

REPORT OF AUDIT
BOROUGH OF ALPHA
COUNTY OF WARREN
DECEMBER 31, 2010

BOROUGH OF ALPHA, N.J.
YEAR ENDED DECEMBER 31, 2010
TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page</u>
	<u>PART I</u>	
	Independent Auditor's Report	1 - 2
 <u>CURRENT FUND</u>		
A	Comparative Balance Sheet	3 - 4
A-1	Comparative Statement of Operations and Changes in Fund Balance	5
A-2	Statement of Revenues	6 - 7
A-3	Statement of Expenditures	8 - 14
 <u>TRUST FUND</u>		
B	Comparative Balance Sheet	15
 <u>GENERAL CAPITAL FUND</u>		
C	Comparative Balance Sheet	16
C-1	Statement of Changes in Fund Balance	17
 <u>WATER/SEWER UTILITY FUND</u>		
D	Comparative Balance Sheet	18 - 19
D-1	Comparative Statement of Operations and Changes in Fund Balance	20
D-2	Statement of Fund Balance	21
D-3	Statement of Revenues	21
D-4	Statement of Expenditures	22
 <u>PUBLIC ASSISTANCE FUND</u>		
E	Comparative Balance Sheet - Public Assistance Fund	23
 <u>GENERAL FIXED ASSETS</u>		
F	Comparative Schedule of General Fixed Assets	24

<u>Exhibit</u>	<u>Page</u>
NOTES TO FINANCIAL STATEMENTS	25 - 44
SUPPLEMENTARY DATA	
OFFICIALS IN OFFICE AND SURETY BONDS	45
SCHEDULE OF EXPENDITURES OF STATE AWARDS	46
COMPARATIVE DATA	47 - 50

CURRENT FUND

A-4	Schedule of Current Cash - Treasurer	51
A-5	Schedule of Cash - Change Fund	52
A-6	Schedule of Amount Due to State of New Jersey for Senior Citizens' and Veterans' Deductions - CH. 73 P.L.1976	53
A-7	Schedule of Taxes Receivable and Analysis of Property Tax Levy	54
A-8	Schedule of Tax Title Liens Receivable	55
A-9	Schedule of Property Acquired for Taxes at Assessed Value	55
A-10	Schedule of Revenue Accounts Receivable	56
A-11	Schedule of Interfunds Accounts Receivable/(Payable)	57
A-12	Schedule of Special Emergency (40A:4-55)	58
A-13	Schedule of Appropriations Reserves	59 - 60
A-15	Schedule of Encumbrances Payable	61
A-16	Schedule of Prepaid Taxes	61
A-17	Schedule of Tax Overpayments	62
A-18	Schedule of County Taxes Payable	63
A-19	Schedule of Local District School Tax	64
A-20	Schedule of Municipal Open Space Tax	65
A-21	Schedule of Various Cash Liabilities and Reserves	66
A-22	Schedule of Interfund Accounts Receivable (Payable)	67
A-23	Schedule of Grants Receivable	68
A-24	Schedule of Appropriated Reserves for Grants	69
A-25	Schedule of Unappropriated Reserves for Grants	70

TRUST FUND

B-1	Schedule of Cash	71
B-2	Schedule of Interfund Receivable (Payable) Animal Control Trust Fund	72
B-3	Schedule of Interfund Receivable (Payable) Trust Fund	72
B-4	Schedule of Grant Match Receivables	73
B-5	Reserve/(Deficit) for Animal Control Trust Fund Expenditures	74
B-6	Schedule of Due to State Department of Health	75
B-7	Schedule of Other Trust Funds	76

GENERAL CAPITAL FUND

C-2	Schedule of Cash	77
C-3	Schedule of General Capital Cash	78
C-4	Schedule of Deferred Charges to Future Taxation - Funded	79
C-5	Schedule of Grants Receivable	79
C-6	Schedule of Deferred Charges to Future Taxation - Unfunded	80
C-7	Schedule of Serial Bonds Payable	81
C-8	Schedule of New Jersey Economic Development	82
C-9	Schedule of Bond Anticipation Notes Payable	83
C-10	Schedule of Improvement Authorizations	84
C-11	Schedule of Capital Improvement Fund	85
C-12	Schedule of Interfunds Accounts Receivable (Payable)	86
C-13	Schedule of Various Reserves	87
C-14	Schedule of Bonds and Notes Authorized but not Issued	88

