

**TOWNSHIP OF BUENA VISTA**

**REPORT OF AUDIT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2009**

**TOWNSHIP OF BUENA VISTA**  
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**TOWNSHIP OF BUENA VISTA**

**PART I**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS - STATUTORY BASIS**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2009**



# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the Township Committee  
Township of Buena Vista  
County of Atlantic, New Jersey

We have audited the accompanying balance sheets – statutory basis of the Township of Buena Vista, State of New Jersey, as of December 31, 2009 and 2008, and the related statements of operations and changes in fund balance – statutory basis for the years then ended and the related statement of revenues – statutory basis and statement of expenditures – statutory basis for the year ended December 31, 2009, which collectively comprise the Township's basic financial statements as listed in the accompanying table of contents. These financial statements – statutory basis are the responsibility of the Township of Buena Vista, State of New Jersey's management. Our responsibility is to express an opinion on these financial statements – statutory basis based on our audits.

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

As described in Note 1, the Township of Buena Vista, State of New Jersey, prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determined, are presumed to be material.

In our opinion, because of the Township of Buena Vista, State of New Jersey's policy to prepare its financial statements on the prescribed 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 various funds and account groups of the Township of Buena Vista, State of New Jersey, as of December 31, 2009 and 2008 and the results of operations and changes in fund balance of such funds for the years then ended, and the statement of revenues and statement of expenditures of the various funds for the year ended December 31, 2009.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Township of Buena Vista, State of New Jersey, as of December 31, 2009 and 2008 and the results of operations and changes in fund balances of such funds for the years then ended and the statement of revenues and statement of expenditures of the various funds for the year ended December 31, 2009 on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 6, 2010 on our consideration of the Township of Buena Vista, State of New Jersey's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Buena Vista's basic financial statements. The accompanying supplementary schedules, as listed in the Table of Contents under Supplemental Schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements as listed in the first paragraph and, in our opinion are fairly stated in all material respects in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.

*Ford, Scott & Associates, L.L.C.*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**



**Glen J. Orman**  
**Certified Public Accountant**  
**Registered Municipal Accountant**  
**No. 427**

**July 6, 2010**

**EXHIBIT - A  
CURRENT FUND**

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
<u>Assets</u>			
Regular Fund:			
Cash:			
Treasurer	A-4	\$ 683,999.35	\$ 931,304.53
Change and Petty Cash Funds		700.00	700.00
		<u>684,699.35</u>	<u>932,004.53</u>
Other Receivables:			
Due from State of New Jersey - Veterans' and Senior Citizens' Deductions		717.90	1,143.24
		<u>717.90</u>	<u>1,143.24</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	23,987.52	386,813.73
Tax Title Liens Receivable	A-8	106,086.19	36,034.75
Property Acquired for Taxes at Assessed Valuation		7,017,372.24	6,616,272.24
Revenue Accounts Receivable	A-9	34,639.35	24,340.29
Prepaid County Taxes		0.02	0.02
Due from Election Board		7,143.80	7,143.80
Due from Bank		547.94	630.37
Accounts Receivable - Other		965.00	-
Interfunds:			
Due from Animal Control Fund	B	2,186.24	2,433.24
Due from Federal and State Grant Fund	A	149,617.51	293,159.01
		<u>7,342,545.81</u>	<u>7,366,827.45</u>
Deferred Charges:			
Emergency Authorization (40A:4-47)	A-3	38,000.00	25,000.00
Special Emergency Authorization (40A:4-55)		300,000.00	400,000.00
Operating Deficit		536.69	127,569.46
Overexpenditure of Appropriations	A-3	268.85	1,406.78
Overexpenditure of Appropriation Reserves			1,524.80
		<u>338,805.54</u>	<u>555,501.04</u>
		<u>8,366,768.60</u>	<u>8,855,476.26</u>
Federal and State Grant Fund:			
Due from General Capital Fund	C	5,869.59	-
Due from County of Atlantic	A-4	6,614.72	-
Grants Receivable	A-11	1,155,211.92	820,425.12
		<u>1,167,696.23</u>	<u>820,425.12</u>
		<u>\$ 9,534,464.83</u>	<u>\$ 9,675,901.38</u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3:A-10	\$ 36,329.05	\$ 11,333.51
Reserve for Encumbrances	A-3:A-10	11,027.96	8,996.04
Accounts Payable - Other		935.82	843.00
Payroll Deductions Payable		7,844.10	7,423.33
Prepaid Taxes	A-5	225,807.81	254,957.48
Regional School Tax Payable		0.57	0.26
Tax Overpayments		16,443.03	7,918.42
Due to Trust Fund - Other	B	66,782.28	134,268.28
Due to State - Marriage Licenses		650.00	525.00
Prepaid Licenses and Fees	A-4	8,385.00	3,700.00
Prepaid Rent	A-4	-	1,430.00
Special Emergency Notes Payable		300,000.00	400,000.00
Reserve for Revaluation		95,928.00	500,000.00
Reserve for Garden State Preservation Trust		23,097.22	25,578.11
Reserve for Quigley Park		375.00	375.00
Reserve for Escrow - Clerk		775.00	1,000.00
Reserve for Hepatitis B		2,013.00	2,013.00
		<u>796,393.84</u>	<u>1,360,361.43</u>
Reserve for Receivables and Other Assets		7,342,545.81	7,366,827.45
Fund Balance	A-1	<u>227,828.95</u>	<u>128,287.38</u>
		<u>8,366,768.60</u>	<u>8,855,476.26</u>
Federal and State Grant Fund:			
Unappropriated Reserves	A-12	7,308.12	4,172.12
Appropriated Reserves	A-13	947,658.89	456,527.26
Encumbrances Payable	A-13	367.64	3,822.66
Due to Current Fund	A	149,617.51	293,159.01
Due to Trust Other Fund	B	62,744.07	62,744.07
		<u>1,167,696.23</u>	<u>820,425.12</u>
		<u>\$ 9,534,464.83</u>	<u>\$ 9,675,901.38</u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE**  
**STATUTORY BASIS**

	<u>Ref.</u>	<u>Year 2009</u>	<u>Year 2008</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ -	\$ 275,000.00
Miscellaneous Revenue Anticipated	A-2	2,585,939.99	2,329,649.23
Receipts from Delinquent Taxes	A-2	381,574.16	280,450.30
Receipts from Current Taxes	A-2	12,796,662.04	11,843,653.54
Non-Budget Revenue	A-2	53,022.47	96,424.63
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-10	3,829.34	8,126.16
Due from Animal Control Fund	A-4	247.00	247.00
Due from Bank		82.43	16.00
Total Income		<u>15,821,357.43</u>	<u>14,833,566.86</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Appropriations Within "CAP"			
Operations:			
Salaries and Wages	A-3	1,209,635.00	1,172,825.00
Other Expenses	A-3	1,824,570.85	1,787,783.78
Deferred Charges & Statutory Expenditures	A-3	152,995.58	110,934.56
Cash Deficit of Preceding Year	A-3	127,032.77	-
Appropriations Excluded from "CAP"			
Operations:			
Other Expenses	A-3	986,179.85	381,520.13
Capital Improvements	A-3	202,875.44	620,630.64
Municipal Debt Service	A-3	320,446.24	335,808.67
Deferred Charges & Statutory Expenditures	A-3	125,000.00	160,000.00
Special District Taxes	A-7	804,777.00	749,735.00
County Taxes	A-7	2,067,655.61	1,683,799.71
County Added and Omitted Taxes	A-7	15,298.21	14,529.49
Regional District School Taxes	A-7	7,784,197.91	7,687,133.12
Refund of Prior Year Revenue	A-4	17,201.10	9,717.73
Due from Election Board		-	3,294.59
Prior Year Senior Citizens Deduction Disallowed		2,000.00	1,750.00
Accounts Receivable - Other	A-4	965.00	-
Federal and State Grant Fund Balances Canceled		119,254.15	44,940.77
Due from Federal and State Grant Fund		-	223,139.91
Total Expenditures		<u>15,760,084.71</u>	<u>14,987,543.10</u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE**  
**STATUTORY BASIS**

	<u>Ref.</u>	<u>Year 2009</u>	<u>Year 2008</u>
Excess in Revenue	\$	61,272.72	\$
Deficit in Revenue			153,976.24
Adjustments to Income before Fund Balance:			
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year		<u>38,268.85</u>	<u>26,406.78</u>
Statutory Excess to Fund Balance		99,541.57	-
Deficit in Operations to be Raised in Budget of Succeeding Year	A		<u>\$ 127,569.46</u>
Fund Balance January 1	A	<u>128,287.38</u>	<u>\$ 403,287.38</u>
		227,828.95	403,287.38
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	-	275,000.00
Fund Balance December 31	A	<u>\$ 227,828.95</u>	<u>\$ 128,287.38</u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF REVENUES - STATUTORY BASIS**

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-9	8,500.00		8,025.00	(475.00)
Fees and Permits	A-9	130,000.00		140,908.36	10,908.36
Fines and Costs:					
Municipal Court	A-9	93,000.00		97,481.81	4,481.81
Interest and Costs on Taxes	A-5	60,000.00		89,624.26	29,624.26
Interest on Investments and Deposits	A-9	14,000.00		22,279.60	8,279.60
Verizon Cell tower Lease	A-9	25,000.00		26,732.58	1,732.58
Solid Waste Transfer Fee	A-9	30,000.00		23,596.50	(6,403.50)
Rent of Post Office	A-9	17,000.00		18,733.00	1,733.00
Rent of Patcong Building	A-9	5,000.00		5,520.00	520.00
Rent of Deli	A-9	4,500.00		6,000.00	1,500.00
Rent of House (Toy Store)	A-9	7,000.00		6,000.00	(1,000.00)
Consolidated Municipal Property Tax Relief Aid	A-9	58,717.00		58,717.00	-
Energy Receipts Tax (P.L. 1997, Ch. 162 & 167)	A-9	822,703.00		822,703.00	-
Garden State Preservation Trust Fund	A	25,578.11		25,578.11	-
Special Items:					
Interlocal Municipal Service Agreements Offset with Appropriations:					
Buena Vista Fire District - JIF Insurance	A-9	35,049.00		32,567.92	(2,481.08)
Public and Private Revenues Off-Set by Appropriations:					
N.J. Transportation Trust Fund Authority Act	A-11	150,000.00		150,000.00	-
Clean Communities Program-Unappropriated	A-11	2,055.01		2,055.01	-
Clean Communities Program	A-11	18,441.28		18,441.28	-

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF REVENUES - STATUTORY BASIS**

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	N.J.S. 40A:4-87		
Miscellaneous Revenues (continued):					
Special Items: (Continued)					
Public and Private Revenues Off-Set by Appropriations:					
Appropriations (Continued)					
Municipal Alliance on alcoholism and Drug Abuse	A-11	\$ 25,010.00	\$	\$ 25,010.00	\$ -
Recycling Tonnage Grant - Unappropriated	A-11	2,117.06		2,117.06	-
Atlantic County Office of Culture and Heritage Affairs	A-11	1,100.00		1,100.00	-
Neighborhood Stabilization Program	A-11		826,908.00	826,908.00	-
Safety Award - Joint Insurance Fund	A-11	1,800.00		1,800.00	-
Optional Safety Award - Joint Insurance Fund	A-11	2,500.00		2,500.00	-
Other Special Items:					
Due from Grant Fund	A-9	125,000.00		143,541.50	18,541.50
Pipeline Easement - South Jersey Gas	A-9	28,000.00		28,000.00	-
Total Miscellaneous Revenues	A-1	<u>1,692,070.46</u>	<u>826,908.00</u>	<u>2,585,939.99</u>	<u>66,961.53</u>
Receipts from Delinquent Taxes	A-1:A-2	<u>362,000.00</u>		<u>381,574.16</u>	<u>19,574.16</u>
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	<u>2,166,396.37</u>		<u>2,242,963.86</u>	<u>76,567.49</u>
Budget Totals		4,220,466.83	826,908.00	5,210,478.01	163,103.18
Non-Budget Revenues	A-1:A-2			<u>53,022.47</u>	<u>53,022.47</u>
		<u>\$ 4,220,466.83</u>	<u>\$ 826,908.00</u>	<u>\$ 5,263,500.48</u>	<u>\$ 216,125.65</u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF REVENUES - STATUTORY BASIS**

