunk Driving Enforcement Grant		7,026.25	7,026.25	
Total State Grants	21,596.00	113,896.17	120,492.17	15,000.00
Total	$ 221,596.00	$ 121,232.17	$ 275,411.06	$ 67,417.11

Received	$ 266,161.01
Canceled to Grants Appropriated	9,250.05
	$ 275,411.06

BOROUGH OF BERLIN
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Unappropriated
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009	Grants Receivable	Realized as Miscellaneous Revenue	Balance Dec. 31, 2010
Federal Grants:				
Volunteer Firefighter Assistance Grant		$ 7,336.00		$ 7,336.00
Over the Limit Under Arrest	$ 5,100.00		$ 5,100.00	
Total Federal Grants	5,100.00	7,336.00	5,100.00	7,336.00
State Grants:				
Safe and Secure Communities Program		67,668.00	60,000.00	7,668.00
Body Armor Grant		2,907.61	988.36	1,919.25
Clean Communities Program	10,830.46	20,527.77	31,358.23	
Recycling Tonage Grant	11,067.38	8,129.54	11,067.38	8,129.54
Municipal Drug Alliance Grant	6,958.00	7,637.00	6,958.00	7,637.00
Tischler Graphic Novel Grant	3,000.00		3,000.00	
Drunk Driving Enforcement Grant	2,050.00	7,026.25	5,367.13	3,709.12
Total State Grants	33,905.84	113,896.17	118,739.10	29,062.91
Local Grants:				
County Recycling Rebate	8,359.96	-	8,359.96	-
Total	$ 47,365.80	$ 121,232.17	$ 132,199.06	$ 36,398.91

BOROUGH OF BERLIN
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Appropriated
For the Year Ended December 31, 2010

Program	Balance Dec. 31, 2009	Transferred 2010 Budget Appropriation	Decreased	Balance Dec. 31, 2010
Federal Grants:				
US Forest Service -- Fire Assistance	$ 573.20			$ 573.20
Over the Limit Under Arrest		$ 5,100.00		5,100.00
NJ DOT -- Locust Avenue	1,711.94			1,711.94
NJ DOT -- Marshall, Bishop and Pine	200,000.00		$ 200,000.00	
Municipal Stormwater Regulation	2,132.40			2,132.40
Total Federal Grants	204,417.54	5,100.00	200,000.00	9,517.54
State Grants:				
Alcohol Education and Rehabilitation Grant	4,173.32		2,400.00	1,773.32
Body Armor Fund	4,080.81	988.36	2,899.00	2,170.17
Drunk Driving Enforcement Grant	18,590.89	5,367.13	6,585.99	17,372.03
Clean Communities Grant	4,921.56	31,358.23	14,768.53	21,511.26
Recycling Tonnage Grant	9,390.89	11,067.38	20,418.22	40.05
Municipal Drug Alliance		6,958.00	4,038.50	2,919.50
Library Teacher Grant	1,000.00			1,000.00
Tischler Graphic Novel Grant		3,000.00	2,827.45	172.55
Safe and Secure Communities		142,200.00	142,200.00	
Total State Grants	42,157.47	200,939.10	196,137.69	46,958.88
Local Grants:				
County Recycling Rebate Grant	3,251.89	8,359.96	11,539.19	72.66
Grand Total	$ 249,826.90	$ 214,399.06	$ 407,676.88	$ 56,549.08

Reserve for Encumbrances	$ 3,189.00
Contracts Payable	44,251.73
Canceled to Grants Receivable	9,250.05
Disbursed	350,986.10
	$ 407,676.88

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF BERLIN
TRUST FUNDS
Statement of Trust Cash
Per N.J.S.40A:5-5 -- Chief Financial Officer
For the Year Ended December 31, 2010

	Animal Control		Open Space		Other	
Balance Dec. 31, 2009		$ 14,561.49		$ 9,836.60		$ 1,091,309.12
Increased by Receipts:						
Reserve for Animal Control Expenditures	$ 6,046.60					
Due to State Department of Health	708.60					
Due Current Fund	22.45				$ 45,407.44	
Police Outside Services Receivable					15,122.50	
Due From Developers					4,608.84	
Reserve for Recreation Facilities					12,500.00	
Reserve for Parking Offenses Adjudication Act					138.00	
Reserve for Payroll Deductions Payable					1,332,370.55	
Reserve for Net Payroll					2,158,489.51	
Reserve for Affordable Housing					1,266.14	
Reserve for Developers' Escrow Deposits					69,955.43	
Reserve for Recycling Funds					10,100.68	
Reserve for Bid Bonds					11,650.00	
Reserve for Public Defender					1,224.00	
Reserve for Performance Bonds					19,102.60	
Reserve for Investigation Fund					292.00	
Reserve for Fire Safety					235.00	
Reserve for Police Donation					1,000.00	
Reserve for Police Outside Services					55,895.00	
Reserve for Special Law Enforcement					534.75	
Due from Camden County					29,117.00	
2010 Budget Revenue			$ 82,166.03			
Non-Budget Revenue			35.57			
2010 Budget Appropriation Refunds			12,581.38			
Contra					119,139.99	
		6,777.65		94,782.98		3,888,149.43
		21,339.14		104,619.58		4,979,458.55

(Continued)

BOROUGH OF BERLIN
TRUST FUNDS
Statement of Trust Cash
Per N.J.S.40A:5-5 -- Treasurer
For the Year Ended December 31, 2010

	Animal Control		Open Space		Other	
						(Continued)
Decreased by Disbursements:						
Due State Department of Health	$ 708.60					
Due Current Fund	6,280.34				$ 106,778.25	
Due Water Utility Operating Fund					31.79	
Due Sewer Utility Operating Fund					94.66	
Due Federal and State Grant Fund					7,713.37	
Reserve for Parking Offenses Adjudication Act					1,481.90	
Reserve for Payroll Deductions Payable					1,347,396.80	
Reserve for Net Payroll					2,158,489.51	
Reserve for Developers' Escrow Deposits					133,213.95	
Reserve for Recycling Funds					36,427.16	
Reserve for Community Development Block Grant					32,976.81	
Reserve for Technology					16,273.88	
Reserve for Performance Bonds					16,127.60	
Reserve for Investigation Fund					750.00	
Reserve for Fire Safety					1,870.50	
Reserve for Police Donation					1,000.00	
Reserve for Police Outside Services					61,975.00	
Reserve for Special Law Enforcement					5,205.00	
Reserve for Animal Control Expenditures	14,330.28					
2010 Budget Appropriations			$ 58,176.75			
Contra					119,139.99	
		$ 21,319.22		$ 58,176.75		$ 4,046,946.17
Balance Dec. 31, 2010		$ 19.92		$ 46,442.83		$ 932,512.38

Exhibit SB-2

BOROUGH OF BERLIN
TRUST--OTHER FUND
Per N.J.S.40A:5-5 -- Collector
For the Year Ended December 31, 2010

		Other
Balance Dec. 31, 2009		$ 92,094.29
Increased by Receipts:		
Due Current Fund	$ 331.48	
Due CCMUA	54,146.85	
Reserve for Tax Title Lien Redemptions	517,716.42	
Reserve for Premiums Received at Tax Sale	54,700.00	
Contra	72,802.40	
		699,697.15
		791,791.44
Decreased by Disbursements:		
Due Current Fund	1,104.66	
Due CCMUA	54,146.85	
Reserve for Tax Title Lien Redemptions	519,450.53	
Reserve for Premiums Received at Tax Sale	25,211.00	
Contra	72,802.40	
		672,715.44
Balance Dec. 31, 2010		$ 119,076.00