WATER/SEWER UTILITY FUND

D-5	Schedule of Cash	89
D-6	Schedule of Change Funds	90
D-7	Schedule of Consumer Accounts Receivable	90
D-8	Schedule of Water/Sewer Utility Capital Cash	91
D-9	Schedule of Interfund Accounts Receivable (Payable)	92
D-10	Schedule of Fixed Capital	93
D-11	Schedule of Fixed Capital Authorized and Uncompleted	94
D-12	Schedule of Appropriation Reserves	95
D-13	Schedule of Encumbrances Payable	96
D-14	Schedule of Prepaid Water/Sewer Rents	96
D-15	Schedule of Accrued Interest	97
D-16	Schedule of Improvement Authorizations	98
D-17	Schedule of Reserves	99
D-18	Schedule of Capital Improvement Fund	100
D-19	Schedule of Reserve for Amortization	100
D-20	Schedule of Deferred Reserve for Amortization	101
D-21	Schedule of General Obligation Loan Payable	102
D-22	Schedule of Bonds and Notes Authorized but Not Issued	103

PUBLIC ASSISTANCE FUND

F-1	Schedule of Cash - Treasurer	104
F-2	Schedule of Cash and Reconciliation per N.J.S. 40A:5-5	105
F-3	Schedule of Cash and Reconciliation	106
F-4	Schedule of Revenues	107
F-5	Schedule of Due from Current Fund	108
F-6	Schedule of Reserve for Public Assistance	109

PART II

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	110 - 111
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	112
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	113
GENERAL COMMENTS:	
Cash Balances	114
Contracts and Agreements	114
Collection of Interest on Delinquent Taxes and Assessments	115
Delinquent Taxes and Tax Title Liens	116
Verification of Delinquent Taxes and Other Charges	117
Segregation of Duties	117
OTHER COMMENTS	117 - 118
RECOMMENDATIONS	119
STATUS OF PRIOR YEAR'S AUDIT FINDINGS/RECOMMENDATIONS	119

BOROUGH OF ALPHA

PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2010



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INDEPENDENT AUDITOR'S REPORT

July 6, 2011

The Honorable Mayor and
Members of the Borough Council
Borough of Alpha
1001 East Boulevard
Alpha, New Jersey 08865

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Alpha in the County of Warren, as of and for the years ended 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 and statement of expenditures - regulatory basis of the various funds 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 audits.

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

As described in Note 1, these financial statements were prepared in conformity with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The affect on the financial statements of the variances between the prescribed basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.



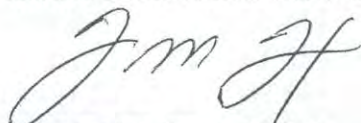
The Honorable Mayor and
Members of the Borough Council
July 6, 2011
Page 2

In our opinion, because of the Borough of Alpha's policy to prepare its financial statements on the basis of accounting 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 Alpha, New Jersey as of December 31, 2010 and 2009 or the results of its operation for the years then ended.

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds and account group of the Borough of Alpha, New Jersey at December 31, 2010 and 2009, and the results of its operations and the changes in fund balance - regulatory basis of such funds for the years then ended and the statement of revenues - regulatory basis, and statement of expenditures - regulatory basis for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with the Government Auditing Standards, we have also issued a report dated July 6, 2011 on our consideration of the Borough of Alpha, New Jersey 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 assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Borough of Alpha, State of New Jersey, taken as a whole. The accompanying supplementary information, schedules and exhibits listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Borough of Alpha, State of New Jersey. Such information has been subject to auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects, in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.