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenues from Collections	\$	12,796,662.04
Allocated to:		
School, County and Other Taxes		10,671,928.73
Balance for Support of Municipal Budget Appropriations		2,124,733.31
Add: Appropriation		
"Reserve for Uncollected Taxes"		118,230.55
Amount for Support of Municipal Budget Appropriations	\$	2,242,963.86

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$	364,494.97
Tax Title Lien Collections		17,079.19
	\$	381,574.16

Analysis of Non-Budget Revenues:

Miscellaneous Revenue Not Anticipated:

Cable TV Franchise Tax	\$	19,826.62	
Sale of Property		3,500.00	
Payment in Lieu of Taxes		5,774.13	
Various Licenses		1,800.00	
Election Reimbursement		1,001.42	
Zoning Maps, Ordinances and Copies		2,198.57	
Senior Citizens and Vets Admin Fee		1,853.08	
Barbarito/Beyers Day Care Rental		2,499.96	
Rent of Shiloh's Arts and Crafts		1,200.00	
Rent of Antique Depot		200.00	
Rent of Buena Post Office		988.00	
Miscellaneous		11,800.69	
Tax Searches		250.00	
Municipal Searches		130.00	
		53,022.47	\$
		53,022.47	

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Paid or Charged	Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAPS"</b>						
<b>GENERAL GOVERNMENT:</b>						
Administrative and Executive						
Salaries and Wages	\$ 112,000.00	\$ 113,710.00	\$ 113,700.85	\$	\$ 9.15	\$ -
Other Expenses	46,000.00	48,900.00	48,312.77	722.72	-	(135.49)
Mayor and Committee						
Salaries and Wages	49,000.00	47,600.00	47,560.88		39.12	-
Other Expenses	10,000.00	7,700.00	7,643.62		56.38	-
Municipal Clerk (Elections)						
Salaries and Wages	99,000.00	97,930.00	97,920.99		9.01	-
Other Expenses	24,000.00	29,000.00	28,997.57		2.43	-
Financial Administration						
Salaries and Wages	79,000.00	78,135.00	78,135.00		-	-
Other Expenses	20,000.00	19,740.00	19,602.01	133.61	4.38	-
Audit Services						
Annual Audit	27,500.00	27,500.00	27,500.00		-	-
Assessment of Taxes						
Salaries and Wages	77,000.00	76,330.00	76,326.27		3.73	-
Other Expenses	12,000.00	8,580.00	8,079.63	500.00	0.37	-
Collector of Taxes						
Salaries and Wages	80,000.00	79,720.00	79,719.53		0.47	-
Other Expenses	18,000.00	17,000.00	16,734.82	250.80	14.38	-
Prosecutor						
Salaries and Wages	16,000.00	15,910.00	15,907.32		2.68	-
Municipal Court						
Salaries and Wages	125,000.00	123,615.00	123,614.58		0.42	-
Other Expenses	9,500.00	8,000.00	7,943.06	54.50	2.44	-
Legal Services and Costs						
Other Expenses	80,000.00	97,000.00	96,989.84		10.16	-
Engineering Services and Costs						
Professional Services	80,000.00	84,950.00	84,342.16		607.84	-

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Expended			(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>LAND USE ADMINISTRATION:</b>						
Planning Board						
Salaries and Wages	\$ 34,000.00	\$ 23,000.00	\$ 22,996.52		\$ 3.48	\$ -
Other Expenses	5,000.00	3,000.00	3,000.00		-	-
Zoning Board						
Salaries and Wages	15,000.00	15,000.00	14,999.40		0.60	-
Other Expenses	5,000.00	2,370.00	2,365.87		4.13	-
Code Enforcement						
Fire Inspector						
Salaries and Wages	7,000.00				-	-
Other Expenses	12,000.00	3,040.00	3,035.84		4.16	-
<b>INSURANCE:</b>						
General Liability	124,082.00	127,093.00	126,512.00		581.00	-
Employee Group Health	240,000.00	240,989.00	240,988.19		0.81	-
<b>PUBLIC SAFETY:</b>						
Police Department						
Salaries and Wages	11,000.00	10,610.00	10,607.99		2.01	-
Other Expenses	500.00				-	-
Office of Emergency Management						
Other Expenses	1,000.00	200.00	102.98		97.02	-
First Aid Organizations - Contribution	50,000.00	38,500.00	38,500.00		-	-
<b>PUBLIC WORKS FUNCTIONS:</b>						
Road Repair and Maintenance						
Salaries and Wages (Emergency, \$35,100.00)	490,000.00	528,075.00	527,982.99		92.01	-
Other Expenses (Emergency, \$2,900.00)	110,000.00	137,500.00	135,391.55	2,241.81	-	(133.36)
Vehicle Maintenance						
Maintenance and Repairs	30,000.00	27,000.00	24,583.45	1,557.71	858.84	-
Public Building and Grounds						
Salaries and Wages	100.00				-	-
Other Expenses	60,000.00	61,900.00	61,271.89	533.67	94.44	-
Sanitation						
Other Expenses	347,000.00	347,000.00	335,290.14		11,709.86	-
Recycling						
Salaries and Wages	5,000.00				-	-
Other Expenses	2,000.00				-	-

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Expended		(Overexpended) Unexpended Balance Cancelled	
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved		
<b>HEALTH AND WELFARE:</b>						
Environmental Health Services						
Environmental Commission						
Other Expenses	\$ 1,000.00	\$ 700.00	\$ 682.00	\$ 18.00	\$ -	
Animal Control						
Salaries and Wages	100.00			-	-	
Other Expenses	20,000.00	20,025.00	20,004.00	21.00	-	
<b>PARKS AND RECREATION:</b>						
Parks and Playgrounds						
Salaries and Wages	5,000.00	-		-	-	
Other Expenses	40,000.00	50,500.00	47,796.77	2,638.68	64.55	
Summer Youth Program						
Other Expenses	1,000.00			-	-	
Senior Citizens Program						
Other Expenses	1,000.00			-	-	
Celebration of Public Events						
Other Expenses	10,000.00	10,000.00	10,000.00	-	-	
<b>UNCLASSIFIED:</b>						
<b>UTILITIES:</b>						
Electricity	70,000.00	76,000.00	75,503.88	496.12	-	
Street Lighting	75,000.00	75,000.00	75,000.00	-	-	
Telephone	23,000.00	26,000.00	25,582.20	417.80	-	
Gas	4,500.00	4,800.00	4,790.97	9.03	-	
Fuel Oil	2,000.00	1,820.00	1,811.91	8.09	-	
Gasoline	40,000.00	28,000.00	25,529.90	2,394.46	75.64	
Landfill/Solid Waste Disposal Costs	195,000.00	194,495.00	177,256.41	17,238.59	-	
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>	<b>3,000,282.00</b>	<b>3,033,937.00</b>	<b>2,990,617.75</b>	<b>11,027.96</b>	<b>32,560.14</b>	<b>(268.85)</b>
Contingent		-				-
<b>TOTAL OPERATIONS INCLUDING CONTINGENT</b>	<b>3,000,282.00</b>	<b>3,033,937.00</b>	<b>2,990,617.75</b>	<b>11,027.96</b>	<b>32,560.14</b>	<b>(268.85)</b>
<b>WITHIN "CAPS"</b>						
Detail:						
Salaries and Wages	1,204,200.00	1,209,635.00	1,209,472.32	-	162.68	-
Other Expenses	1,796,082.00	1,824,302.00	1,781,145.43	11,027.96	32,397.46	(268.85)

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Paid or Charged	Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>DEFERRED CHARGES:</b>						
Overexpenditure of Appropriation Reserves	\$ 1,524.80	\$ 1,524.80	\$ 1,524.80	\$ -	\$ -	\$ -
Overexpenditure of Appropriations	1,406.78	1,406.78	1,406.78	-	-	-
<b>STATUTORY EXPENDITURES:</b>						
Contributions to:						
Public Employee's Retirement System	43,219.00	43,219.00	43,219.00	-	-	-
Social Security System (O.A.S.I.)	96,000.00	98,820.00	98,817.11	2.89	-	-
Unemployment Compensation Insurance	6,500.00	8,025.00	8,024.22	0.78	-	-
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN "CAPS"</b>	<u>148,650.58</u>	<u>152,995.58</u>	<u>152,991.91</u>	<u>-</u>	<u>3.67</u>	<u>-</u>
<b>CASH DEFICIT OF PRECEDING YEAR</b>	127,032.77	127,032.77	127,032.77	-	-	-
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<u>3,275,965.35</u>	<u>3,313,965.35</u>	<u>3,270,642.43</u>	<u>11,027.96</u>	<u>32,563.81</u>	<u>(268.85)</u>
<b><u>OPERATIONS EXCLUDED FROM "CAPS"</u></b>						
STATUTORY EXPENDITURES:						
Police 911 Emergency	63,000.00	63,000.00	62,214.00	-	786.00	-
<b>TOTAL OTHER OPERATIONS EXCLUDED FROM "CAPS"</b>	<u>63,000.00</u>	<u>63,000.00</u>	<u>62,214.00</u>	<u>-</u>	<u>786.00</u>	<u>-</u>
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>						
Buena Vista Fire Districts - JIF Insurance	35,049.00	35,049.00	35,049.00	-	-	-

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Expended			(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET</b>						
<b>BY REVENUES</b>						
Clean Communities Act	\$ 18,441.28	\$ 18,441.28	\$ 18,441.28	\$ -	\$ -	\$ -
Clean Communities Act-Unappropriated	2,055.01	2,055.01	2,055.01	-	-	-
SFSP Fire District Payment	1,947.00	1,947.00	1,947.00	-	-	-
Safety Award	1,800.00	1,800.00	1,800.00	-	-	-
Optional Safety Award	2,500.00	2,500.00	2,500.00	-	-	-
Recycling Tonnage Grant - Unappropriated	2,117.06	2,117.06	2,117.06	-	-	-
Municipal Alliance on Alcoholism	31,262.50	31,262.50	31,262.50	-	-	-
Neighborhood Stabilization Program (40A:4-87, \$826,908.00)		826,908.00	826,908.00	-	-	-
Summer Concert Grant	1,100.00	1,100.00	1,100.00	-	-	-
<b>TOTAL PUBLIC AND PRIVATE PROGRAMS</b>						
<b>OFFSET BY REVENUES</b>	61,222.85	888,130.85	888,130.85	-	-	-
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	159,271.85	986,179.85	985,393.85	-	786.00	-
Detail:						
Salaries and Wages	-	-	-	-	-	-
Other Expenses	159,271.85	986,179.85	985,393.85	-	786.00	-
<b>CAPITAL IMPROVEMENTS</b>						
Capital Improvement Fund	35,000.00	35,000.00	35,000.00	-	-	-
Lease/Purchase of Public Works Equipment	17,875.44	17,875.44	14,896.20	-	2,979.24	-
New Jersey Transportation Trust Fund Authority Act: Reconstruction of Cain's Mill Road - Phase II	150,000.00	150,000.00	150,000.00	-	-	-
<b>TOTAL CAPITAL IMPROVEMENTS</b>	202,875.44	202,875.44	199,896.20	-	2,979.24	-
<b>DEBT SERVICE</b>						
Payment of Bond Principal	198,000.00	198,000.00	198,000.00	-	-	-
Payment of Bond Anticipation Notes and Capital Notes		-	-	-	-	-
Interest on Bonds	9,900.00	9,900.00	9,900.00	-	-	-
Interest on Notes	111,000.00	111,000.00	92,322.60	-	-	18,677.40
Green Trust Loan Program: Loan Repayments for Principal & Interest	20,223.64	20,223.64	20,223.64	-	-	-
<b>TOTAL DEBT SERVICE</b>	339,123.64	339,123.64	320,446.24	-	-	18,677.40