Exhibit SB-3

TRUST--OTHER FUND
Statement of Reserve For Animal Control Expenditures
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 8,303.60
Increased by:		
Receipts:		
Dog License Fees Collected	$ 4,476.60	
Cat License Fees Collected	1,570.00	
		6,046.60
		14,350.20
Decreased by:		
Disbursements		14,330.28
Balance Dec. 31, 2010		$ 19.92

License Fees Collected

Year	Amount
2009	$ 5,942.30
2008	5,230.40
	$ 11,172.70

BOROUGH OF BERLIN
TRUST--OTHER FUND
Statement of Due from Camden County--Community Development Block Grant
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 29,117.00
Increased by:	
Allotments -- Year XXXII	29,117.00
	58,234.00
Decreased by:	
Receipts	29,117.00
Balance Dec. 31, 2010	$ 29,117.00

Analysis of Balance

Entitlement XXXII	$ 29,117.00

BOROUGH OF BERLIN
TRUST--OTHER FUND
Statement of Due To Current Fund
For the Year Ended December 31, 2010

Balance Dec. 31, 2009			$ 59,851.00
Increased by:			
Receipts:			
Treasurer:			
Interest:			
Payroll	$ 82.67		
Trust	426.68		
Recreation	128.97		
Escrow	406.04		
Technology	21.89		
Public Defender	3.42		
Investigation Fund	0.56		
	1,070.23		
Interfund Loans Advanced	44,337.21		
		$ 45,407.44	
Collector -- Interest		331.48	
Cancellation of Due to NJ Criminal Disposition and Review Collection Fund		3,281.56	
			49,020.48
			108,871.48
Decreased by:			
Disbursements:			
Treasurer -- Interfund Loans Returned		106,778.25	
Collector -- Interfund Loans Returned		1,104.66	
			107,882.91
Balance Dec. 31, 2010			$ 988.57

BOROUGH OF BERLIN
TRUST -- OTHER FUND
Statement of Trust Other Reserves
For the Year Ended December 31, 2010

		Increased				Decreased		
Reserve	Balance Dec. 31, 2009	Receipts	Reserve for Encumbrances	Accounts Receivable	2010 Entitlement	Disbursements	Reserve for Encumbrances	Balance Dec. 31, 2010
Reserve for Recreation Facilities	$ 66,871.73	$ 12,500.00						$ 79,371.73
Reserve for Student Exchange Program	1,184.00							1,184.00
Reserve for Parking Offenses Adjudication Act	1,748.00	138.00				$ 1,481.90		404.10
Reserve for Ambulance Hall	2,865.42							2,865.42
Reserve for Election	285.00							285.00
Reserve for Payroll Deductions Payable	43,103.84	1,332,370.55				1,347,396.80		28,077.59
Reserve for Net Payroll		2,158,489.51				2,158,489.51		
Reserve for Affordable Housing	585,096.47	1,266.14						586,362.61
Reserve for COAH Fees	5,017.50							5,017.50
Reserve for Developers' Escrow Deposits	175,689.42	69,955.43	$ 10,143.46			133,213.95	$ 2,562.50	120,011.86
Reserve for Tax Title Lien Redemptions	1,734.11	517,716.42				519,450.53		
Reserve for Premiums Received at Tax Sale	89,587.00	54,700.00				25,211.00		119,076.00
Reserve for Recycling Funds	36,500.49	10,100.68				36,427.16	707.00	9,467.01
Reserve for Community Development Block Grant	21,580.82		269.66		$ 29,117.00	32,976.81		17,990.67
Reserve for Bid Bonds	470.00	11,650.00						12,120.00
Reserve for Security Deposits	3,340.00							3,340.00
Reserve for Technology	16,273.88					16,273.88		
Reserve for Encumbrances	10,413.12		(10,413.12)				(3,269.50)	3,269.50
Reserve for Public Defender	670.88	1,224.00						1,894.88
Reserve for Performance Bonds	83,221.52	19,102.60				16,127.60		86,196.52
Reserve for Investigation Fund	785.00	292.00				750.00		327.00
Reserve for Fire Safety	7,127.00	235.00				1,870.50		5,491.50
Reserve for Police Donation	1,480.00	1,000.00				1,000.00		1,480.00
Reserve for Police Outside Services		55,895.00		$ 6,080.00		61,975.00		
Reserve for Special Law Enforcement	7,940.13	534.75				5,205.00		3,269.88
Reserve for CCMUA		54,146.85				54,146.85		
	$ 1,162,985.33	$ 4,301,316.93	-	$ 6,080.00	$ 29,117.00	$ 4,411,996.49	-	$ 1,087,502.77

Treasurer	$ 3,728,900.51	$ 3,867,334.96
Collector	572,416.42	544,661.53
	$ 4,301,316.93	$ 4,411,996.49

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S.40A:5-5 -- Chief Financial Officer
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 213,574.86
Increased by Receipts:		
Due Current Fund	$ 360,454.12	
Due from State of New Jersey	43,500.00	
Capital Improvement Fund	25,000.00	
Capital Fund Balance - Premium on Sale of Notes	317.00	
Bond Anticipation Notes	652,650.00	
		1,081,921.12
		1,295,495.98
Decreased by Disbursements:		
Improvement Authorizations	603,648.61	
Reserve for Encumbrances	25,495.37	
Contracts Payable	20,186.25	
Reserve for Payment of Debt	3,000.00	
Due Current Fund	454.12	
		652,784.35
Balance Dec. 31, 2010		$ 642,711.63

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of General Capital Cash and Investments
For the Year Ended December 31, 2010

		Balance (Deficit) Dec. 31, 2009	Receipts: Bond Anticipation Notes	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance (Deficit) Dec. 31, 2010
Capital Improvement Fund		$ 4,196.00		$ 25,000.00			$ 8,850.00		$ 20,346.00
Due Current Fund		(551,542.11)		360,454.12		$ 454.12			(191,542.11)
Due Water Utility Capital Fund		308,868.50							308,868.50
Due Sewer Utility Operating Fund		(6,189.12)							(6,189.12)
Due Sewer Utility Capital Fund		(106,800.57)							(106,800.57)
Improvement Authorizations:									
04-09.4	Recreation Complex Building and Site Work	7,730.10					7,730.10		
04-09.13	Reforestation	253,094.84			$ 56,494.84		187,060.00		9,540.00
04-16;04-22.2	Renovations to Municipal Buildings	31,783.28			10,336.95		21,446.33		
04-16;04-22.3	Municipal Facilities Lighting and Security	24,740.00			19,293.54			$ 16,000.00	21,446.46
05-18.2; 08-09	Renovation to Municipal Building	39,799.49			68.12		39,731.37		
05-18.3; 08-09	Reconstruction of Municipal Facilities	229,474.06					61,092.20		168,381.86
06-11.1	Improvement to Various Roads	30,214.99			11,210.39		19,004.60		
06-11.3	Recreation Center Improvements	14,861.70							14,861.70
06-11.4; 09-17	Improvements to Public Works Equipment				19,004.60			19,004.60	
06-14.3	Municipal Facility Improvements	14,044.18							14,044.18
07-17.1	Road Reconstruction	260,184.37			103,844.35		46,514.68	34,969.63	144,794.97
07-17.2	Improvements to Public Buildings	134,025.40						4,340.00	138,365.40
07-17.4	Purchase of Police Equipment	18.33			18.33				
08-12.1	Purchase of Technology Equipment	(50,064.03)	$ 52,250.00		126.72				2,059.25
08-12.2	Purchase of Fire Truck Apparatus	(28,499.72)	28,500.00						0.28
09-15.1	Purchase of Recycling and Trash Truck	20,418.92	394,250.00		357,038.91				57,630.01
09-15.2	Purchase of Street Signage	500.00	9,500.00		10,000.00				
10-8.1	Acquistion of Emergency Vehicle		152,000.00		130.02		156,216.80	8,000.00	3,653.18
10-8.2	Acquisition of Fire Rescue Equipment		16,150.00		16,081.84		375.00	850.00	543.16
Reserve for Encumbrances		69,630.00				25,495.37	39,309.63	8,312.50	13,137.50
Due from State of New Jersey		(510,100.00)		43,500.00				186,600.00	(280,000.00)
Reserve for Payment of Debt		3,000.00				3,000.00			
Contracts Payable		20,186.25				20,186.25		309,253.98	309,253.98
Fund Balance				317.00					317.00
		$ 213,574.86	$ 652,650.00	$ 429,271.12	$ 603,648.61	$ 49,135.74	$ 587,330.71	$ 587,330.71	$ 642,711.63