Thomas M. Ferry, C.P.A.
Registered Municipal Accountant
No. 497

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FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants



Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	2,025,867.74	2,338,223.56
Change Fund	A-5	175.00	175.00
		<u>2,026,042.74</u>	<u>2,338,398.56</u>
Due From State of New Jersey:			
Senior Citizen and Veteran Deductions	A-6	14,925.32	14,425.32
		<u>2,040,968.06</u>	<u>2,352,823.88</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-7	166,004.77	192,973.02
Tax Title Liens Receivable	A-8	141,757.34	12,250.75
Property Acquired for Taxes	A-9	9,592.50	9,592.50
Revenue Accounts Receivable	A-10	3,283.06	3,283.06
Interfund Receivables:			
General Capital Fund	A-11	343,039.33	
Federal and State Grants	A-11		537.89
Animal Control Trust Fund	A-11	4.39	3.55
Water/Sewer Operating Fund	A-11	990.45	
		<u>664,671.84</u>	<u>218,640.77</u>
Deferred Charges:			
Special Emergency	A-12	35,000.00	25,000.00
		<u>2,740,639.90</u>	<u>2,596,464.65</u>
Federal and State Grant Fund:			
Cash	A-4	135.32	3,034.02
Interfund Current Fund	A-21	11,632.16	
Grants Receivable	A-22	4,761.90	32,444.81
		<u>16,529.38</u>	<u>35,478.83</u>
		<u>2,757,169.28</u>	<u>2,631,943.48</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3;A-13	109,880.79	124,643.58
Encumbrances Payable	A-14	28,808.78	11,865.94
Prepaid Taxes	A-15	33,969.65	18,629.24
Interfunds Payable:			
Federal and State Grant Fund	A-11	11,632.16	
Other Trust Fund	A-11	579,083.83	488,768.54
General Capital Fund	A-11		178,703.76
Public Assistance Fund	A-11	297.00	297.00
Local School Taxes Payable	A-18	377,989.38	350,354.88
Tax Overpayments	A-16		13,830.22
County Taxes Payable	A-17	1,495.30	259.28
Due State of NJ Marriage License	A-20	75.00	25.00
Due State of NJ DCA Fees	A-20	931.00	1,089.00
Reserve for:			
Plumbing Inspections	A-20	2,769.00	2,769.00
Master Plan	A-20	10,526.44	10,526.44
Revaluation of Real Property	A-20	2,289.00	2,289.00
Tax Maps	A-20	9,877.50	
Community Day	A-20	4,691.29	4,288.14
		<u>1,174,316.12</u>	<u>1,208,339.02</u>
Reserve for Receivables	Contra	664,671.84	218,640.77
Fund Balance	A-1	901,651.94	1,169,484.86
		<u>2,740,639.90</u>	<u>2,596,464.65</u>
Federal and State Grant Fund:			
Interfund - Current Fund	A-21		537.89
Appropriated Reserve for Grants	A-23	16,026.65	32,042.38
Unappropriated Reserve for Grants	A-24	502.73	2,898.56
		<u>16,529.38</u>	<u>35,478.83</u>
		<u>2,757,169.28</u>	<u>2,631,943.48</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Current Fund