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
<b>DEFERRED CHARGES EXCLUDED FROM "CAPS"</b>					
Emergency Authorizations	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -	\$ -
Special Emergency Authorization - 5 years	100,000.00	100,000.00	100,000.00	-	-
<b>TOTAL DEFERRED CHARGES EXCLUDED FROM "CAPS"</b>	<u>125,000.00</u>	<u>125,000.00</u>	<u>125,000.00</u>	<u>-</u>	<u>-</u>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>	<u>826,270.93</u>	<u>1,653,178.93</u>	<u>1,630,736.29</u>	<u>-</u>	<u>18,677.40</u>
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	<u>4,102,236.28</u>	<u>4,967,144.28</u>	<u>4,901,378.72</u>	<u>11,027.96</u>	<u>36,329.05</u>
Reserve for Uncollected Taxes	<u>118,230.55</u>	<u>118,230.55</u>	<u>118,230.55</u>	<u>-</u>	<u>-</u>
<b>TOTAL GENERAL APPROPRIATIONS</b>	<u>\$ 4,220,466.83</u>	<u>\$ 5,085,374.83</u>	<u>\$ 5,019,609.27</u>	<u>\$ 11,027.96</u>	<u>\$ 36,329.05</u>
Appropriated by 40A:4-87		\$ 826,908.00		Overexpenditure of appropriations	\$ (268.85)
Emergency Authorizations (40A:4-47)		38,000.00		Unexpended Balances Canceled	18,677.40
Budget		<u>4,220,466.83</u>			
		<u>\$ 5,085,374.83</u>			<u>\$ 18,408.55</u>
Reserve for Federal and State Grants - Appropriated			\$ 1,029,931.35		
Reserve for federal and State Grants - Local Match			6,252.50		
Deferred Charges - Overexpenditure of Appropriations			1,406.78		
Deferred Charges - Overexpenditure of Appropriation Reserves			1,524.80		
Deferred Charges - Cash Deficit of Preceding Year			127,032.77		
Deferred Charges - Emergency Appropriations			25,000.00		
Payroll Deductions			199,358.18		
Reserve for Uncollected Taxes			118,230.55		
Disbursed			<u>3,510,872.34</u>		
			<u>\$ 5,019,609.27</u>		

**EXHIBIT - B  
TRUST FUND**

**TOWNSHIP OF BUENA VISTA**  
**TRUST FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

<u>Assets</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
<u>Animal Control Fund</u>			
Cash and Investments	B-1	\$ 21,196.37	\$ 19,401.14
Due from State of New Jersey	B-5	43.20	43.20
		<u>21,239.57</u>	<u>19,444.34</u>
<u>Other Funds</u>			
Cash and Investments - Treasurer	B-2	309,100.29	310,896.77
Cash and Investments - Collector	B-6	15,701.62	37,161.79
Program Loans Receivable		54,300.77	62,921.33
Accounts Receivable Other		1,957.68	3,320.18
Due from Township Engineer		75.00	75.00
Due from Current Fund	A	66,782.28	134,268.28
Due from Grant Fund	A	62,744.07	62,744.07
		<u>510,661.71</u>	<u>611,387.42</u>
		<u>\$ 531,901.28</u>	<u>\$ 630,831.76</u>

**TOWNSHIP OF BUENA VISTA**  
**TRUST FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2009</u>	<u>Balance Dec. 31, 2008</u>
<u>Animal Control Fund</u>			
Reserve for Animal Control Expenditures	B-3	\$ 15,119.83	\$ 13,475.60
Reserve for Cat Expenditures		3,933.50	3,535.50
Due to Current Fund	A:B-4	2,186.24	2,433.24
		<u>21,239.57</u>	<u>19,444.34</u>
<u>Other Funds</u>			
Deposits for Redemption of Tax Sale Certificates		6,652.03	18,353.41
Premiums Received at Tax Sale		5,500.00	18,300.00
Reserve for Special Events		1,797.28	4,283.50
Reserve for Community Development Block Grant	B-7	252,624.08	296,394.40
Reserve for Program Loans Receivable		54,300.77	62,921.33
Reserve for Landfill Closure Escrow		75,539.39	74,527.15
Reserve for Site Plan Escrow Deposits		45,439.04	67,166.78
Reserve for POAA		204.00	204.00
Reserve for Municipal Drug Alliance		123.56	112.35
Reserve for Escrow - Mays Landing Sand and Gravel		9,792.77	9,778.89
Reserve for Escrow - Bellevue Properties		15,232.35	15,205.29
Reserve for Escrow - Santoro Venice Blvd.		15,232.35	15,205.29
Reserve for Escrow - Romeo Venice Blvd.		1,570.54	1,570.54
Reserve for Escrow - Richard Cook		1,854.16	2,159.11
Reserve for Rental Deposits		22,186.93	19,679.29
Reserve for Fire Prevention		1,000.00	-
Reserve for Fire Penalties		589.77	3,447.86
Reserve for Recreation Trust		2,593.23	2,078.23
Reserve for Summer Concert Series - Recreation		<u>510,661.71</u>	<u>611,387.42</u>
		<u>\$ 531,901.28</u>	<u>\$ 630,831.76</u>

**EXHIBIT - C**  
**GENERAL CAPITAL FUND**

**TOWNSHIP OF BUENA VISTA**  
**GENERAL CAPITAL FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

<u>Assets</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2009</u>	<u>Balance Dec. 31, 2008</u>
Cash and Investments	C-2,C-3	\$ 122,656.89	\$ 1,094,326.77
Deferred Charges to Future Taxation:			
Funded	C-5	2,694,691.77	418,583.11
Unfunded	C-6	19,950.00	2,496,750.00
		<u>\$ 2,837,298.66</u>	<u>\$ 4,009,659.88</u>
 <u>Liabilities, Reserves and Fund Balance</u>			
Serial Bonds Payable	C-8	\$ 2,490,000.00	\$ 198,000.00
Bond Anticipation Notes Payable	C-9	-	2,391,750.00
Green Trust Loan Payable	C-8a	204,691.77	220,583.11
Improvement Authorizations:			
Funded	C-7	79,655.78	27,386.71
Unfunded	C-7	19,950.00	1,169,108.54
Due to Grant Fund	A	5,869.59	
Capital Improvement Fund	C-4	34,550.00	250.00
Fund Balance	C-1	2,581.52	2,581.52
		<u>\$ 2,837,298.66</u>	<u>\$ 4,009,659.88</u>

**TOWNSHIP OF BUENA VISTA**  
**GENERAL CAPITAL FUND**  
**STATEMENT OF FUND BALANCE - STATUTORY BASIS**

Balance December 31, 2008	<u>Ref.</u> C		\$	2,581.52
Balance December 31, 2009	C		\$	<u>2,581.52</u>

**EXHIBIT - D**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**

**TOWNSHIP OF BUENA VISTA**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
General Fixed Assets:		
Land Improvements	\$ 4,091,000.00	\$ 4,091,000.00
Buildings	1,783,886.20	1,783,886.20
Machinery and Equipment	<u>1,791,866.86</u>	<u>1,659,773.38</u>
 Total General Fixed Assets	 <u>\$ 7,666,753.06</u>	 <u>\$ 7,534,659.58</u>
  Investment in General Fixed Assets	  <u>\$ 7,666,753.06</u>	  <u>\$ 7,534,659.58</u>

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**

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

**Basis of Accounting**

The financial statements – statutory basis of the Township of Buena Vista have been prepared in conformity with an “Other Comprehensive Basis of Accounting” (OCBOA) as established by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. This basis of accounting differs from Accounting Principles Generally Accepted in the United States of America (GAAP). The more significant of the Township’s accounting policies are described below.

**Description of Financial Reporting Entity**

The Township of Buena Vista is located in the County of Atlantic, State of New Jersey. The population according to the 2000 census is 7,436.

The Township is incorporated and operates under a Committee form of government. The Mayor is the chief executive officer of the Township and is appointed by the Township Committee.

**Component Units**

The financial statements of the component units of the Township of Buena Vista are not presented in accordance with Governmental Accounting Standards Board Statement (GASB) No. 14. If the provisions of GASB 14 had been complied with the other entity’s financial statements would have to be either blended or discretely presented with the financial statements – statutory basis of the Township of Buena Vista, the primary government.

**Basis of Presentation, Fund Accounting**

The financial statements – statutory basis of the Township of Buena Vista contain all funds and account groups in accordance with the “Requirements of Audit” as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Buena Vista accounts for its financial transactions through the following separate funds, which differ from the funds required by GAAP.

**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 fund was created.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**General Capital Funds**

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

**Budgets and Budgetary Accounting**

The Township of Buena Vista must adopt an annual budget in accordance with N.J.S.A. 40A:4 et al. State statutes require the governing body to introduce and approve the annual municipal budget no later than February 10<sup>th</sup> 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 of introduction. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9.

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

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

**Cash and Investments**

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank approved by the State Department of Banking and Insurance and organized under laws of the United States or the State of New Jersey or the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

The cash management plan adopted by the Township of Buena Vista requires it to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

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

Generally, the Township considers all investments that mature in one year or less to be cash equivalents.

All certificates of deposit are recorded as cash regardless of date of maturity.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 Fund Balance. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

**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 balance sheets.

**General Fixed Assets**

Property and Equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized.

Accounting for Governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 2 as issued by the Division of Local Government Services, differs in certain respects from GAAP. The following is a brief description of the provisions of the Directive. Fixed Assets used in governmental operations ("general fixed assets") are accounted for in the General Fixed Assets Account Group. Public Domain ("Infrastructure") fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems, are not capitalized.

All fixed assets are valued at historical cost, or estimated historical cost if actual historical cost is not available.

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

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants – in – aid or contributed capital have not been accounted for separately.

**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 by returning 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 municipal use, it will be capitalized in the General Fixed Assets Account Group. GAAP requires property to be recorded in the General Fixed Assets Account Group at the market value at the time of acquisition.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 made in accordance with N.J.S.A. 40A:4-46 et al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

**Appropriation Reserves**

Appropriation Reserves covering unexpended appropriation balance 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 fiscal year. Lapsed appropriation reserves are recorded as income. Appropriation Reserves are not established under GAAP.

**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 other governmental unit net of costs of the sale. The related costs of sale are recognized as revenue when received.

**Fund Balance**

Fund Balances included in the Current Fund and Utility Operating Funds represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

**Revenues**

Revenues are recorded as received in cash except for certain amounts that are due from other governmental units. Revenue from federal and State grants is realized as revenue when anticipated as such in the Township's budget. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP generally requires that grant revenue be recognized when actual expenditures financed by the grant are made.

**Property Tax Revenues**

Property tax revenues are collected in quarterly installments due February 1<sup>st</sup>, May 1<sup>st</sup>, August 1<sup>st</sup>, and November 1<sup>st</sup>. Property taxes unpaid on April 1<sup>st</sup> of the year following their final due date are subject to tax sale in accordance with statutes. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the entities that follow. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. GAAP requires such revenues to be recognized when they are available and measurable reduced by an allowance for doubtful accounts.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**School Taxes**

The Township is responsible for levying, collecting and remitting school taxes for the Township of Buena Regional School District. Fund Balance is charged for the full amount required to be raised from taxation to operate the school district from January 1<sup>st</sup> through December 31<sup>st</sup>.