Exhibit SC-3

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation--Funded
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 9,166,586.26
Decreased by:		
2010 Budget Appropriations:		
Serial Bonds	$ 618,000.00	
Green Acres Loan Payable	24,942.80	
		642,942.80
Balance Dec. 31, 2010		$ 8,523,643.46

Exhibit SC-4

GENERAL CAPITAL FUND
Statement of Due from State of New Jersey
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 510,100.00
Decreased by:		
Receipts	$ 43,500.00	
Canceled	186,600.00	
		230,100.00
Balance Dec. 31, 2010		$ 280,000.00

Analysis of Balance

Due from Department of Transportation (Ord. No. 06-11.1)	$ 280,000.00

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of Deferred Charges To Future Taxation--Unfunded
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Balance Dec. 31, 2010	Analysis of Balance Dec. 31, 2010: Expenditures	Analysis of Balance Dec. 31, 2010: Bond Anticipation Notes	Analysis of Balance Dec. 31, 2010: Unexpended Improvement Authorizations
General Improvements:							
08-12.1	Purchase of Technology Equipment	$ 52,250.00		$ 52,250.00		$ 52,250.00	
08-12.2	Purchase of Fire Truck Apparatus	28,500.00		28,500.00		28,500.00	
09-15.1	Purchase of Recycling and Trash Truck	394,250.00		394,250.00		394,250.00	
09-15.2	Purchase of Street Signage	9,500.00		9,500.00		9,500.00	
10-8.1	Acquistion of Emergency Vehicle		$ 152,000.00	152,000.00		152,000.00	
10-8.2	Acquisition of Fire Rescue Equipment		16,150.00	16,150.00		16,150.00	
		$ 484,500.00	$ 168,150.00	$ 652,650.00	-	$ 652,650.00	-

Balance of Unfunded Improvement Authorizations		$ 63,885.88
Less Unexpended Proceeds of Bond Anticipation Notes:		
Ordinance Number:		
08-12.1	$ 2,059.25	
08-12.2	0.28	
09-15.1	57,630.01	
10-8.1	3,653.18	
10-8.2	543.16	
		63,885.88
		-

Exhibit SC-6

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 4,196.00
Increased by:	
Receipt from Current Fund -- Budget Appropriation	25,000.00
	29,196.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	8,850.00
Balance Dec. 31, 2010	$ 20,346.00

Exhibit SC-7

GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 3,000.00
Decreased by:	
Due Current Fund:	
Anticipated as Current Fund Budget Revenue	$ 3,000.00

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2009 Funded	Balance Dec. 31, 2009 Unfunded	2010 Authorizations: Capital Improvement Fund	2010 Authorizations: Deferred Charges To Future Taxation--Unfunded	Paid or Charged	Adjustments	Balance Dec. 31, 2010 Funded	Balance Dec. 31, 2010 Unfunded
General Improvements											
04-09.4	Recreation Complex Building and Site Work	6-03-04	$ 425,000.00	$ 7,730.10				$ 7,730.10			
04-09.13	Reforestation	6-03-04; 10-04-07	288,800.00	253,094.84				56,954.84	$ (186,600.00)	$ 9,540.00	
04-16; 04-22.2	Renovations to Municipal Buildings	4-18-06	180,000.00	31,783.28				15,783.28	(16,000.00)		
04-16; 04-22.3	Municipal Facilities Lighting and Security	4-18-06	50,400.00	24,740.00				19,293.54	16,000.00	21,446.46	
05-18.2; 08-09	Renovation to Municipal Building	6-20-05; 9-08-08	750,000.00	39,799.49				39,799.49			
05-18.3; 08-09	Reconstruction of Municipal Facilities	6-20-05; 9-08-08	250,000.00	229,474.06				61,092.20		168,381.86	
06-11.1; 09-17	Improvement to Various Roads	7-17-06	1,306,000.00	30,214.99				11,210.39	(19,004.60)		
06-11.3	Recreation Center Improvements	7-17-06	750,000.00	14,861.70						14,861.70	
06-11.4; 09-17	Improvements to Public Works Equipment	7-17-06; 11-02-09	24,000.00					19,004.60	19,004.60		
06-14.3	Municipal Facility Improvements	8-21-06	127,000.00	14,044.18						14,044.18	
07-17.1	Road Reconstruction	9-17-07	328,250.00	260,184.37				150,359.03	34,969.63	144,794.97	
07-17.2	Improvements to Public Buildings	9-17-07	222,200.00	134,025.40					4,340.00	138,365.40	
07-17.4	Purchase of Police Equipment	9-17-07	54,386.00	18.33				18.33			
08-12.1	Purchase of Technology Equipment	10-06-08	55,000.00		$ 2,185.97			126.72			$ 2,059.25
08-12.2	Purchase of Fire Truck Apparatus	10-06-08	30,000.00		0.28						0.28
09-15.1	Purchase of Recycling and Trash Truck	10-05-09	415,000.00	20,418.92	394,250.00			357,038.91			57,630.01
09-15.2	Purchase of Street Signage	10-05-09	10,000.00	500.00	9,500.00			10,000.00			
10-8.1	Acquistion of Emergency Vehicle	8-2-10	160,000.00			$ 8,000.00	$ 152,000.00	156,346.82			3,653.18
10-8.2	Acquisition of Fire Rescue Equipment	8-2-10	17,000.00			850.00	16,150.00	16,456.84			543.16
				$ 1,060,889.66	$ 405,936.25	$ 8,850.00	$ 168,150.00	$ 921,215.09	$ (147,290.37)	$ 511,434.57	$ 63,885.88

Disbursements	$ 603,648.61
Contracts Payable	309,253.98
Reserve for Encumbrances	8,312.50
	$ 921,215.09

Improvement Authorization Canceled	$ (186,600.00)
Encumbrances Canceled	39,309.63
	$ (147,290.37)

Exhibit SC-9

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 20,186.25
Increased by:	
Charges to Improvement Authorizations	309,253.98
	329,440.23
Decreased by:	
Disbursed	20,186.25
Balance Dec. 31, 2010	$ 309,253.98