Year Ended December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Revenues and Other Income:			
Fund Balance Utilized	A-2	322,486.00	243,000.00
Miscellaneous Revenue Anticipated	A-2	337,252.41	810,538.54
Receipts from Delinquent Taxes	A-2	149,920.95	123,387.09
Receipts from Current Taxes	A-2	5,790,062.24	5,737,933.51
Non-Budget Revenue	A-2	297,183.63	178,189.42
Other Credits to Income:			
Encumbrances Cancelled	A-14	9,464.38	38,343.45
Refund of Overfunded Ordinances	A-11	747.79	
Interfund Returned	A-11	537.89	14,910.14
Unexpended Balance of Appropriation Reserves	A-13	92,071.37	92,709.44
Tax Overpayments	A-16	13,830.22	
Total Revenues and Other Income		<u>7,013,556.88</u>	<u>7,239,011.59</u>
Expenditures:			
Budget and Emergency Appropriations:			
Operations - Within Caps:			
Salaries and Wages	A-3	332,319.00	324,408.00
Other Expenses	A-3	933,600.00	934,564.00
Deferred Charges and Statutory Expenditures - Municipal - Within Caps	A-3	64,592.00	61,577.00
Operations - Excluded from Caps:			
Salaries and Wages	A-3	696.14	65,000.00
Other Expenses	A-3	631,254.75	613,054.91
Capital Improvement Fund-Excluded from Caps	A-3	160,000.00	478,500.00
Municipal Debt Service - Excluded from Caps	A-3	255,454.36	242,812.69
Deferred Charges and Statutory Expenditures - Municipal - Excluded from Caps	A-3	20,000.00	20,000.00
Judgments	A-3	10,000.00	10,000.00
Interfund Advances	A-11	344,030.62	538.76
County Taxes including Added Taxes	A-17	1,319,395.29	1,319,487.31
Local School District Tax	A-18	2,812,073.00	2,756,804.00
Municipal Open Space Tax	A-19	85,488.64	85,454.26
Total Expenditures		<u>6,968,903.80</u>	<u>6,912,200.93</u>
Excess (Deficit) Revenue Over Expenditures		44,653.08	326,810.66
Adjustment to Income Before Fund Balance			
Expenditures Included above Which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-12	10,000.00	25,000.00
Statutory Excess to Fund Balance		54,653.08	351,810.66
Fund Balance, January 1,	A	<u>1,169,484.86</u>	<u>1,060,674.20</u>
		1,224,137.94	1,412,484.86
Decreased by:			
Fund Balance Utilized as Budget Revenue	A-1	<u>322,486.00</u>	<u>243,000.00</u>
Fund Balance, December 31,	A	<u>901,651.94</u>	<u>1,169,484.86</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	A-1	322,486.00		322,486.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-10	5,500.00		5,996.16	496.16
Other Licenses	A-10	1,300.00		1,925.00	625.00
Municipal Court Fines and Costs	A-10	38,500.00		27,153.70	(11,346.30)
Interest and Costs on Taxes	A-10	30,500.00		32,988.61	2,488.61
Interest on Investments and Deposits	A-10	14,500.00		5,298.26	(9,201.74)
Consolidated Municipal Property Tax Relief Aid	A-10	40,028.00		39,918.79	(109.21)
Energy Receipts Tax	A-10	185,719.00		185,719.00	
Uniform Construction Code Fees	A-10	22,000.00		29,324.00	7,324.00
Special Items of General Revenue Anticipated With Prior Written Consent of Director of Local Government Services:					
Public and Private Revenues:					
Clean Communities Grant	A-22		6,030.33	6,030.33	
Municipal Court Alcohol Education and Rehab.	A-22	696.14		696.14	
Reserve for Recycling Tonnage Grant	A-22	2,202.42		2,202.42	
Total Miscellaneous Revenues	A-1	340,945.56	6,030.33	337,252.41	(9,723.48)
Receipts from Delinquent Taxes	A-1;A-2	170,000.00		149,920.95	(20,079.05)
Subtotal General Revenues		833,431.56	6,030.33	809,659.36	(29,802.53)
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-2	1,814,074.00		1,828,479.31	14,405.31
Budget Totals	A-3	2,647,505.56	6,030.33	2,638,138.67	(15,397.22)
Non-Budget Revenue	A-1;A-2			297,183.63	297,183.63
		2,647,505.56	6,030.33	2,935,322.30	281,786.41

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.
Statement of Revenues - Regulatory Basis
Current Fund
Year Ended December 31, 2010

Analysis of Realized Revenues

	<u>Ref.</u>	
Revenue from Collections	A-1;A-7	5,790,062.24
Allocated to School and County Taxes	A-7	<u>4,216,956.93</u>
Balance for Support of Municipal Budget Appropriations		1,573,105.31
Add : Appropriation - Reserve for Uncollected Taxes	A-3	<u>255,374.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u><u>1,828,479.31</u></u>
Receipts from Delinquent Taxes: Delinquent Taxes	A-7	<u><u>149,920.95</u></u>