**County Taxes**

The Township is responsible for levying, collecting and remitting county taxes for the County of Atlantic. Fund balance 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<sup>th</sup> of the current year. In addition fund balance is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10<sup>th</sup> of the current year and due to be paid to the County by February 15<sup>th</sup> of the following year.

**Reserve for Uncollected Taxes**

The inclusion of the “Reserve for Uncollected Taxes” appropriation in the Township’s annual budget protects the Township from taxes not paid currently. The minimum amount of the reserve, determined by the percentage of collections experienced in the preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. A reserve for uncollected taxes is not established under GAAP.

**Expenditures**

Expenditures are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance system. Outstanding encumbrances at December 31<sup>st</sup> are recorded as a cash liability. Appropriations for principal payments on outstanding General Capital and Utility Capital Fund bonds and notes are provided on the cash basis; interest on General Capital Fund indebtedness is on the cash basis, whereas interest on Utility Fund indebtedness is on the accrual basis. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due.

**Compensated Absences and Post – Employment 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 post employment benefits, if any, which are also funded on a “pay as you go” basis. GAAP requires that the amount that would normally be liquidated with expendable financial resources be recorded as expenditure in the operating funds and the remaining obligations be recorded as long – term obligations.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 2: LONG-TERM DEBT**

**Summary of Municipal Debt**

	<u>Year</u> <u>2009</u>	<u>Year</u> <u>2008</u>	<u>Year</u> <u>2007</u>
Issued:			
General:			
Bonds and Notes	\$ 2,694,691.77	\$ 2,810,333.11	\$ 1,835,161.33
Total Issued	<u>2,694,691.77</u>	<u>2,810,333.11</u>	<u>1,835,161.33</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	19,950.00	105,000.00	171,500.00
Total Authorized But Not Issued	<u>19,950.00</u>	<u>105,000.00</u>	<u>171,500.00</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 2,714,641.77</u>	<u>\$ 2,915,333.11</u>	<u>\$ 2,006,661.33</u>

**Summary of Statutory Debt Condition – Annual Debt Statement**

The summarized statement of debt condition that follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .42%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional High School Debt	\$ 5,772,951.16	\$ 5,772,951.16	\$ -
General Debt	<u>2,714,641.77</u>	<u>-</u>	<u>2,714,641.77</u>
	<u>\$ 8,487,592.93</u>	<u>\$ 5,772,951.16</u>	<u>\$ 2,714,641.77</u>

Net debt \$2,714,641.77 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$639,211,071.00 = .42%.

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

3-1/2% of Equalized Valuation Basis	\$ 22,372,387.49
Net Debt	<u>2,714,641.77</u>
	<u>\$ 19,657,745.72</u>

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 2: LONG-TERM DEBT (Continued)**

**Description of Bonds and Loans Payable**

At December 31, 2009, bonds payable in the General Capital Fund consisted of the following individual issues:

\$2,490,000.00 General Bonds dated July 1, 2009 due in annual installments through July 1, 2019 bearing interest at a rate of 5.00% per annum. The balance remaining as of December 31, 2009 is \$2,490,000.00.

\$146,505.00 Green Trust Loan dated March 2, 1999, due in annual installments through March 2, 2016, bearing interest at 2.00% per annum. The balance remaining as of December 31, 2009 is \$64,795.67.

\$165,000.00 Green Trust Loan dated June 14, 2006, due in semi-annual installments through November 10, 2025, bearing interest at 2.00% per annum. The balance remaining as of December 31, 2009 is \$139,896.10.

**Changes in Long-Term Debt**

The following schedule represents the changes in the Long-term Debt:

	<u>Outstanding</u> <u>12/31/08</u>	<u>Issues or</u> <u>Additions</u>	<u>Payments or</u> <u>Expenditures</u>	<u>Outstanding</u> <u>12/31/09</u>
General Capital Fund:				
Bonds Payable	\$ 198,000.00	\$ 2,490,000.00	\$ 198,000.00	\$ 2,490,000.00
Loans Payable	220,583.11		15,891.34	204,691.77
Total General Capital Fund	<u>\$ 418,583.11</u>	<u>\$ 2,490,000.00</u>	<u>\$ 213,891.34</u>	<u>\$ 2,694,691.77</u>

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 2: LONG-TERM DEBT (Continued)**

**Schedule of Annual Debt Service for Principal and Interest for Serial Bonds Issued and Outstanding**

Year Ending December 31	General Capital Fund	
	Principal	Interest
2010	\$ 190,000.00	\$ 105,825.00
2011	200,000.00	97,750.00
2012	210,000.00	89,250.00
2013	225,000.00	80,325.00
2014	235,000.00	70,762.50
2015-2019	1,430,000.00	189,975.00
	<u>\$ 2,490,000.00</u>	<u>\$ 633,887.50</u>

**Schedule of Annual Debt Service for Principal and Interest for Green Trust Loans**

Year Ending December 31,	General Capital Fund	
	Principal	Interest
2010	\$ 16,210.75	\$ 4,012.89
2011	16,536.58	3,687.05
2012	16,868.99	3,354.65
2013	17,208.05	3,015.59
2014	17,553.94	2,669.71
2015-2019	62,573.64	8,655.60
2020-2024	47,631.47	3,669.67
2025	10,108.35	151.87
	<u>\$ 204,691.77</u>	<u>\$ 29,217.03</u>

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 2: LONG-TERM DEBT (Continued)**

**Short-Term Debt**

Short-term debt provides for financing of governmental activities and capital projects. On December 19, 2009, the Township renewed special emergency notes to finance a revaluation program in the amount of \$300,000.00 at an interest rate of 2.59%. The 2009 budget appropriated \$100,000.00 to pay down the special emergency notes. During 2009, bond proceeds of \$2,385,000.00 were used to pay down a portion of the bond anticipation notes outstanding at December 31, 2008. Cash on hand of \$6,750.00 was used to pay down the remainder of the bond anticipation notes.

The following is a summary of changes in short-term debt for the year ended December 31, 2009.

	<u>Current Fund</u>	<u>General Capital Fund</u>	<u>Total</u>
Balance December 31, 2008	\$ 400,000.00	\$ 2,391,750.00	\$ 2,791,750.00
Increases			-
Decreases	<u>100,000.00</u>	<u>2,391,750.00</u>	<u>2,491,750.00</u>
Balance December 31, 2009	<u>\$ 300,000.00</u>	<u>\$ -</u>	<u>\$ 300,000.00</u>

**NOTE 3: COMPENSATED ABSENCES**

The Township has permitted employees to accrue a maximum of 36 days of unused sick time, which may be taken as time off or paid at a later date at an agreed upon rate. Employees will be paid for 1/3 of the unused sick time in excess of 36 days. Vacation is not accrued, but can be accumulated no more than 2 years. All vacation time accumulated over 2 years is lost if not used. The accrued number of sick and vacation days exceeds 100, as of December 31, 2009. Based on 2009 pay rates and compensated absence balances, we estimate this liability to be \$105,325.04 as of December 31, 2009.

**NOTE 4: TAXES COLLECTED IN ADVANCE**

Taxes collected in advance include amounts set forth as cash liabilities in the financial statements as follows:

	<u>Balance December 31, 2009</u>	<u>Balance December 31, 2008</u>
Prepaid Taxes - Cash Liability	\$ 225,807.81	\$ 254,957.48

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 5: PENSION PLANS**

**Plan Descriptions**

All eligible employees participate in the Public Employees' Retirement System (PERS) contributory defined benefit public employee retirement system that has been established by State Statute. The system is sponsored and administered by the State of New Jersey.

The Public Employees' Retirement System was established in January 1955, under the provisions of N.J.S.A. 43:14A, to provide coverage including post-retirement health care to substantially all full-time employees of the State or any County, Municipality, School district or public agency, provided the employee is not a member of another state-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60, with an annual benefit generally determined to be 1/60<sup>th</sup> of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above – mentioned formula but at a reduced rate (one-quarter of one percent for each month the member lacks of attaining the age 55).

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

**Funding Policy**

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Members contribute at a uniform rate. PERS provides for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits.

**Pension Deferral Program**

Public Law 2009, c.19 (S-21) was enacted on March 17, 2009 and allows 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 obligations for payments due in the State fiscal year ending June 30, 2009. The amount deferred will be repaid starting in April of 2012 over a 15 year period. The Township of Buena Vista has elected to defer that portion of their PERS obligation allowed by law. The deferred amount for PERS is shown below:

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 5: PENSION PLANS (Continued)**

For the Public Employees' Retirement System, the Township's contribution was \$43,219.00 for 2009 and \$57,370.40 for 2008.

Three-Year Trend Information for PERS						
Funding Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Pension Deferral	Amount Paid	
12/31/09	\$ 77,833.00	100%	\$ 77,833.00	\$ 34,614.00	\$ 43,219.00	
12/31/08	71,713.00	80%	57,370.40	-	57,370.40	
12/31/07	49,330.12	60%	29,598.07	-	29,598.07	

**NOTE 6: DEFINED CONTRIBUTION RETIREMENT PROGRAM**

**Plan Description**

The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and expanded under the provisions of Chapter 89, P.L. 2008. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

**Vesting and Benefits Provisions**

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately invested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully invested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer.

Retirement benefits for members are determined according to the applicable Tier level:

**Tier 1 Membership:** The retirement age is 60 for a Service or Deferred Retirement. For an Early Retirement, a member must have at least 25 years of service credit; however, if a member is under the age of 55 at the time of retirement, the retirement allowance is reduced 3 percent per year (1/4 of 1 percent per month) for each year the member is under age 55.

**Tier 2 Membership:** The retirement age is 60 for a Service or Deferred Retirement. For an Early Retirement a member must have at least 25 years of service credit; however, if a member is under the age of 60 at the time of retirement, the retirement allowance is reduced 1 percent per year (1/12 of 1 percent per month) for each year the member is under age 60 but over age 55, and 3 percent per year (1/4 of 1 percent per month) for each year the member is under age 55.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 6: DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)**

**Vesting and Benefits Provisions (Continued)**

Tier 3 Membership: The retirement age is 62 for a Service or Deferred Retirement. For an Early Retirement a member must have at least 25 years of service credit; however, if a member is under the age of 62 at the time of retirement, the retirement allowance is reduced 1 percent per year (1/12 of 1 percent per month) for each year the member is under age 62 but over age 55, and 3 percent per year (1/4 of 1 percent per month) for each year the member is under age 55.

**Funding Policy**

Members contribute at a uniform rate of 5.5% of their base salary. Employers are required to contribute at a set rate of 3.0% of base salary. There were no employees enrolled in the DCRP for the year ended December 31, 2009.

**NOTE 7: CASH, CASH EQUIVALENTS AND INVESTMENTS**

**Custodial Credit Risk Related to Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township 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 Unity Deposit Protection Act. Of the Township's bank balance of \$1,958,063.37 as of December 31, 2009, \$26,453.93 was uninsured and uncollateralized.

**Investments**

For the year ended December 31, 2009, the Township had no investments:

**NOTE 8: PROPERTY TAXES**

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners, but it often results in a divergence of the assessment ratio to true value.

Upon the filing of certified adopted budgets by the municipality, the local and regional school districts, and the county, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof is set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due February 1 and May 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes, due August 1 and November 1 of the succeeding fiscal year, are based upon one-half of the current year's total tax.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 8: PROPERTY TAXES (Continued)**

Tax installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500 of the delinquency and 18% per annum on any amount in excess of \$1,500. Pursuant to P.L. 1991, c. 75, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed 6% of the amount of the delinquency. The interest and penalties are the highest permitted under New Jersey Statutes. Delinquent taxes open for one year or more are annually included in the tax sale in accordance with New Jersey Statutes.