Schedule of Contracts Payable Dec. 31, 2010

Vendor	Ordinance #	Amount
Sportpros LLC	04-9.4	$ 7,730.10
Sportpros LLC	04-16; 04-22.2	5,446.33
Sportpros LLC	05-18.2	39,731.37
Sportpros LLC	05-18.3	61,092.20
American Asphalt	07-17.1	39,037.18
Bay Head Investments	10-8.1	156,216.80
		$ 309,253.98

Exhibit SC-10

GENERAL CAPITAL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2010

Balance Dec. 31, 2009 (Due From)		$ 551,542.11
Increased by:		
Disbursed:		
Interest Earned on Deposits		454.12
		551,996.23
Decreased by:		
Receipts		
Interest Earned on Deposits	$ 454.12	
Interfund Loan	360,000.00	
		360,454.12
Balance Dec. 31, 2010 (Due From)		$ 191,542.11

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2010

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2010 Date	Amount	Interest Rate	Balance Dec. 31, 2009	Issued for Cash	Paid By Budget Appropriation	Balance Dec. 31, 2010
General Improvement Bonds	9-15-95	$ 1,938,000.00	N/A	N/A	N/A	$ 148,000.00		$ 148,000.00	
General Improvement Bonds	12-1-98	1,277,000.00	12/1/11	$ 122,000.00	4.30%	252,000.00		130,000.00	$ 122,000.00
General Improvement Bonds	4-1-02	2,326,000.00	4/1/11	250,000.00	4.55%				
			4/1/12	275,000.00	4.55%				
			4/1/13	300,000.00	4.55%				
			4/1/14	325,000.00	4.55%				
			4/1/15	351,000.00	4.55%	1,701,000.00		200,000.00	1,501,000.00
General Improvement Bonds	10-15-05	3,846,000.00	10/15/11	175,000.00	3.75%				
			10/15/12	250,000.00	3.75%				
			10/15/13-15	250,000.00	3.80%				
			10/15/16-19	500,000.00	3.80%				
			10/15/20	521,000.00	3.80%	3,736,000.00		40,000.00	3,696,000.00
General Improvement Bonds	10-6-08	3,047,119.00	10/1/10-11	100,000.00	4.25%				
			10/1/12-13	150,000.00	4.25%				
			10/1/14	160,000.00	4.25%				
			10/1/15	165,000.00	4.25%				
			10/1/16	300,000.00	4.38%				
			10/1/17	325,000.00	4.38%				
			10/1/18-20	350,000.00	4.50%				
			10/15/21	447,119.00	4.50%	2,947,119.00		100,000.00	2,847,119.00
						$ 8,784,119.00	-	$ 618,000.00	$ 8,166,119.00

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2009	Notes Issued for Cash	Decreased	Balance Dec. 31, 2010
10-8.1	Acquistion of Emergency Vehicle	11/23/2010	11/23/2010	11/22/2011	2.00%		$ 152,000.00		$ 152,000.00
10-8.2	Acquisition of Fire Rescue Equipment	11/23/2010	11/23/2010	11/22/2011	2.00%		16,150.00		16,150.00
09-15.1	Purchase of Recycling and Trash Truck	11/23/2010	11/23/2010	11/22/2011	2.00%		52,250.00		52,250.00
09-15.2	Purchase of Street Signage	11/23/2010	11/23/2010	11/22/2011	2.00%		28,500.00		28,500.00
10-8.1	Acquistion of Emergency Vehicle	11/23/2010	11/23/2010	11/22/2011	2.00%		394,250.00		394,250.00
10-8.2	Acquisition of Fire Rescue Equipment	11/23/2010	11/23/2010	11/22/2011	2.00%		9,500.00		9,500.00
						-	$ 652,650.00	-	$ 652,650.00

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of Open Space Green Acres Loan
For the Year Ended December 31, 2010

Purpose	Loan Amount	Payment Schedule Date	Payment Schedule Amount	Interest Rate	Balance Dec. 31, 2009	Paid By Budget Appropriation	Balance Dec. 31, 2010
Franklin Avenue Recreation Fields	$ 500,000.00	6/13/2011	12,658.78				
		12/13/2011	12,785.37				
		6/13/2012	12,913.22				
		12/13/2012	13,042.35				
		6/13/2013	13,172.78				
		12/13/2013	13,304.51				
		6/13/2014	13,437.55				
		12/13/2014	13,571.93				
		6/13/2015	13,707.64				
		12/13/2015	13,844.72				
		6/13/2016	13,983.17				
		12/13/2016	14,123.00				
		6/13/2017	14,264.23				
		12/13/2017	14,406.87				
		6/13/2018	14,550.94				
		12/13/2018	14,696.45				
		6/13/2019	14,843.42				
		12/13/2019	14,991.85				
		6/13/2020	15,141.77				
		12/13/2020	15,293.19				
		6/13/2021	15,446.12				
		12/13/2021	15,600.58				
		6/13/2022	15,756.58				
		12/13/2022	15,914.15				
		6/13/2023	16,073.29	2.00%	$ 382,467.26	$ 24,942.80	$ 357,524.46

BOROUGH OF BERLIN
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Notes Issued	Balance Dec. 31, 2010
General Improvements:					
08-12.1	Purchase of Technology Equipment	$ 52,250.00		$ 52,250.00	
08-12.2	Purchase of Fire Truck Apparatus	28,500.00		28,500.00	
09-15.1	Purchase of Recycling and Trash Truck	394,250.00		394,250.00	
09-15.2	Purchase of Street Signage	9,500.00		9,500.00	
10-8.1	Acquistion of Emergency Vehicle		$ 152,000.00	152,000.00	
10-8.2	Acquisition of Fire Rescue Equipment		16,150.00	16,150.00	
		$ 484,500.00	$ 168,150.00	$ 652,650.00	-

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

Exhibit SD-1

BOROUGH OF BERLIN
WATER UTILITY FUND
Statement of Water Utility Cash
Per N.J.S.40A:5-5 -- Chief Financial Officer
For the Year Ended December 31, 2010

		Operating		Capital
Balance Dec. 31, 2009		$ 73,876.75		$ 547,728.46
Increased by Receipts:				
Turnover from Collector	$ 2,855,023.83			
Revenue - Miscellaneous	805.39			
Due Water Capital Operating Fund	185,000.00			
Due Trust Other	31.79			
		3,040,861.01		-
		3,114,737.76		547,728.46
Decreased by Disbursements:				
2010 Budget Appropriations	2,704,274.66			
2009 Appropriation Reserves	60,880.32			
Water Rent Overpayments	550.71			
Improvement Authorizations			$ 78,028.09	
Due Water Utility Operating Fund			185,000.00	
Operations -- Current Fund Budget Revenue	75,000.00			
Accrued Interest on Bonds and Notes	224,652.84			
Reserve for Encumbrances			29,798.50	
		3,065,358.53		292,826.59
Balance Dec. 31, 2010		$ 49,379.23		$ 254,901.87

Exhibit SD-2

WATER UTILITY OPERATING FUND
Statement of Water Utility Operating Cash
Per N.J.S.40A:5-5 -- Collector
For the Year Ended December 31, 2010

Increased by Receipts:	
Water Rents Receivable	$ 2,361,520.24
Water Rent Overpayments	10,136.04
Fire Hydrant and Sprinkler Rents Receivable	398,417.44
Miscellaneous Revenue	84,950.11
	2,855,023.83
Decreased by Disbursements:	
Payments to Treasurer	$ 2,855,023.83