Analysis of Non-Budget Revenues

	<u>Ref.</u>	
Revenues Accounts Receivable: Borough Clerk	A-10	<u>2,362.10</u>
Cable T.V. Franchise Fee		8,406.00
Treasurer Miscellaneous		7,834.63
Library		179,329.31
Assessor Fees		110.00
Street Openings		3,500.00
Lease of Property		94,672.73
Sr. Cit. & Veteran Ded. Admin. Fees		<u>968.86</u>
	A-4	<u>294,821.53</u>
	A-2	<u><u>297,183.63</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	Ref.	For 2010	For 2010 By Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled
General Appropriations							
Operations - Within "CAPS"							
General Government:							
Administrative and Executive:							
Salaries and Wages		18,546.00		18,546.00	18,000.24	545.76	
Miscellaneous Other Expenses		27,600.00		30,600.00	28,839.80	1,760.20	
Clerk:							
Salaries and Wages		81,600.00		86,000.00	85,652.26	347.74	
Other Expenses		7,600.00		7,600.00	7,029.44	570.56	
Elections:							
Other Expenses		1,000.00		1,000.00	684.55	315.45	
Financial Administration:							
Salaries and Wages		59,800.00		59,800.00	59,796.15	3.85	
Other Expenses		5,150.00		5,150.00	4,242.69	907.31	
Audit Costs		19,000.00		19,000.00	11,025.00	7,975.00	
Assessment of Taxes:							
Salaries and wages		18,760.00		18,760.00	18,760.00		
Other Expenses		2,900.00		2,900.00	2,888.76	11.24	
Collection of Taxes:							
Salaries and Wages		22,410.00		22,410.00	22,410.00		
Other Expenses		3,450.00		3,450.00	1,909.43	1,540.57	
Liquidation of Tax Title Liens & Foreclosed Property		1,000.00	10,000.00	1,000.00	10,000.00	1,000.00	
Tax Maps							
Legal Services and Costs:							
Other Expenses		57,000.00		57,000.00	53,381.43	3,618.57	
Engineering Services and Costs:							
Other Expenses		24,000.00		27,000.00	26,988.94	11.06	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	Ref.	For 2010	For 2010 By Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled
<u>General Appropriations</u>							
Public Buildings and Grounds:							
Salaries and Wages		9,660.00		10,160.00	10,157.12	2.88	
Other Expenses		24,600.00		24,100.00	22,977.21	1,122.79	
Municipal Land Use Law (NJS 40:55 D-1)							
Planning/Zoning Board:							
Salaries and Wages		19,088.00		19,088.00	18,963.42	124.58	
Other Expenses		22,200.00		11,750.00	11,747.80	2.20	
Insurance:							
General Liability		191,000.00		191,000.00	182,471.00	8,529.00	
Employee Group Health		98,500.00		98,500.00	90,369.75	8,130.25	
Fire:							
Other Expenses		28,000.00		28,000.00	28,000.00		
Police:							
Salaries and Wages		9,400.00		9,900.00	9,880.00	20.00	
Municipal Court:							
Salaries and Wages		27,240.00		26,740.00	24,776.48	1,963.52	
Other Expenses		2,900.00		3,400.00	2,893.95	506.05	
Public Defender:							
Salaries and Wages		1,200.00		1,200.00	900.00	300.00	
Prosecutor:							
Salaries and Wages		2,650.00		2,650.00	2,650.00		
Emergency Management Services:							
Salaries and Wages		2,635.00		2,635.00	1,976.13	658.87	
Other Expenses		1,800.00		1,300.00	1,005.23	294.77	
First Aid Contribution		15,000.00		15,000.00	15,000.00		
Streets and Roads:							
Salaries and Wages		18,000.00		18,000.00	17,625.94	374.06	
Other Expenses		63,300.00		63,300.00	47,451.25	15,848.75	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>For 2010</u>	<u>For 2010</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Unexpended</u>
			<u>By Emergency</u>	<u>Modification</u>	<u>Charged</u>		<u>Balance</u>
			<u>Appropriation</u>				<u>Canceled</u>
Board of Health:							
Other Expenses		150.00		150.00		150.00	
Garbage:							
Salaries and Wages		2,000.00		2,000.00	943.39	1,056.61	
Other Expenses		215,700.00		215,700.00	205,541.04	10,158.96	
Animal Regulation:							
Salaries and Wages		4,800.00		4,800.00	4,590.00	210.00	
Other Expenses		5,100.00		5,100.00	1,863.00	3,237.00	
Celebration of Public Events:							
Other Expenses		5,000.00		5,000.00	4,999.00	1.00	
Utilities:							
Gasoline		8,500.00		8,500.00	8,374.64	125.36	
Street Lighting		27,000.00		27,000.00	24,675.55	2,324.45	
Gas (Propane)		10,700.00		10,700.00	6,394.94	4,305.06	
Telephone		17,000.00		17,000.00	15,950.25	1,049.75	
Electric		14,500.00		14,500.00	10,975.59	3,524.41	
Recreation Department:							
Other Expenses		5,000.00		5,000.00	2,482.50	2,517.50	
Pool Recreation:							
Other Expenses		3,000.00		3,000.00		3,000.00	
Uniform Construction Code - Appropriations							
Offset by Dedicated Revenues							
Sub-Code Officials							
Building Inspection:							
Salaries and Wages		29,630.00		29,630.00	26,754.58	2,875.42	
Other Expenses		900.00		900.00	115.75	784.25	