The New Jersey Statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. Prior to February 1 of each year, the municipality must mail to each property owner a notice of the current assessment and taxes on the property. The taxpayer has a right to petition the County Tax Board on or before April 1 for review. Due to errors or delinquencies in notices sent to property owners, the April 1 deadline to file an appeal petition may be extended. The County Board of Taxation has the authority after a hearing to decrease or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels the County Board of Taxation unsatisfactorily reviewed the petition, appeal may be made to the Tax Court of New Jersey for further hearing. Some Tax Court appeals may take several years prior to settlement and any losses in tax collection from prior years are charged to a reserve set aside for this purpose or directly charged to Fund Balance.

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years:

<b>Comparative Schedule of Tax Rates</b>			
	<b>2009</b>	<b>2008</b>	<b>2007</b>
Tax Rate	\$ 4.273	\$ 4.095	\$ 4.026
Apportionment of Tax Rate:			
Municipal	0.770	0.720	0.595
County	0.735	0.607	0.590
Regional School	2.768	2.768	2.841

<b>Assessed Valuation</b>	
2009	\$ 281,274,406.00
2008	277,690,070.00
2007	274,598,634.00

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 8: PROPERTY TAXES (Continued)**

<b>Comparison of Tax Levies and Collections</b>				
<b>Year</b>	<b>Tax Levy</b>	<b>Collections</b>	<b>Percentage of Collections</b>	
2009	\$ 12,908,340.43	\$ 12,796,662.04	99.13%	
2008	12,218,508.46	11,843,653.54	96.93%	
2007	11,837,498.55	11,516,482.63	97.29%	

<b>Delinquent Taxes and Tax Title Liens</b>					
<b>Year</b>	<b>Tax Title Liens</b>	<b>Delinquent Taxes</b>	<b>Total Delinquent</b>	<b>Percentage of Tax Levy</b>	
2009	\$ 106,086.19	\$ 23,987.52	\$ 130,073.71	1.01%	
2008	36,034.75	386,813.73	422,848.48	3.46%	
2007	39,710.56	316,510.76	356,221.32	3.01%	

**Property Acquired by Tax Title Lien Liquidation**

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

<b>Year</b>	<b>Amount</b>
2009	\$ 7,017,372.24
2008	6,616,272.24
2007	6,530,472.24

**NOTE 9: ECONOMIC DEPENDENCY**

The Township of Buena Vista is not economically dependent on any one funding agency within the Township or the State of New Jersey.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 10: FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of each year and the amounts utilized in the subsequent year's budgets:

<u>Year</u>	<u>Balance December 31st</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percent Utilized</u>
2009	\$ 227,828.95	\$ 185,000.00	81.20%
2008	128,287.38	-	0.00%
2007	403,287.38	275,000.00	68.19%
2006	422,392.15	354,650.00	83.96%
2005	200,499.91	180,000.00	89.78%

**NOTE 11: RECEIVABLES AND PAYABLES WITHIN THE REPORTING ENTITY**

Receivables and payables at December 31, 2009 are as follows:

<u>Amount</u>	<u>Due To</u>	<u>Due From</u>
\$ 2,186.24	Current Fund	Animal Control Fund
149,617.51	Current Fund	Federal and State Grant Fund
5,869.59	Federal and State Grant Fund	General Capital Fund
66,782.28	Trust Fund - Other	Current Fund
62,744.07	Trust Fund -Other	Federal and State Grant Fund
<u>\$ 287,199.69</u>		

**NOTE 12: BUDGETARY DATA**

Annually, Township Committee adopts the annual appropriation budgets for the Current Fund and the Capital Improvement Plan. Once approved, the Township Committee may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Supplemental appropriations per N.J.S.A. 40A:4-46 and 54, Emergencies and Special Emergencies, become charges against the budget of the following year per N.J.S.A. 40A:4-47 except when financing is provided for by bonding ordinances.

Budget transfers between appropriation accounts are prohibited until the last two months of the year. The Township Committee approves the transfers by resolution. Budgetary transfers during the year were not significant.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 13: FEDERAL AND STATE GRANTS**

In the normal course of operations, the Township receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

**NOTE 14: GENERAL FIXED ASSETS**

The following schedule is a summarization of the changes in General Fixed Assets for the year ended December 31, 2009:

	<b>Balance as of December 31, 2008</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance as of December 31, 2009</b>
Land Improvements	\$ 4,091,000.00	\$ -	\$ -	\$ 4,091,000.00
Buildings	1,783,886.20	-	-	1,783,886.20
Machinery & Equipment	1,659,773.38	132,093.48	-	1,791,866.86
<b>Total</b>	<b>\$ 7,534,659.58</b>	<b>\$ 132,093.48</b>	<b>\$ -</b>	<b>\$ 7,666,753.06</b>

**NOTE 15: JOINT INSURANCE POOL**

The Township of Buena Vista is a member of the Atlantic County Municipal Joint Insurance Fund. The Fund provides its members with the following coverages:

- Workers' Compensation
- General Liability, Law Enforcement Liability
- Employee Benefits Liability
- Public Official Liability
- Property, Real and Personal
- Automobile Liability
- Boiler and Machinery
- Crime, Fidelity

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.

**TOWNSHIP OF BUENA VISTA**  
**NOTES TO FINANCIAL STATEMENTS –**  
**STATUTORY BASIS**  
**YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**(CONTINUED)**

**NOTE 16: LITIGATION**

According to the Township's Solicitor, there are no claims in existence against the Township that would materially effect the Township's financial position.

**NOTE 17: LANDFILL CLOSURE**

The Township has established a Landfill Closure Account for the purpose of funding the costs of closing the Township landfill site. Charges to this account are for expenses involved with the closing of the landfill, such as fencing off the site and fill. This account has a balance of \$75,539.39 at December 31, 2009.

**NOTE 18: SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions that occurred December 31, 2009 through July 6, 2010, the date that the financial statements were issued for possible disclosure and recognition in the financial statements and the following item has come to the attention of the Township that would require disclosure.

Three significant State tax appeal judgments were rendered against the Township in 2010 for 2009 taxes. The judgments rendered amounted to \$63,418. No reserve was established at December 31, 2009 to cover these appeals.

## **SUPPLEMENTARY INFORMATION**

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF CASH - TREASURER**

	Ref.	Current Fund	Federal and State Grant Fund
Balance December 31, 2008	A	\$ 931,304.53	\$ -
Increased By Receipts:			
Tax Collector	A-5	\$ 13,161,554.23	\$
Revenue Accounts Receivable	A-9	1,488,698.74	
State of New Jersey (c. 73, P.L. 1976)		92,654.11	
Reserve for Garden State Trust Fund	A	23,097.22	
Due to State of New Jersey - Marriage Licenses		1,525.00	
Due from Bank		82.43	
Reserve for Clerks Escrow - Deposits for Sale of Property and Park Rental		2,500.00	
Prepaid Licenses and Fees	A	8,385.00	
Due from Animal Control Fund		247.00	
Federal and State Grants Receivable	A-11		431,115.92
Federal and State Grants Unappropriated	A-12		7,308.07
Transferred from Current Fund - Local Match			6,252.50
Transferred from Current Fund - Grants Canceled			119,254.15
		<u>14,778,743.73</u>	<u>563,930.64</u>
		15,710,048.26	563,930.64
Decreased By Disbursements:			
2009 Appropriations	A-3	3,510,872.34	
2008 Appropriation Reserves	A-10	16,407.39	
County Taxes	A-7	2,067,655.61	
County Added and Omitted Taxes	A-7	15,298.21	
Regional District School Taxes	A-7	7,784,197.60	
Special District Taxes	A-7	804,777.00	
Payroll Deductions Payable		198,937.41	
Due to State of New Jersey - Marriage Licenses		1,400.00	
Refund of Taxes		8,547.60	
Return of Escrow Deposits		2,725.00	
Reserve for Revaluation		404,072.00	
Refund of Prior Year Revenue	A-1	17,201.10	
Accounts Receivable - Other		965.00	
Due to Trust Fund - Other	B-2	67,486.00	
Transfer to Grant Fund - Local Match		6,252.50	
Transfer to Grant Fund - Grants Canceled		119,254.15	
Due from County of Atlantic	A		6,614.72
Due from General Capital Fund	A:C		5,869.59
Due to Current Fund	A-2		143,541.50
Federal and State Grants Appropriated	A-13		407,904.83
		<u>15,026,048.91</u>	<u>563,930.64</u>
Balance December 31, 2009	A	\$ <u>683,999.35</u>	\$ <u>-</u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF CASH - COLLECTOR**

	<u>Ref.</u>		
Balance December 31, 2008	A		\$ -
Increased By Receipts:			
Taxes Receivable	A-7	\$ 12,811,970.76	
Interest and Cost on Taxes	A-2	89,624.26	
Tax Title Liens	A-8	17,079.19	
Tax Overpayments		17,072.21	
Prepaid Taxes	A	<u>225,807.81</u>	
			<u>13,161,554.23</u>
			13,161,554.23
Decreased By Disbursements:			
Payment to Treasurer	A-4	<u>13,161,554.23</u>	
			<u>13,161,554.23</u>
Balance December 31, 2009	A		\$ <u><u>-</u></u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Year	Balance	2009 Levy	Added Taxes	Collections		Adjustments	Transferred To Tax Title Liens	Balance
	Dec. 31, 2008			2008	2009			Dec. 31, 2009
Arrears	\$ 29,365.60	\$	\$ 6,282.06	\$	\$ 26,173.26	\$ -	\$ 22.01	\$ 9,452.39
2008	357,448.13		2,000.00		338,321.71	(5,252.21)	11,899.82	3,974.39
	386,813.73	-	8,282.06	-	364,494.97	(5,252.21)	11,921.83	13,426.78
2009		12,908,340.43		254,957.48	12,541,704.56		101,117.65	10,560.74
	\$ 386,813.73	\$ 12,908,340.43	\$ 8,282.06	\$ 254,957.48	\$ 12,906,199.53	\$ (5,252.21)	\$ 113,039.48	\$ 23,987.52
Ref.	A			A			A-8	A

	<u>Ref.</u>	
Cash	A-5	\$ 12,811,970.76
Chapter 73, P.L. 1976		94,228.77
		<u>\$ 12,906,199.53</u>

Analysis of 2009 Property Tax Levy

Tax Yield:

General Property Tax	\$ 12,012,296.08	
Special District Taxes	806,909.50	
Added Taxes (54:4-63.1 et seq.)	<u>89,134.85</u>	
		<u>\$ 12,908,340.43</u>

Tax Levy:

Regional School Tax		7,784,197.91	
County Taxes		2,067,655.61	
County Taxes Added and Omitted		15,298.21	
Special District Tax		804,777.00	
Local Tax for Municipal Purposes	\$ 2,166,396.37		
Add: Additional Tax Levied	<u>70,015.33</u>		
		<u>2,236,411.70</u>	
			<u>\$ 12,908,340.43</u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF TAX TITLE LIENS**

Balance December 31, 2008	<u>Ref.</u> A		\$	36,034.75
Increased By:				
Transfers from Taxes Receivable	A-7	\$ 113,039.48		
Interest and Costs from Sales of 1/13/2009 and 12/17/09		10,591.01		
		<hr/>		<hr/>
				123,630.49
				159,665.24
Decreased By:				
Collections	A-5	17,079.19		
Transferred to Foreclosed Property		36,499.86		
		<hr/>		<hr/>
				53,579.05
Balance December 31, 2009	A		\$	<u><u>106,086.19</u></u>