BOROUGH OF BERLIN
WATER UTILITY CAPITAL FUND
Analysis of Water Capital Cash and Investments
For the Year Ended December 31, 2010

	Balance (Deficit) Dec. 31, 2009	Receipts	Expenditures		Transfers		Balance (Deficit) Dec. 31, 2010
		Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Capital Improvement Fund	$ 2,530.71						$ 2,530.71
Improvement Authorizations:							
04-09.1 Route 73 Water Main Extension	6,200.00						6,200.00
06-12.1 Repainting of Chestnut Ave Water Tank	132,627.02						132,627.02
06-12.2 Acquisition and Installation of Water Meters	464,233.92		$ 6,283.27				457,950.65
06-12.3 Purchase of Generator	85,096.95						85,096.95
06-14.1 Purchase of Computer Software	5,790.39						5,790.39
06-14.2 Equipment and System Improvements	81,725.71						81,725.71
07-17.1 Plant Improvements and Controls	58,063.49						58,063.49
07-17.2 Main Improvements	282,866.17		367.50				282,498.67
09-08.1 Redrilling of Well #10	(3,108.90)		4,878.06		$ 521,344.00		(529,330.96)
09-08.2 Repair of Filters in Plant No. 1	(2,781.25)		66,499.26			$ 3,456.00	(65,824.51)
Due Current Fund	(650,000.00)						(650,000.00)
Due General Capital Fund	(308,868.50)						(308,868.50)
Due Water Utility Operating Fund	464,652.84			$ 185,000.00		116,000.00	395,652.84
Due from NJ Environmental Infrastructure	(379,217.00)						(379,217.00)
Contracts Payable						521,344.00	521,344.00
Reserve for Encumbrances	75,643.78			29,798.50	3,456.00		42,389.28
Reserve for Payment of Debt	232,273.13				116,000.00		116,273.13
	$ 547,728.46	-	$ 78,028.09	$ 214,798.50	$ 640,800.00	$ 640,800.00	$ 254,901.87

Exhibit SD-4

BOROUGH OF BERLIN
WATER UTILITY OPERATING FUND
Statement of Water Rents Receivable
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 237,275.00
Increased by:		
Water Rents Levied		2,450,059.29
		2,687,334.29
Decreased by:		
Canceled	$ 1,679.39	
Overpayments Applied	9,416.18	
Collections -- Collector	2,361,520.24	
		2,372,615.81
Balance Dec. 31, 2010		$ 314,718.48

Exhibit SD-5

WATER UTILITY OPERATING FUND
Statement of Fire Hydrants and Sprinkler Rents Receivable
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 30,188.02
Increased by:	
Fire Hydrant and Sprinkler Rents Levied	390,236.22
	420,424.24
Decreased by:	
Collections -- Collector	398,417.44
Balance Dec. 31, 2010	$ 22,006.80

BOROUGH OF BERLIN
WATER UTILITY OPERATING FUND
Statement of Water Overpayments
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 9,210.89
Increased by:		
Receipts -- Collector		10,136.04
		19,346.93
Decreased by:		
Applied to Water Rents Receivable	9,416.18	
Refunds -- Treasurer	550.71	
		9,966.89
Balance Dec. 31, 2010		$ 9,380.04

BOROUGH OF BERLIN
WATER UTILITY OPERATING FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009 Encumbered	Balance Dec. 31, 2009 Reserved	Balance After Transfers	Disbursed	Lapsed to Fund Balance
Operations:					
Salaries and Wages		$ 4,928.63	$ 4,928.63		$ 4,928.63
Other Expenses	$ 66,597.64	71,120.77	137,718.41	$ 60,880.32	76,838.09
Capital Improvements:					
Capital Outlay		40,000.00	40,000.00		40,000.00
Statutory Expenditures:					
Contribution to:					
Unemployment Compensation Insurance		332.80	332.80		332.80
Social Security System (O.A.S.I.)		7,144.54	7,144.54		7,144.54
	$ 66,597.64	123,526.74	$ 190,124.38	$ 60,880.32	$ 129,244.06

BOROUGH OF BERLIN
WATER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2009	Authorized Fixed Capital	Transferred To Fixed Capital	Balance Dec. 31, 2010
04-09.1	Route 73 Water Main Extension	6-3-04	$ 1,000,000.00	$ 1,000,000.00			$ 1,000,000.00
06-12.1	Repainting of Chestnut Ave Water Tank	7-17-06	965,000.00	928,115.00			928,115.00
06-12.2	Acquisition and Installation of Water Meters	7-17-06	2,583,600.00	2,509,200.00			2,509,200.00
06-12.3	Purchase of Generator	7-17-06	268,600.00	261,200.00			261,200.00
06-14.1	Purchase of Computer Software	8-21-06	18,000.00	18,000.00			18,000.00
06-14.2	Equipment and System Improvements	8-21-06	105,000.00	105,000.00			105,000.00
07-17.1	Plant Improvements and Controls	9-6-07	63,630.00	63,630.00			63,630.00
07-17.2	Main Improvements	9-6-07	292,900.00	292,900.00			292,900.00
09-08.1	Redrilling of Well #10	7-6-09	900,000.00	900,000.00			900,000.00
09-08.2	Repair of Filters in Plant No. 1	7-6-09	100,000.00	100,000.00			100,000.00
				$ 6,178,045.00	-	-	$ 6,178,045.00

BOROUGH OF BERLIN
WATER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2010

Account	Balance Dec. 31, 2009	Transferred from Fixed Capital Authorized and Uncompleted	Balance Dec. 31, 2010
Balance Prior to Jan. 1, 1931 (No Detail Available)	$ 247,217.88		$ 247,217.88
Springs, Wells and Filtration System	4,009,892.01		4,009,892.01
Electric Power Pumping Equipment	114,117.12		114,117.12
Transmission Mains	1,286,511.71		1,286,511.71
Tanks and Standpipes	2,816,769.62		2,816,769.62
Distribution Mains	357,663.81		357,663.81
Service Pipe and Stops	8,229.29		8,229.29
Meters, Meter Boxes and Vaults	487,448.34		487,448.34
Fire Hydrants	124,827.07		124,827.07
General Equipment	317,540.48		317,540.48
Office Equipment	17,371.13		17,371.13
Garage	26,088.81		26,088.81
Motorized Equipment	14,425.41		14,425.41
Engineering Fees	265,894.56		265,894.56
Site	1,160.00		1,160.00
Legal and Accounting	137,577.82		137,577.82
Fence and Shrubbery	5,554.00		5,554.00
Other Costs	24,958.30		24,958.30
Interest on Notes	6,537.33		6,537.33
Base Station Equipment	628.50		628.50
Spreader	790.00		790.00
Alarm System	2,343.50		2,343.50
Chlorinator	7,155.00		7,155.00
Modulating Flow Valve	2,811.95		2,811.95
Backhoe	11,231.62		11,231.62
Tank	68,000.00		68,000.00
Trailer	8,030.00		8,030.00
Water Testing Equipment	338.02		338.02
Radio Telemetry Equipment	29,525.00		29,525.00
Safety Equipment	425.00		425.00
Meter Testing Equipment	601.79		601.79
Vehicles	82,748.77		82,748.77
Improvements to Plant, Wells and Mains	2,967,601.09		2,967,601.09
Purchase of Computer Equipment	59,500.00		59,500.00
Construction of Test Wells	228,788.00		228,788.00
Mechanics Garage	200,000.00		200,000.00
Removal of Contaminated Soil and Installation of Above Ground Tank	15,000.00		15,000.00
	$ 13,955,302.93	-	$ 13,955,302.93