Borough of Alpha, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	Ref.	For 2010	For 2010 By Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled
<u>General Appropriations</u>							
Unclassified:							
Maintaining and Upgrading Computers		15,000.00		15,000.00	7,358.11	7,641.89	
Accumulated Leave (Deferred Sick)		5,000.00		5,000.00	5,000.00		
Total Operations Within "CAPS"		1,255,969.00	10,000.00	1,265,919.00	1,166,472.31	99,446.69	
Total Operations Including Contingent-Within "CAPS"		1,255,969.00	10,000.00	1,265,919.00	1,166,472.31	99,446.69	
Detail:							
Salaries and Wages	A-1	327,419.00		332,319.00	323,835.71	8,483.29	
Other Expenses (Including Contingent)	A-1	928,550.00	10,000.00	933,600.00	842,636.60	90,963.40	
Deferred Charges and Statutory Expenditures- Municipal Within "CAPS"							
Statutory Expenditures							
Contribution to:							
Public Employees' Retirement System		38,792.00		38,792.00	38,792.00		
Social Security System (O.A.S.I.)		24,500.00		24,500.00	24,077.42	422.58	
Unemployment Compensation Insurance		1,250.00		1,300.00	1,288.48	11.52	
Total Deferred Charged and Statutory Expenditures - Municipal within "CAPS"	A-1	64,542.00		64,592.00	64,157.90	434.10	
Total General Appropriations for Municipal Purposes within "CAPS"		1,320,511.00	10,000.00	1,330,511.00	1,230,630.21	99,880.79	
Operations - Excluded From "CAPS"							
Maintenance of Free Public Library		77,512.00		77,512.00	77,512.00		
Other Expenses		77,512.00		77,512.00	77,512.00		
Total Other Operations - Excluded From Caps							
Interlocal Municipal Service Agreements							
Police Services (Township of Pohatcong)		545,510.00		545,510.00	545,510.00		
Other Expenses		545,510.00		545,510.00	545,510.00		
Total Interlocal Municipal Service Agreements							

Borough of Alpha, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	Ref.	For 2010	For 2010 By Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled
General Appropriations							
Public and Private Programs Offset By Revenues							
Clean Communities Grants							
Other Expenses		6,030.33		6,030.33	6,030.33		
Reserve for Municipal Court Alcohol Education & Rehabilitation Fund							
Salaries and Wages		696.14		696.14	696.14		
Reserve for Recycling Tonnage Grant		2,202.42		2,202.42	2,202.42		
Total Public and Private Programs Offset By Revenues		8,928.89		8,928.89	8,928.89		
Total Operations - Excluded from "CAPS"		631,950.89		631,950.89	631,950.89		
Detail:							
Salaries and Wages	A-1	696.14		696.14	696.14		
Other Expenses	A-1	631,254.75		631,254.75	631,254.75		
Capital Improvements - Excluded From "CAPS":							
Capital Improvement Fund		5,000.00		5,000.00	5,000.00		
Purchase of Fire Truck		45,000.00		45,000.00	45,000.00		
Improvements to Roads		80,000.00		80,000.00	80,000.00		
Purchase of Public Works Vehicle		10,000.00		10,000.00	10,000.00		
Purchase of Public Works Equipment		5,000.00		5,000.00	5,000.00		
Purchase Loader/Mower		3,000.00		3,000.00	3,000.00		
Purchase of Turnout Gear		12,000.00		12,000.00	12,000.00		
Total Capital Improvements Excluded from "CAPS"	A-1	160,000.00		160,000.00	160,000.00		