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

	Ref.	Balance Dec. 31, 2008	Accrued In 2009	Collected	Balance Dec. 31, 2009
<u>Miscellaneous Revenue Anticipated:</u>					
Clerk:					
Licenses:					
Alcoholic Beverages	A-2	\$ -	\$ 8,025.00	\$ 8,025.00	\$ -
Fees and Permits	A-2	11,559.00	133,379.86	140,908.36	4,030.50
Municipal Court - Fines and Costs	A-2	7,981.29	95,462.41	97,481.81	5,961.89
Energy Receipts Tax	A-2	-	822,703.00	822,703.00	-
Consolidated Municipal Property Tax Relief	A-2	-	58,717.00	58,717.00	-
Interest on Investments and Deposits	A-2	-	22,279.60	22,279.60	-
Buena Vista Township Fire Districts - JIF Insurance	A-2	-	32,567.92	32,567.92	-
Solid Waste Transfer Fee	A-2	-	41,143.50	23,596.50	17,547.00
Rent of Patgogn Building	A-2	-	5,520.00	5,520.00	-
Rent of Post Office	A-2	-	18,733.00	18,733.00	-
Rent of Deli	A-2	-	6,000.00	6,000.00	-
Rent of House (Toy Store)	A-2	-	6,000.00	6,000.00	-
Verizon Cell Tower Lease	A-2	-	26,732.58	26,732.58	-
Due from Federal and State Grant Fund	A-2	-	143,541.50	143,541.50	-
Pipeline Easement - South Jersey Gas	A-2	-	28,000.00	28,000.00	-
Miscellaneous Revenue Not Anticipated	A-2	4,800.00	55,322.43	53,022.47	7,099.96
<b>TOTALS</b>		<b>\$ 24,340.29</b>	<b>\$ 1,504,127.80</b>	<b>\$ 1,493,828.74</b>	<b>\$ 34,639.35</b>
	Ref.	A			A
	A-4			\$ 1,488,698.74	
				3,700.00	
	A			1,430.00	
				<b>\$ 1,493,828.74</b>	

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	<u>Balance Dec. 31, 2008</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>	<u>Over- Expended</u>
Salaries and Wages:					
Mayor and Committee	\$ 56.32	\$ 6.32	\$	\$ 6.32	\$
Financial Administration	37.00	7.00		7.00	
Prosecutor	56.00	6.00		6.00	
Planning Board	20.56	0.56		0.56	
Fire Inspector	6,300.00	9.00		9.00	
Animal Control	100.00	-		-	
Other Expenses:					
Administrative and Executive	130.70	1,700.70	1,654.99	45.71	
Mayor and Committee	115.41	215.41	215.00	0.41	
Municipal Clerk (Elections)	100.11	1,926.11	1,886.11	40.00	
Financial Administration	311.08	446.08	444.62	1.46	
Assessment of Taxes	77.01	327.01	327.01	-	
Collector of Taxes	848.71	848.71	848.21	0.50	
Legal Services and Costs	60.55	0.55		0.55	
Engineering Services and Costs	71.89	1.89		1.89	
Planning Board	38.66	38.66	38.66	-	
Zoning Board	218.08	218.08	218.08	-	
General Liability Insurance	1,501.00	1,411.00		1,411.00	
Road Repairs and Maintenance	1,830.35	4,035.35	3,879.27	156.08	
Vehicle Maintenance and Repairs	86.40	86.40	60.38	26.02	
Public Buildings and Grounds	328.58	703.58	700.17	3.41	
Environmental Commission	117.50	17.50		17.50	
Parks and Playground	241.10	241.10	149.15	91.95	
Telephone	11.31	411.31	411.31	-	
Fuel oil	29.67	29.67	29.67	-	
Gasoline	5,645.25	5,645.25	5,637.58	7.67	
Other Accounts - No Change	1,996.31	1,996.31		1,996.31	
<b>TOTALS</b>	<u>\$ 20,329.55</u>	<u>\$ 20,329.55</u>	<u>\$ 16,500.21</u>	<u>\$ 3,829.34</u>	<u>\$ -</u>
	<u>Ref.</u>			<u>A-1</u>	<u>A</u>
Appropriation Reserves	A \$ 11,333.51		\$		
Encumbrances Payable	A 8,996.04				
Accounts Payable			92.82		
Cash Disbursed	A-4		<u>16,407.39</u>		
	<u>\$ 20,329.55</u>		<u>\$ 16,500.21</u>		

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

<u>Purpose</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Anticipated</u> <u>Revenues</u>	<u>Received</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
<b>State:</b>					
Municipal Alliance Program	\$ 33,043.12	\$	\$	\$ 33,043.12	\$ -
Municipal Alliance Program - 2007	25,971.94			4,045.84	21,926.10
Municipal Alliance Program - 2008	3,363.78				3,363.78
Municipal Alliance Program - 2009		25,010.00	22,154.52		2,855.48
New Jersey Transportation Trust Fund Authority Act:					
Post Road - 1/1/01 to 12/31/01	21,377.04			21,377.04	-
Bikepath	32,075.00				32,075.00
Cain's Mill Road	150,000.00	150,000.00	215,148.71		84,851.29
Streetscape IV	37,752.70				37,752.70
Smart Growth Grant	12,500.00			12,500.00	-
Livable Communities	25,000.00			25,000.00	-
Clean Communities Program - 2009		20,496.29	20,496.29		-
Cultural Arts Grant - 2009	-	1,100.00			1,100.00
NJ DOT - Bikeway Program - 2000	11,904.98				11,904.98
New Jersey DEP - Hazardous Discharge Site Remediation	74,895.00		64,141.00		10,754.00
Department of Community Affairs - Smart Futures Grant - 2006	50,000.00		50,000.00		-
Department of Community Affairs - Shared Services Grant:					
State Share	30,000.00		30,000.00		-
Municipal Share	600.00				600.00
<b>Federal:</b>					
Small Cities Community Development Block Grant:					
Neighborhood Stabilization - 2009	-	826,908.00	7,209.85		819,698.15
Small Cities- Public Works Garage	21,590.00				21,590.00
Small Cities- Building Improvements	9,588.00				9,588.00
Railroad Building Grant - 2007	57,421.00				57,421.00
Recycling Tonnage Grant	-	2,117.06	2,117.06		-

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

<u>Purpose</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Anticipated</u> <u>Revenues</u>	<u>Received</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Other:					
Atlantic County Open Space Funding - Prior	\$ 58,640.56	\$	\$	\$ 58,640.56	\$ -
Atlantic County Open Space Funding - 2008	95,000.00			91,500.00	3,500.00
Atlantic County Office of Culture & Heritage Affairs	1,050.00				1,050.00
Atlantic County - Community Development Block Grant	54,902.00		19,720.56		35,181.44
Atlantic County JIF:					
Safety Award - 2009	-	1,800.00	1,800.00		-
Optional Safety Award - 2009	-	2,500.00	2,500.00		-
Casino Reinvestment Development Authority	13,750.00			13,750.00	-
<b>TOTALS</b>	<b>\$ 820,425.12</b>	<b>\$ 1,029,931.35</b>	<b>\$ 435,287.99</b>	<b>\$ 259,856.56</b>	<b>\$ 1,155,211.92</b>
Ref.	A				A
		Ref.			
Cash Received		A-4	\$ 431,115.92		
Transferred from Unappropriated Reserves		A-12	4,172.07		
			<u>\$ 435,287.99</u>		

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF RESERVES FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED**

<u>Purpose</u>	Balance Dec. 31, 2008	Received	Anticipated Revenues	Balance Dec. 31, 2009
Optional Safety Award - 2003	\$ 0.05	\$	\$	\$ 0.05
Clean Communities - 2008	2,055.01		2,055.01	-
Clean Communities - 2009		5,086.37		5,086.37
Recycling Tonnage Grant - 2009	-	2,221.70		2,221.70
Recycling Tonnage Grant - 2008	2,117.06		2,117.06	-
<b>TOTALS</b>	<b>\$ 4,172.12</b>	<b>\$ 7,308.07</b>	<b>\$ 4,172.07</b>	<b>\$ 7,308.12</b>
Ref.	A	A-4	A-11	A

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

<u>Purpose</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
State:					
Clean Communities Program:					
1/1/08 to 12/31/08	\$ 6,774.07	\$	\$ 6,774.07	\$	-
1/1/09 to 12/31/09		20,496.29	3,825.41		16,670.88
Municipal Alliance Program:					
1/1/06 to 12/31/06	1,157.58			1,157.58	0.00
1/1/07 to 12/31/07	9,691.12			9,691.12	-
1/1/08 to 12/31/08	26,240.26			26,240.26	-
1/1/09 to 12/31/09		31,262.50	29,123.47		2,139.03
Alcohol Education and Rehabilitation:					
1/1/02 to 12/31/03	5.02			5.02	-
N.J. Transportation Trust Fund:					
Post Road - 1/1/01 to 12/31/01	2,475.72			2,475.72	-
Cain's Mill Road	150,000.00	150,000.00	300,000.00		-
Streetscape IV (Liveable Communities)	48,202.03		48,202.03		-
NJ DOT Bikeway Program - 2000	4,220.28				4,220.28
Recycling Tonnage Grant	569.11				569.11
Recycling Tonnage Grant - 2006	947.50				947.50
Recycling Tonnage Grant - 2008	542.13				542.13
Recycling Tonnage Grant - 2009		2,117.06			2,117.06
NJDEP - Hazardous Discharge Site Remediation	74,895.00		2,457.50		72,437.50
Nature Trails Program	5,100.00				5,100.00
Federal:					
Small Cities Community Development					
Block Grant:					
Small Cities- Community Center	4,767.00			4,767.00	-
Neighborhood Stabilization		826,908.00	7,209.85		819,698.15
FEMA - Dam Reconstruction	22,605.35				22,605.35

**TOWNSHIP OF BUENA VISTA**  
**CURRENT FUND**  
**SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

<u>Purpose</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2009</u>
Other:					
Atlantic County Open Space Funding - Prior	\$ 4,765.71	\$	\$	\$ 4,765.71	\$ -
Atlantic County Open Space Funding - 2008	95,000.00		3,500.00	91,500.00	-
Atlantic County CDBG - Railroad Siding	2,285.00		2,285.00		-
Office of Culture & Heritage	-	1,100.00	1,100.00		-
Atlantic County JIF:					
Optional Safety Grant - 2006	48.87				48.87
Optional Safety Grant - 2007	5.91				5.91
Optional Safety Grant - 2009		2,500.00	2,500.00		-
Safety Award - 2006	52.26				52.26
Safety Award - 2009		1,800.00	1,295.14		504.86
<b>TOTALS</b>	<b>\$ 460,349.92</b>	<b>\$ 1,036,183.85</b>	<b>\$ 408,272.47</b>	<b>\$ 140,602.41</b>	<b>\$ 947,658.89</b>
	<u>Ref.</u>				A
Grant Reserve	\$ 456,527.26		\$		
Encumbrances Payable	3,822.66		367.64		
Cash Disbursed			407,904.83		
	<u>\$ 460,349.92</u>		<u>\$ 408,272.47</u>		

**TOWNSHIP OF BUENA VISTA**  
**TRUST FUND**  
**SCHEDULE OF ANIMAL CONTROL CASH - TREASURER**

Balance December 31, 2008	<u>Ref.</u> B		\$ 19,401.14
Increased By Receipts:			
Dog License Fees	B-3	\$ 6,640.20	
State License Fees	B-5	2,047.80	
Other	B-3	581.00	
Cat License Fees		398.00	
		<u>                    </u>	<u>9,667.00</u>
			29,068.14
Decreased By Disbursements:			
State of New Jersey	B-5	2,047.80	
Animal Control Expenditures	B-3	5,576.97	
Due to Current Fund	B-4	247.00	
		<u>                    </u>	<u>7,871.77</u>
Balance December 31, 2009	B		<u>\$ 21,196.37</u>