BOROUGH OF BERLIN
WATER UTILITY FUND
Statement of Accrued Interest on Bonds and Notes and Anaylsis of Balance
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 68,144.47
Increased by:	
Charged to Operating Fund Budget Appropriations	218,100.14
	286,244.61
Decreased by:	
Paid by Operating Fund	224,652.84
Balance Dec. 31, 2010	$ 61,591.77

Analysis of Accured Interest Dec. 31, 2010

Principal Outstanding Dec. 31, 2010	Interest Rate	From	To	Period	Amount
Serial Bonds:					
$ 200,000.00	Various	9-15-10	12-31-10	107 Days	$ 3,210.00
2,615,000.00	Various	10-15-10	12-31-10	78 Days	21,481.42
419,881.00	Various	10-1-10	12-31-10	92 Days	4,656.13
N.J. Enviornmental Infrastructure Loan:					
1,645,613.97	Various	8-1-10	12-31-10	153 Days	32,244.22
					$ 61,591.77

BOROUGH OF BERLIN
WATER UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2009 Funded	Balance Dec. 31, 2009 Unfunded	2010 Authorizations Funded	2010 Authorizations Deferred Charges to Future Revenue	Paid or Charged	Encumbrances Canceled	Balance Dec. 31, 2010 Funded	Balance Dec. 31, 2010 Unfunded
04-09.1	Route 73 Water Main Extension	6-3-04	$ 1,000,000.00	$ 6,200.00						$ 6,200.00	
06-12.1	Repainting of Chestnut Ave Water Tank	7-17-06	965,000.00	132,627.02						132,627.02	
06-12.2	Acquisition and Installation of Water Meters	7-17-06	2,583,600.00	464,233.92				$ 6,283.27		457,950.65	
06-12.3	Purchase of Generator	7-17-06	268,600.00	85,096.95						85,096.95	
06-14.1	Purchase of Computer Software	8-21-06	18,000.00	5790.39						5,790.39	
06-14.2	Equipment and System Improvements	8-21-06	105,000.00	81,725.71						81,725.71	
07-17.1	Plant Improvements and Controls	9-6-07	63,630.00	58063.49						58,063.49	
07-17.2	Main Improvements	9-6-07	292,900.00	282866.17				367.50		282,498.67	
09-08.1	Redrilling of Well #10	7-6-09	900,000.00		$ 851,891.10			526,222.06			$ 325,669.04
09-08.2	Repair of Filters in Plant No. 1	7-6-09	100,000.00		92,218.75			66,499.26	$ 3,456.00		29,175.49
				$ 1,116,603.65	$ 944,109.85	-	-	$ 599,372.09	$ 3,456.00	$ 1,109,952.88	$ 354,844.53

Disbursed	$ 78,028.09
Contracts Payable	521,344.00
	$ 599,372.09

Exhibit SD-12

BOROUGH OF BERLIN
WATER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 11,951,032.72
Increased by:		
Paid by Operating Budget:		
Serial Bonds	$ 552,000.00	
New Jersey Enviornmental Infrastructure Loan	167,141.71	
		719,141.71
Balance Dec. 31, 2010		$ 12,670,174.43

Exhibit SD-13

WATER UTILITY CAPITAL FUND
Schedule of Deferred Reserve for Amortization
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2009	Fixed Capital Authorized	Transferred To Reserve For Amortization	Balance Dec. 31, 2010
04-09.1	Route 73 Water Main Extension	6-3-04	$ 50,000.00			$ 50,000.00
06-14.1	Purchase of Computer Software	8-21-06	858.00			858.00
06-14.2	Equipment and System Improvements	8-21-06	5,001.00			5,001.00
07-17.1	Plant Improvements and Controls	9-6-07	3,040.00			3,040.00
07-17.2	Main Improvements	9-6-07	13,950.00			13,950.00
09-08.1	Redrilling of Well #10	7-6-09	45,000.00			45,000.00
09-08.2	Repair of Filters in Plant No. 1	7-6-09	5,000.00			5,000.00
			$ 122,849.00	-	-	$ 122,849.00

BOROUGH OF BERLIN
WATER UTILITY CAPITAL FUND
Statement of Water Serial Bonds
For the Year Ended December 31, 2010

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding Dec. 31, 2010 Date	Amount	Interest Rate	Balance Dec. 31, 2009	Increased	Paid by Budget Appropriation	Balance Dec. 31, 2010
General Water Bonds	9-15-95	$ 2,390,000.00	9/15/11	$ 200,000.00	5.40%	$ 390,000.00		$ 190,000.00	$ 200,000.00
General Water Bonds	12-1-98	1,112,000.00	N/A	N/A	N/A	137,000.00		137,000.00	
General Water Bonds	10-15-05	3,040,000.00	10/15/11	200,000.00	3.75%				
			10/15/12	250,000.00	3.75%				
			10/15/13-15	250,000.00	3.80%				
			10/15/16-19	275,000.00	3.80%				
			10/15/20	315,000.00	3.80%	2,815,000.00		200,000.00	2,615,000.00
General Water Bonds	10-1-08	469,881.00	10/1/11	25,000.00	4.25%				
			10/1/2012	45,000.00	4.25%				
			10/1/13-15	50,000.00	4.25%				
			10/1/16-17	50,000.00	4.375%				
			10/1/18	50,000.00	4.50%				
			10/1/19	49,881.00	4.50%	444,881.00		25,000.00	419,881.00
						$ 3,786,881.00	-	$ 552,000.00	$ 3,234,881.00

BOROUGH OF BERLIN
WATER UTILITY CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Trust Loan Payable
For the Year Ended December 31, 2010

Purpose	Date of Issue	Original Issue	Date	Maturities Outstanding Dec. 31, 2010 Trust Loan	Fund Loan	Total	Interest Rate(A)	Balance Dec. 31, 2009	Loans Issued	Paid by Budget Appropriation	Balance Dec. 31, 2010
Improvement to Chestnut Avenue Water Tank, Acquisition and Installation of Water Meters, and Generator Improvements	11-9-06	$ 3,817,200.00	2/1/2011		$ 24,786.71	$ 24,786.71					
			8/1/2011	$ 75,000.00	73,792.50	148,792.50	5.000%				
			2/1/2012		23,561.57	23,561.57					
			8/1/2012	80,000.00	75,834.40	155,834.40	5.000%				
			2/1/2013		22,254.75	22,254.75					
			8/1/2013	80,000.00	74,527.58	154,527.58	5.000%				
			2/1/2014		20,947.93	20,947.93					
			8/1/2014	85,000.00	76,487.82	161,487.82	5.000%				
			2/1/2015		19,559.43	19,559.43					
			8/1/2015	90,000.00	78,366.37	168,366.37	5.000%				
			2/1/2016		18,089.26	18,089.26					
			8/1/2016	95,000.00	80,163.25	175,163.25	5.000%				
			2/1/2017		16,537.41	16,537.41					
			8/1/2017	100,000.00	81,878.45	181,878.45	4.000%				
			2/1/2018		15,230.58	15,230.58					
			8/1/2018	105,000.00	83,838.68	188,838.68	4.000%				
			2/1/2019		13,858.42	13,858.42					
			8/1/2019	110,000.00	85,733.57	195,733.57	4.000%				
			2/1/2020		12,420.92	12,420.92					
			8/1/2020	110,000.00	84,296.07	194,296.07	4.000%				
			2/1/2021		10,983.42	10,983.42					
			8/1/2021	115,000.00	86,125.62	201,125.62	4.125%				
			2/1/2022		9,433.61	9,433.61					
			8/1/2022	120,000.00	87,842.86	207,842.86	4.125%				
			2/1/2023		7,816.42	7,816.42					
			8/1/2023	125,000.00	89,492.73	214,492.73	4.250%				
			2/1/2024		6,080.80	6,080.80					
			8/1/2024	130,000.00	91,024.16	221,024.16	5.000%				
			2/1/2025		3,957.21	3,957.21					
			8/1/2025	140,000.00	95,434.68	235,434.68	4.250%				
			2/1/2026		2,013.32	2,013.32					
(A) Interest applicable to Trust Loan only.			8/1/2026	85,613.97	37,459.03	123,073.00	4.250%	$ 3,322,585.21		$ 167,141.71	$ 3,155,443.50
								$ 3,322,585.21	-	$ 167,141.71	$ 3,155,443.50