Borough of Alpha, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	Ref.	For 2010	For 2010 By Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Canceled
<u>General Appropriations</u>							
Municipal Debt Service - Excluded From "CAPS":							
Payment of Bond Principal		165,000.00		165,000.00	165,000.00		47.79
Payment of Bond Anticipation and Capital Notes		54,300.00		54,300.00	54,252.21		100.00
Interest on Bonds		19,000.00		19,000.00	18,900.00		38.91
Interest on Notes		1,900.00		1,900.00	1,861.09		58.94
N.J. Economic Development Loan		15,500.00		15,500.00	15,441.06		245.64
Total Municipal Debt Service-Excluded from "CAPS"	A-1	255,700.00		255,700.00	255,454.36		
Deferred Charges - Municipal - Excluded From "CAPS"							
Deferred Charges:							
Emergency Authorization							
Deferred Charge to Unfunded Ord 07-06 Purchase of Dump Truck		20,000.00		20,000.00	20,000.00		
Total Deferred Charges - Municipal - Excluded From "CAPS"	A-1	20,000.00		20,000.00	20,000.00		
Judgments						10,000.00	
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		1,077,650.89		1,077,650.89	1,067,405.25	10,000.00	245.64
(O) Total General Appropriations - Excluded From "CAPS"		1,077,650.89		1,077,650.89	1,067,405.25	10,000.00	245.64
Subtotal General Appropriations		2,398,161.89	10,000.00	2,408,161.89	2,298,035.46	109,880.79	245.64
Reserve for Uncollected Taxes		255,374.00		255,374.00	255,374.00		
Total General Appropriations		2,653,535.89	10,000.00	2,663,535.89	2,553,409.46	109,880.79	245.64
			A-12			A	
Adopted Budget	A-2			2,647,505.56			
Appropriated by 40A:4-87	A-2			6,030.33			
Emergency Appropriation 40A:4-47	A-12			10,000.00			
				<u>2,663,535.89</u>			

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2010

	<u>Ref.</u>	<u>For 2010</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Unexpended</u>
		<u>By Emergency</u>	<u>Modification</u>	<u>Charged</u>		<u>Balance</u>
		<u>Appropriation</u>				<u>Canceled</u>
<u>General Appropriations</u>						
Analysis of Paid or Charged						
Reserve for Uncollected Taxes	A-2			255,374.00		
Cash Disbursed	A-4			2,122,297.79		
Schedule of Interfunds	A-11			128,000.00		
Encumbrances Payable	A-14			28,808.78		
Various Reserves	A-20			10,000.00		
Reserve for Federal & State Grants	A-23			8,928.89		
				<u>2,553,409.46</u>		

Borough of Alpha, N.J.
Comparative Balance Sheet - Regulatory Basis
Trust Funds
December 31, 2010 and 2009