**TOWNSHIP OF BUENA VISTA**  
**TRUST FUND**  
**SCHEDULE OF OTHER TRUST CASH - TREASURER**

Balance December 31, 2008	<u>Ref.</u> B		\$ 310,896.77
Increased By Receipts:			
Reserve for:			
Special Events		\$ 32,423.31	
Community Development Block Grant	B-7	26,783.00	
Landfill Closure		1,012.24	
Site Plan Escrow		29,718.46	
Municipal Drug Alliance		11.21	
Summer Concert Series		7,262.73	
Recreation Trust		11,579.11	
Fire Prevention		19,424.08	
Fire Penalties		1,000.00	
Escrow Deposit - Bellevue Properties		2,500.00	
Escrow Deposit - Santoro Venice Blvd.		54.12	
Escrow Deposit - Richard Cook		0.11	
Escrow Deposit - Mays Landing Sand & Gravel		13.88	
Escrow Deposit - Rental Deposits		601.78	
		<hr/>	
			<u>132,384.03</u>
			443,280.80
Decreased By Disbursements:			
Reserve for:			
Special Events		34,893.53	
Community Development Block Grant	B-7	5,824.53	
Site Plan Escrow		51,446.20	
Recreation Trust		14,437.20	
Summer Concert Series		7,047.73	
Fire Prevention		16,916.44	
Escrow Deposit - Bellevue Properties		1,137.50	
Escrow Deposit - Richard Cook		1,570.65	
Rental Deposits		906.73	
		<hr/>	
			<u>134,180.51</u>
Balance December 31, 2009	B		\$ <u><u>309,100.29</u></u>

**TOWNSHIP OF BUENA VISTA**  
**TRUST FUND**  
**SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES**

Balance December 31, 2008	<u>Ref.</u> B		\$	13,475.60
Increased By:				
Dog License Fees Collected	B-1	\$		6,640.20
Other	B-1			581.00
				<u>7,221.20</u>
				20,696.80
Decreased By Disbursements:				
Animal Control Expenditures	B-1			<u>5,576.97</u>
				<u>5,576.97</u>
Balance December 31, 2009	B		\$	<u><u>15,119.83</u></u>

License Fees Collected

<u>Year</u>	\$	
2007	\$	7,977.20
2008		<u>7,451.00</u>
	\$	<u><u>15,428.20</u></u>

**TOWNSHIP OF BUENA VISTA**  
**TRUST FUND**  
**SCHEDULE OF DUE TO CURRENT FUND - ANIMAL CONTROL FUND**

	<u>Ref.</u>		
Balance December 31, 2008	B		\$ 2,433.24
Increased By:			
Statutory Excess in Reserves for Expenditures	B-3	\$ -	
		<u>                    </u>	<u>                    </u>
			-
			<u>2,433.24</u>
Decreased By:			
Paid to Current Fund	B-1	247.00	
		<u>                    </u>	<u>                    </u>
			247.00
Balance December 31, 2009	B		<u>\$ 2,186.24</u>

**SCHEDULE OF AMOUNT DUE TO (FROM) STATE OF NEW JERSEY**

	<u>Ref.</u>		
Balance December 31, 2008 (Due From)	B		\$ (43.20)
Increased By:			
Collected in 2009	B-1	\$ 2,047.80	
		<u>                    </u>	<u>                    </u>
			2,047.80
			<u>2,004.60</u>
Decreased By:			
Paid to State of New Jersey	B-1	2,047.80	
		<u>                    </u>	<u>                    </u>
			2,047.80
Balance December 31, 2009 (Due From)	B		<u>\$ (43.20)</u>

**TOWNSHIP OF BUENA VISTA**  
**TRUST FUND**  
**SCHEDULE OF OTHER TRUST CASH - COLLECTOR**

	<u>Ref.</u>		
Balance December 31, 2008	B		\$ 37,161.79
Increased By Receipts:			
Deposit for Redemption of Tax Sale Certificates		\$ 463,811.16	
Interest Due to Current Fund		319.99	
		<u>                    </u>	<u>464,131.15</u>
			<u>501,292.94</u>
Decreased By Disbursements:			
Tax Sale Certificates Redeemed		471,971.33	
Return of Premiums		13,300.00	
Interest Paid to Current Fund		319.99	
		<u>                    </u>	<u>485,591.32</u>
Balance December 31, 2009	B		\$ <u><u>15,701.62</u></u>

**SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT**

	<u>Ref.</u>		
Balance December 31, 2008	B		\$ 296,394.40
Increased By Receipts:			
Loan Repayments		\$ 25,765.54	
Interest Earned		1,017.46	
		<u>                    </u>	<u>26,783.00</u>
	B-2		<u>323,177.40</u>
Decreased By Disbursements:			
Residential Loans Paid from Trust Fund Cash		5,459.90	
Interest transferred to Current Fund		364.63	
		<u>                    </u>	<u>5,824.53</u>
	B-2		<u>64,728.79</u>
Residential Loans Paid from Current Fund Cash		<u>                    </u>	<u>70,553.32</u>
Balance December 31, 2009	B		\$ <u><u>252,624.08</u></u>



**TOWNSHIP OF BUENA VISTA**  
**GENERAL CAPITAL FUND**  
**ANALYSIS OF CASH**

	Receipts				Disbursements		Transfers		Balance Dec. 31, 2009
	Balance Dec. 31, 2008	Budget Appropriation	Bonds Issued	Misc.	Improvement Authorizations	Notes Paid	From	To	
Fund Balance	\$ 2,581.52								\$ 2,581.52
Capital Improvement Fund	250.00	35,000.00					700.00		34,550.00
Due to Grant Fund				5,869.59					5,869.59
<u>Improvement Authorizations</u>									
Ord.									
<u>Number</u>									
6-2003 Local Road Improvements			100,000.00			100,000.00			
3-2004 Purchase of Equipment	(105,000.00)		105,000.00						
10-2004 Acquisition for Property for Park			342,000.00			342,000.00			
12-2005 Purchase and Improvements to property			406,000.00			406,000.00			
7-2006 Various Improvements	-								
a) Purchase Two Trucks			104,500.00			104,500.00			
b) Purchase Property			95,000.00			95,000.00			
c) Resurface Various Streets			76,000.00			76,000.00			
d) Park Improvements	3,867.14		38,000.00		-	38,000.00			3,867.14
20-2007 Construction of Salt Shed	1,491.40		66,500.00			66,500.00		-	1,491.40
12-2008 Various Improvements:									
Amended a) Public Works Equipment	215,000.00		194,750.00		139,092.10	204,250.00	500.00		65,907.90
by 17-2008 b) Purchase Cell Tower Repeaters	75,000.00		82,000.00		79,892.52	72,500.00		500.00	5,107.48
and 2-2009) c) Roadway Improvements	881,136.71		860,250.00		871,804.85	867,000.00			2,581.86
d) Sprinkler System	20,000.00		20,000.00		20,000.00	20,000.00			-
7-2009 Code Revitalization Services								700.00	700.00
	<u>\$ 1,094,326.77</u>	<u>\$ 35,000.00</u>	<u>\$ 2,490,000.00</u>	<u>\$ 5,869.59</u>	<u>\$ 1,110,789.47</u>	<u>\$ 2,391,750.00</u>	<u>\$ 1,200.00</u>	<u>\$ 1,200.00</u>	<u>\$ 122,656.89</u>
Ref.	C		C-8		C-7	C-9			C

**TOWNSHIP OF BUENA VISTA**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Balance December 31, 2008	<u>Ref.</u> C		\$ 250.00
Increased By:			
Current Fund Budget Appropriation	C-2	\$ 35,000.00	
		<u>35,000.00</u>	<u>35,250.00</u>
Decreased by:			
Appropriations to Finance improvements			
Authorizations	C-7	\$ 700.00	
		<u>700.00</u>	<u>34,550.00</u>
Balance December 31, 2009	C		\$ <u><u>34,550.00</u></u>

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

Balance December 31, 2008	<u>Ref.</u> C		\$ 418,583.11
Increased by:			
Improvement Costs Funded by:			
Serial Bonds Issued	C-6		<u>2,490,000.00</u>
			<u>2,908,583.11</u>
Decreased By:			
Serial Bonds Paid by Budget Appropriation	C-8	\$ 198,000.00	
Loan Paid by Budget Appropriation	C-8a	<u>15,891.34</u>	
			<u>213,891.34</u>
Balance December 31, 2009	C		\$ <u><u>2,694,691.77</u></u>

**TOWNSHIP OF BUENA VISTA**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Ord. Number	Improvement Description	Balance Dec. 31, 2008	2009 Authorizations	Transferred to Deferred Taxation - Funded	Balance Dec. 31, 2009	Analysis of Balance December 31, 2009		Unexpended Improvement Authorization
						Bond Anticipation Note	Expenditures	
6-2003	Local Road Improvements	\$ 100,000.00	\$	\$ 100,000.00	\$ -	\$	\$	\$
3-2004	Purchase of Equipment	105,000.00		105,000.00	-			
10-2004	Acquisition of Property for Park	342,000.00		342,000.00	-			
12-2005	Purchase and Improvement of Land	406,000.00		406,000.00	-			
7-2006	Various Improvements							
	a) Purchase Two Trucks	104,500.00		104,500.00	-			
	b) Purchase Property	95,000.00		95,000.00	-			
	c) Resurface Various Streets	76,000.00		76,000.00	-			
	d) Park Improvements	38,000.00		38,000.00	-			
20-2007	Construction of Salt Shed	66,500.00		66,500.00	-			
12-2008 (Amended by 17-2008 and 2-2009)	Various Improvements:							
	a) Public Works Equipment	204,250.00	(9,500.00)	194,750.00	-			
	b) Purchase Cell Tower Repeaters	72,500.00	9,500.00	82,000.00	-			
	c) Roadway Improvements	867,000.00		860,250.00	6,750.00			6,750.00
	d) Sprinkler System	20,000.00		20,000.00	-			
7-2009	Code Revitalization Services		13,200.00		13,200.00			13,200.00
		<u>\$ 2,496,750.00</u>	<u>\$ 13,200.00</u>	<u>\$ 2,490,000.00</u>	<u>\$ 19,950.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,950.00</u>
Ref.		C	C-7	C-5	C			C-7

**TOWNSHIP OF BUENA VISTA  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ord. Number	Improvement Description	Ord. Date	Amount	Balance December 31, 2008		2009 Authorizations		Paid or Charged	Transfers	Balance December 31, 2009	
				Funded	Unfunded	Deferred Charges to Future Taxation	Down Payment or Capital Improvement Fund			Funded	Unfunded
7-2006	Various Improvements: d) Park Improvements	6/5/2006	\$ 330,000.00	\$	\$ 3,867.14	\$	\$	\$	\$	\$ 3,867.14	\$
20-2007	Construction of Salt Shed	10/22/2007	70,000.00		1,491.40					1,491.40	
12-2008 (Amended by 17-2008 and 2-2009)	Various Improvements: a) Public Works Equipment b) Purchase Cell Tower Repeaters c) Roadway Improvements d) Sprinkler System	11/10/2008	1,225,000.00	10,750.00 2,500.00 14,136.71	204,250.00 72,500.00 867,000.00 20,000.00			139,092.10 79,892.52 871,804.85 20,000.00	(10,000.00) 10,000.00	65,907.90 5,107.48 2,581.86	6,750.00
7-2009	Code Revitalization Services	9/14/2009	13,900.00			13,200.00	700.00			700.00	13,200.00
				\$ 27,386.71	\$ 1,169,108.54	\$ 13,200.00	\$ 700.00	\$ 1,110,789.47	\$ -	\$ 79,655.78	\$ 19,950.00
	Ref.			C	C	C-6	C-4	C-2		C	C