BOROUGH OF BERLIN
WATER UTILITY CAPITAL FUND
Statement of Water Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Balance Dec. 31, 2009	2010 Authorizations	Funded by Budget Appropriation	Balance Dec. 31, 2010
09-08.1	Redrilling of Well #10	$ 855,000.00			$ 855,000.00
09-08.2	Repair of Filters in Plant No. 1	95,000.00			95,000.00
		$ 950,000.00	-	-	$ 950,000.00

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

Exhibit SE-1

BOROUGH OF BERLIN
SEWER UTILITY FUND
Statement of Sewer Utility Cash
Per N.J.S.40A:5-5 -- Chief Financial Officer
For the Year Ended December 31, 2010

		Operating		Capital
Balance Dec. 31, 2009		$ 357,171.01		$ 205,260.02
Increased by Receipts:				
Turnover from Collector	$ 662,310.58			
Interest on Deposits	716.71			
Due Trust Other Fund	94.66			
		663,121.95		-
		1,020,292.96		205,260.02
Decreased by Disbursements:				
2010 Budget Appropriations	606,172.31			
2009 Appropriation Reserves	9,305.01			
Accrued Interest on Bonds and Notes	25,439.50			
Improvement Authorizations			$ 4,400.00	
Due Current Fund	239,668.00			
		880,584.82		4,400.00
Balance Dec. 31, 2010		$ 139,708.14		$ 200,860.02

Exhibit SE-2

SEWER UTILITY OPERATING FUND
Statement of Sewer Utility Operating Cash
Per N.J.S.40A:5-5 -- Collector
For the Year Ended December 31, 2010

Increased by Receipts:	
Sewer Rents Receivable	$ 620,969.77
Sewer Overpayments	882.28
Miscellaneous Revenue	40,458.53
	662,310.58
Decreased by Disbursements:	
Payments to Treasurer	$ 662,310.58

BOROUGH OF BERLIN
SEWER UTILITY CAPITAL FUND
Analysis of Sewer Utility Capital Cash and Investments
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009	Receipts: Budget Appropriation	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2010
Capital Improvement Fund	$ 1,721.95							$ 1,721.95
Reserve to Pay Debt Service	6,735.50							6,735.50
Improvement Authorizations:								
06-14.1 Purchase of Computer Software	5,790.39							5,790.39
06-14.2 Facility Improvements	33,317.61			$ 4,400.00				28,917.61
07-17 Purchase of Submersible Wells	37,894.00							37,894.00
Due General Capital Fund	106,800.57							106,800.57
Due Sewer Utility Operating Fund	13,000.00							13,000.00
	$ 205,260.02	-	-	$ 4,400.00	-	-	-	$ 200,860.02

Exhibit SE-4

BOROUGH OF BERLIN
SEWER UTILITY OPERATING FUND
Statement of Sewer Rents Receivable
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 66,380.88
Increased by:		
Sewer Rents Levied		638,904.88
		705,285.76
Decreased by:		
Collections -- Collector	$ 620,969.77	
Overpayments Applied	673.52	
Canceled	3.43	
		621,646.72
Balance Dec. 31, 2010		$ 83,639.04

Exhibit SE-5

SEWER UTILITY OPERATING FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2010

	Balance Dec. 31, 2009		Balance After		Balance
	Encumbered	Reserved	Transfers	Disbursed	Lapsed
Operating:					
Salaries		$ 17.72	$ 17.72		$ 17.72
Other Expenses	$ 9,096.01	16,617.36	25,713.37	$ 9,305.01	16,408.36
Statutory Expenditures:					
Contribution to					
Unemployment Compensation Insurance		98.26	98.26		98.26
Social Security System (O.A.S.I.)		84.63	84.63		84.63
Total	$ 9,096.01	$ 16,817.97	$ 25,913.98	$ 9,305.01	$ 16,608.97

BOROUGH OF BERLIN
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2010

Account	Balance Dec. 31, 2009	Additions By Ordinance	Balance Dec. 31, 2010
Facility Improvements	$ 287,110.77		$ 287,110.77
Oxygen Analyzer	1,177.36		1,177.36
Chevrolet Truck	1,952.00		1,952.00
Installation of Laterals	2,390.00		2,390.00
Chlorinator	1,787.00		1,787.00
Mobile Unit for Truck	551.92		551.92
Refrigerator	169.00		169.00
Dump Truck	57,660.50		57,660.50
Tank Truck	2,450.00		2,450.00
Construction of Utility Room	1,065.00		1,065.00
Air Compressor	163.16		163.16
Mobile Pump	1,092.00		1,092.00
Welding Unit	917.70		917.70
Sewer Cleaner	12,000.00		12,000.00
Digester Lid	7,895.00		7,895.00
Construction of Sanitary Sewer System:			
Construction Contracts	707,310.21		707,310.21
Collection System	1,028,362.05		1,028,362.05
Street Paving	164,047.75		164,047.75
Sidewalk Construction	29,944.31		29,944.31
Engineering	121,048.87		121,048.87
Other Costs	93,618.80		93,618.80
Addition to Sewer Plant:			
Construction Contracts	34,389.45		34,389.45
Engineering	3,216.46		3,216.46
Other Costs	4,151.07		4,151.07
Alterations to Wet Well	970.00		970.00
Fencing	9,679.39		9,679.39
Base Station Equipment	1,363.70		1,363.70
Pipe and Drain Cleaner	1,199.00		1,199.00
Pipe Saddles	50.94		50.94
Curb Boxes	263.87		263.87
Office Equipment	7,553.00		7,553.00
Spreader	790.00		790.00
Street Sweeper	65,002.50		65,002.50
Stake Body Truck	57,861.00		57,861.00
Pick-up Truck	23,667.00		23,667.00
Falk Reducer	5,918.00		5,918.00
Equipment Repairs	8,868.46		8,868.46
Freight Charges	39.18		39.18
Electrical Gear Motor	1,147.90		1,147.90
Tractor and Backhoe	19,500.00		19,500.00
Pumping Stations	374,185.93		374,185.93
Garage	70,000.00		70,000.00
Computer Equipment	33,136.50		33,136.50
Air Ventilator	2,500.00		2,500.00
Gas Detector	1,500.00		1,500.00
Above Ground Tank	15,000.00		15,000.00
Mechanics Garage	200,000.00		200,000.00
Pick-up Truck	15,639.13		15,639.13
Dump Truck with Plow	13,145.77		13,145.77
Sewer Jetter	72,000.00		72,000.00
	$ 3,565,451.65	-	$ 3,565,451.65