	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
<u>Assets</u>			
Animal Control Trust Fund:			
Cash- Treasurer	B-1	172.80	11.70
Other Trust Funds:			
Cash	B-1	453,219.11	468,871.51
Interfund - Current Fund	B-3	579,083.83	488,768.54
Grant Match Receivable	B-4	3,052.50	-
		<u>1,035,355.44</u>	<u>957,640.05</u>
		<u>1,035,528.24</u>	<u>957,651.75</u>
<u>Liabilities, Reserves & Fund Balance</u>			
Animal Control Trust Fund:			
Interfund - Current Fund	B-2	4.39	3.55
Reserve for Animal Control Fund Expenditures	B-5	168.41	8.15
		<u>172.80</u>	<u>11.70</u>
Other Trust Fund:			
Reserve for:			
Escrow Deposits	B-7	304,955.65	305,099.61
Accumulated Leave	B-7	35,000.00	30,000.00
Tax Sale Premiums	B-7	12,900.00	10,300.00
Open Space	B-7	658,342.31	572,589.20
Veterans Memorial Park	B-7	3,040.95	3,040.95
POAA	B-7	6.00	6.00
Public Defender	B-7	605.34	505.34
Pool Fundraiser	B-7	2,209.45	2,207.53
Payroll	B-7	1,451.63	14,443.90
Historical Trust	B-7	215.78	215.78
SWR-Mun. Alliance	B-7	16,628.33	19,231.74
		<u>1,035,355.44</u>	<u>957,640.05</u>
		<u>1,035,528.24</u>	<u>957,651.75</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.
Comparative Balance Sheet - Regulatory Basis
General Capital Fund
December 31, 2010 and 2009

<u>Assets</u>	<u>Ref.</u>	<u>2010</u>	<u>2009</u>
Cash	C-2;C-3	464,799.89	43,933.41
Deferred Charges to Future Taxation:			
Funded	C-4	256,250.00	435,500.00
Unfunded	C-6	1,000.00	74,504.42
Grants Receivable	C-5	466,025.53	955,519.98
Interfund Receivable - Current Fund	C-12		178,703.76
		<u>1,188,075.42</u>	<u>1,688,161.57</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Serial Bonds Payable	C-7	185,000.00	350,000.00
N.J. Economic Development Loan Payable	C-8	71,250.00	85,500.00
Bond Anticipation Notes Payable	C-9		54,252.21
Improvement Authorizations:			
Funded	C-10	358,383.67	1,027,994.14
Unfunded	C-10	1,000.00	1,680.74
Capital Improvement Fund	C-11	17,517.46	18,517.46
Interfund Payable - Current Fund	C-12	343,039.33	
Various Reserves	C-13	207,817.28	146,149.34
Fund Balance	C-1	4,067.68	4,067.68
		<u>1,188,075.42</u>	<u>1,688,161.57</u>

Footnote C: There were Bonds and Notes Authorized But Not Issued in the amount of \$1,000.00 on December 31, 2010. See Exhibit C-14.

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Borough of Alpha, N.J.

Statement of Changes in Fund Balance - Regulatory Basis

General Capital Fund

Year Ended December 31, 2010

	<u>Ref.</u>	
Balance - December 31, 2009	C	4,067.68
Increased by:		
Various Reserves Canceled	C-13	<u>23,500.00</u>
		27,567.68
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-10	<u>23,500.00</u>
Balance - December 31, 2010	C	<u><u>4,067.68</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Comparative Balance Sheet - Regulatory Basis

Water / Sewer Utility Fund

December 31, 2010 and 2009

	<u>Ref</u>	<u>2010</u>	<u>2009</u>
<u>Assets</u>			
Operating Fund:			
Cash-Treasurer	D-5	830,395.01	884,379.17
Change Fund	D-6	25.00	25.00
		<u>830,420.01</u>	<u>884,404.17</u>
Receivables with Full Reserves:			
Consumer Accounts	D-7	39,491.48	50,075.93
		<u>869,911.49</u>	<u>934,480.10</u>
Total Operating Fund			
Capital Fund:			
Cash	D-5;D-8	188,890.24	291,247.29
Interfund - Water/Sewer Operating	D-9	122,717.04	112,507.48
Fixed Capital*	D-10	3,839,212.13	3,839,212.13
Fixed Capital Authorized and Uncompleted	D-11	2,650,000.00	
		<u>6,800,819.41</u>	<u>4,242,966.90</u>
Total Capital Fund			
Total Assets		<u><u>7,670,730.90</u></u>	<u><u>5,177,447.00</u></u>

* The fixed capital reported is taken from the municipal records and does not necessarily reflect the true condition of such fixed capital.