BOROUGH OF BERLIN
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2009	2010 Authorization Deferred Reserve For Amortization	2010 Authorization Deferred Charges to Future Revenue	2010 Authorization To Fixed Capital	Balance Dec. 31, 2010
General Improvements:								
06-14.1	Purchase of Computer Software	8/21/06	18,000.00	$ 18,000.00				$ 18,000.00
06-14.2	Facility Improvements	8/21/06	235,000.00	85,250.00				85,250.00
07-17	Purchase of Submersible Wells	9/06/07	49,980.00	49,980.00				49,980.00
				$ 153,230.00	-	-	-	$ 153,230.00

BOROUGH OF BERLIN
SEWER UTILITY FUND
Statement of Accrued Interest on Bonds and Notes
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 5,766.71
Increased by:	
Charges to Operating Budget	24,924.64
	30,691.35
Decreased by:	
Paid by Sewer Utility Operating Fund	25,439.50
Balance Dec. 31, 2010	$ 5,251.85

Analysis of Accrued Interest Dec. 31, 2010

Principal Outstanding Dec. 31, 2010	Interest Rate	From	To	Period	Amount
Serial Bonds:					
$ 449,000.00	Various	10/15/2010	12/31/2010	78 Days	$ 3,685.93
142,000.00	Various	10/1/2010	12/31/2010	92 Days	1,565.92
					$ 5,251.85

BOROUGH OF BERLIN
SEWER UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2009 Funded	Balance Dec. 31, 2009 Unfunded	2010 Authorizations Capital Improvement Fund	2010 Authorizations Deferred Charges to Future Revenue	Disbursed	Adjustments	Balance Dec. 31, 2010 Funded	Balance Dec. 31, 2010 Unfunded
06-14.1	Purchase of Computer Software	8/21/06	$ 18,000.00	$ 5,790.39						$ 5,790.39	
06-14.2	Facility Improvements	8/21/06	235,000.00	33,317.61				$ 4,400.00		28,917.61	
07-17	Purchase of Submersible Wells	9/06/07	49,980.00	37,894.00						37,894.00	
				$ 77,002.00	-	-	-	$ 4,400.00	-	$ 72,602.00	-

Exhibit SE-10

BOROUGH OF BERLIN
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2010

Balance Dec. 31, 2009	$ 3,053,251.65
Increased by:	
Serial Bonds Paid by Operating Budget	60,000.00
Balance Dec. 31, 2010	$ 3,113,251.65

Exhibit SE-11

SEWER UTILITY OPERATING FUND
Statement of Sewer Overpayments
For the Year Ended December 31, 2010

Balance Dec. 31, 2009		$ 720.02
Increased by:		
Collections		882.28
		1,602.30
Decreased by:		
Applied to Sewer Rents Receivable	$ 673.52	
Cancellations	46.50	
		720.02
Balance Dec. 31, 2010		$ 882.28

Exhibit SE-12

SEWER UTILITY CAPITAL FUND
Statement of Deferred Reserve for Amortization
For the Year Ended December 31, 2010

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2009	Transferred to Reserve for Amortization	Cancelled	Balance Dec. 31, 2010
06-14.1	Purchase of Computer Software	08/21/06	$ 858.00			$ 858.00
06-14.2	Facility Improvements	08/21/06	11,192.00			11,192.00
07-17	Purchase of Submersible Wells	09/06/07	2,380.00			2,380.00
			$ 14,430.00	-	-	$ 14,430.00

BOROUGH OF BERLIN
SEWER UTILITY CAPITAL FUND
Statement of Sewer Serial Bonds
For the Year Ended December 31, 2010

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding Dec. 31, 2010 Date	Amount	Interest Rate	Balance Dec. 31, 2009	Increased	Paid by Budget Appropriation	Balance Dec. 31, 2010
Sewer Bonds of 2005	10-15-05	$ 614,000.00	10/15/11-12	$ 50,000.00	3.75%				
			10/15/13-18	50,000.00	3.80%				
			10/15/19	49,000.00	3.80%	$ 499,000.00		$ 50,000.00	$ 449,000.00
General Sewer Bonds	10-01-08	162,000.00	10/1/11-13	15,000.00	4.25%				
			10/1/14-15	20,000.00	4.25%				
			10/1/16-17	20,000.00	4.375%				
			10/1/18	17,000.00	4.50%	152,000.00		10,000.00	142,000.00
						$ 651,000.00	-	$ 60,000.00	$ 591,000.00

BOROUGH OF BERLIN

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2010

BOROUGH OF BERLIN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2010

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

NONE.

BOROUGH OF BERLIN
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

NONE.

BOROUGH OF BERLIN
Officials in Office and Surety Bonds

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

Name	Title	Amount of Surety Bond
John J. Armano	Mayor	$1,000,000.00(A)
Nicholas Maccaroni	President of Council	1,000,000.00(A)
James Bilella	Councilman	1,000,000.00(A)
Bill Casey	Councilman	1,000,000.00(A)
Dennis Chance	Councilman	1,000,000.00(A)
Joe Sahina	Councilman	1,000,000.00(A)
Scott Scelso	Councilman	1,000,000.00(A)
Stephen Miller	Chief Financial Officer	
Lisa Eggert	Tax Collector , Water Clerk, Sewer Clerk, and Tax Search Officer	1,000,000.00(A)
Stacey DiVello	Treasurer	1,000,000.00(A)
Charleen Santora	Administrator, Borough Clerk, Municipal Improvement Search Officer, Dog License Official, and Registrar	1,000,000.00(A)
Sharon Van Dyke	Tax Clerk	1,000,000.00(A)
Dawn Lattanzi	Payroll Clerk	1,000,000.00(A)
Kelly Foster	Court Administrator	1,000,000.00(A)
Craig S. Larsen, Esq.	Judge of the Municipal Court	1,000,000.00(A)
Theresa Stagliano	Assessor	1,000,000.00(A)
Michael DePalma	Construction Code Official, Building Inspector, Fire Sub-Code Inspector, Consultant of Licenses and Inspections, Zoning Official, and Zoning Enforcement Officer	1,000,000.00(A)
Stephen Buchhofer	Electrical Inspector	1,000,000.00(A)
Kenneth Snuffin	Plumbing Inspector	1,000,000.00(A)
Michael Schaeffer	Fire Sub-Code Official (to 2/28/10)	1,000,000.00(A)
Richard Nadier	Fire Sub-Code Official (from 4/6/10)	1,000,000.00(A)
George Singley	Prosecutor	1,000,000.00(A)
Thomas Shusted	Public Defender	1,000,000.00(A)
Robert Carrara	Chief of Police	1,000,000.00(A)
George Botcheos	Solicitor	
Birdsall Group	General Engineer	
Environmental Resolutions	Water and Sewer Engineer	

(A) Public Employees' Dishonesty Blanket Position Bond, Aggregate Coverage, with a $1,000.00 per loss deductible through the Camden County Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.

All of the bonds were examined and were properly executed.

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APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Borough officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Joseph J. Hoffmann
Certified Public Accountant
Registered Municipal Accountant