**TOWNSHIP OF BUENA VISTA  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS**

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2008	Increased	Decreased	Balance Dec. 31, 2009
			Date	Amount					
General Bonds of 1999	8/15/1999	\$ 1,800,000		\$		\$ 198,000.00	\$	\$ 198,000.00	\$ -
General Bonds of 2009	7/1/2009	2,490,000	7/1/2010	190,000.00	4.250%		2,490,000.00		2,490,000.00
			7/1/2011	200,000.00					
			7/1/2012	210,000.00					
			7/1/2013	225,000.00					
			7/1/2014	235,000.00					
			7/1/2015	250,000.00					
			7/1/2016	265,000.00					
			7/1/2017	290,000.00					
			7/1/2018	305,000.00					
			7/1/2019	320,000.00					
						\$ 198,000.00	\$ 2,490,000.00	\$ 198,000.00	\$ 2,490,000.00
					Ref.	C	C-2	C-5	C

**TOWNSHIP OF BUENA VISTA**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF GREEN TRUST LOAN PAYABLE**

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Loans Outstanding December 31, 2009</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2008</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2009</u>
			<u>Date</u>	<u>Amount</u>				
Recreation Facility Expansion	3/2/1999	\$ 146,505.00	2010	\$ 8,711.14	2.000%	\$ 73,335.17	\$ 8,539.50	\$ 64,795.67
			2011	8,886.24				
			2012	9,064.85				
			2013	9,247.06				
			2014	9,432.93				
			2015	9,622.52				
			2016	9,830.93				
Michael Debbi Park	6/14/2006	165,000.00	2010	7,499.61	2.000%	147,247.94	7,351.84	139,896.10
			2011	7,650.36				
			2012	7,804.13				
			2013	7,960.99				
			2014	8,121.01				
			2015	8,284.24				
			2016	8,450.76				
			2017	8,620.61				
			2018	8,793.89				
			2019	8,970.68				
			2020	9,150.95				
			2021	9,334.89				
			2022	9,522.52				
			2023	9,713.93				
2024	9,909.18							
2025	10,108.35							
						\$ <u>220,583.11</u>	\$ <u>15,891.34</u>	\$ <u>204,691.77</u>
Ref.						C	C-5	C

**TOWNSHIP OF BUENA VISTA**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF BOND ANTICIPATION NOTES**

Ord. Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2008	Increased	Decreased	Balance Dec. 31, 2009
6-2003	Local Road Improvements	8/22/2007	7/10/2008	7/10/2009	4.070% \$	100,000.00	\$	\$ 100,000.00	\$ -
10-2004	Acquisition of Property	12/22/2004	7/10/2008	7/10/2009	4.070%	322,000.00		322,000.00	-
10-2004	Acquisition of Property for Park	12/22/2004	7/10/2008	7/10/2009	4.070%	20,000.00		20,000.00	-
12-2005	Purchase and Improvements to Property	8/29/2005	7/10/2008	7/10/2009	4.070%	406,000.00		406,000.00	-
7-2006	Various Improvements								
	a) Purchase Two Trucks	7/14/2006	7/10/2008	7/10/2009	4.070%	104,500.00		104,500.00	-
	b) Purchase Property	7/14/2006	7/10/2008	7/10/2009	4.070%	95,000.00		95,000.00	-
	c) Resurface Various Streets	7/14/2006	7/10/2008	7/10/2009	4.070%	76,000.00		76,000.00	-
	d) Park Improvements	7/14/2006	7/10/2008	7/10/2009	4.070%	38,000.00		38,000.00	-
20-2007	Construct Salt Shed	7/10/2008	7/10/2008	7/10/2009	4.070%	66,500.00		66,500.00	-
12-2008 (Amended by 17-2008 and 2-2009)	Various Improvements:								
	a) Public Works Equipment	12/5/2008	12/5/2008	7/10/2009	3.770%	204,250.00		204,250.00	-
	b) Purchase Cell Tower Repeaters	12/5/2008	12/5/2008	7/10/2009	3.770%	72,500.00		72,500.00	-
	c) Roadway Improvements	12/5/2008	12/5/2008	7/10/2009	3.770%	867,000.00		867,000.00	-
	d) Sprinkler System	12/5/2008	12/5/2008	7/10/2009	3.770%	20,000.00		20,000.00	-
						<u>\$ 2,391,750.00</u>	<u>\$ -</u>	<u>\$ 2,391,750.00</u>	<u>\$ -</u>
					Ref.	C		C-2	C
								\$ 6,750.00	
								2,385,000.00	
								<u>\$ 2,391,750.00</u>	

**TOWNSHIP OF BUENA VISTA**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Ord. Number	Improvement Description	Balance Dec. 31, 2008	2009 Authorizations	Notes Paid	Bonds Issued	Balance Dec. 31, 2009
<u>General Improvements</u>						
6-2003	Local Road Improvements	\$	\$	\$ 100,000.00	\$ 100,000.00	\$ -
3-2004	Purchase of Equipment	105,000.00			105,000.00	-
10-2004	Acquisition of Property			322,000.00	322,000.00	-
10-2004	Acquisition of Property for Park			20,000.00	20,000.00	-
12-2005	Purchase and Improvements to Property			406,000.00	406,000.00	-
7-2006	Various Improvements					
	a) Purchase Two Trucks			104,500.00	104,500.00	-
	b) Purchase Property			95,000.00	95,000.00	-
	c) Resurface Various Streets			76,000.00	76,000.00	-
	d) Park Improvements			38,000.00	38,000.00	-
20-2007	Construction of Salt Shed			66,500.00	66,500.00	-
12-2008 (Amended by 17-2008 and 2-2009)	Various Improvements:					
	a) Public Works Equipment			204,250.00	204,250.00	-
	b) Purchase Cell Tower Repeaters			72,500.00	72,500.00	-
	c) Roadway Improvements			867,000.00	860,250.00	6,750.00
	d) Sprinkler System			20,000.00	20,000.00	-
7-2009	Code Revitalization Services		13,200.00			13,200.00
		<u>\$ 105,000.00</u>	<u>\$ 13,200.00</u>	<u>\$ 2,391,750.00</u>	<u>\$ 2,490,000.00</u>	<u>\$ 19,950.00</u>
Ref.			C-7	C-9	C-8	

**TOWNSHIP OF BUENA VISTA**

**PART II**

**GENERAL COMMENTS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2009**



# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538

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

To the Honorable Mayor and  
Members of the Township Committee  
Township of Buena Vista  
County of Atlantic, New Jersey

We have audited the financial statements – statutory basis of the Township of Buena Vista, State of New Jersey (the "Township"), as of and for the year ended December 31, 2009, and have issued our report thereon dated July 6, 2010. Our report disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying findings and recommendations, we identified certain deficiencies in internal control over financial reporting that we consider to be a material weakness and other deficiencies that we consider to be significant deficiencies.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying findings and responses to be material weaknesses. These findings are reported as 2009-3.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying findings and responses to be significant deficiencies. These findings are reported as 2009-1, 2009-2, 2009-3 and 2009-5.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters 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 which are described in the accompanying findings and responses as item 2009-4.

We noted certain other matters that we reported to the Township's management in a separate letter dated July 6, 2010.

The Township of Buena Vista's response to the findings identified in our audit are described in a separate corrective action plan. We did not audit the Township of Buena Vista's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Township Committee, others within the entity, and the Division as well as other federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS



Glen J. Ortman  
Certified Public Accountant  
Registered Municipal Accountant  
No. 427

July 6, 2010

**TOWNSHIP OF BUENA VISTA**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDING DECEMBER 31, 2009**

**I. SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: **Unqualified Opinion issued on the Financial Statements – Statutory Basis, presented in accordance with an “Other Comprehensive Basis of Accounting” dated July 6, 2010.**

Internal control over financial reporting:

- |   |            |
|---|------------|
| 1) Material Weakness identified?  | <b>YES</b> |
| 2) Significant deficiencies identified that are not considered to be a Material Weakness? | <b>YES</b> |

Non-Compliance material to Financial Statements – Statutory Basis noted? **YES**

**II. FINDINGS RELATING TO THE FINANCIAL STATEMENTS – STATUTORY BASIS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS**

In accordance with Government Auditing Standards, our audit disclosed findings relating to the financial statements – statutory basis that are required to be reported. See separate findings and recommendations section of this report (Finding #2009-1, 2009-2, 2009-3, 2009-4 and 2009-5). We also noted certain other findings that are reported to the governing body in the Management Letter.

**MANAGEMENT RESPONSES**

Management is required to respond to findings and recommendations in the audit report. A corrective action plan is required to be filed with the Division of Local Government Services, Department of Community Affairs, State of New Jersey within 45 days of the filing of this report.

## TOWNSHIP OF BUENA VISTA

### GENERAL COMMENTS

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

N.J.S.A. 40A:11-4 states, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law." As of July 1, 2005, the bid threshold was \$21,000.

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

Our examination of expenditures did not reveal any payments in excess of the bid threshold for the provision or performance of any goods or services, other than those where bids had been previously sought by public advertisement, awarded under state or county cooperative purchasing agreements, or awarded in compliance with other provisions of the "Local Public Contracts Law," N.J.S.A. 40A:11.

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

2009 Road Program  
Reconstruction of Cains Mill Road  
Mobile Column Lift for Public Works Department

#### **Collection of Interest on Delinquent Taxes and Assessments**

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

The governing body on January 5, 2009 passed the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, R.S. 54:4-67 authorizes and permits a municipality to set penalties and rates of interest to be charged for non-payment of delinquent taxes and other municipal liens and charges; and,

WHEREAS, it has been determined by the governing body that the fixing of such interest rates and penalties would be beneficial to the municipality;

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Township of Buena Vista, County of Atlantic, and State of New Jersey, that it does hereby fix the maximum allowed under R.S. 54:4-67 to be charged against all properties who become delinquent as defined under R.S. 54:4-66 and 67.

BE IT FURTHER RESOLVED, that the charges on account of delinquent properties as set forth herein remain in effect from year to year until such time as the governing body adopts a new resolution setting forth new or different rates.

It appears from an examination of the Collector's records that interest was charged in accordance with the foregoing resolution.

**TOWNSHIP OF BUENA VISTA**

**GENERAL COMMENTS (CONTINUED)**

**Delinquent Taxes and Tax Title Liens**

The last tax sale was held on December 17, 2009 and was complete.

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

The following comparison is made of the number of tax title liens receivable on December 31<sup>st</sup> of the last three years:

<u>Year</u>	<u>Number</u>
2009	181
2008	118
2007	113

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

**Verification of Delinquent Taxes and Other Charges**

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

<u>Type</u>	<u>Number Mailed</u>
Payments of 2009 and 2010 Taxes	25
Delinquent Taxes	-
Tax Title Liens	25
Total	<u>50</u>

**Deposit of Municipal Funds**

N.J.S.A. 40A:5-15 states:

“All moneys, including moneys collected by taxation, received from any source by or on behalf of any local unit or any board or department thereof shall, within 48 hours after the receipt thereof, either:

- a. be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the local unit in its designated legal depository, or
- b. be deposited to the credit of the local unit in its designated legal depository.”

Our examination revealed that municipal funds were deposited within the mandated time.

## TOWNSHIP OF BUENA VISTA

### FINDINGS AND RECOMMENDATIONS

#### **\*\*Finding #2009-1:**

Our audit of Fire Code Inspection Fees, found that the Application forms used are not pre-numbered. No detailed cash receipt journal is kept by the employee who collects the fees and there is no support for the deposits.

#### **Criteria:**

In order to strengthen internal controls, the Fire Code Application forms should be pre-numbered and a detailed receipt journal should be kept by the employee receiving the fees.

#### **Condition:**

The fees are collected by the Planning and Zoning Office, who then turns the money over to the Finance office for deposit. The application forms are then given to the Fire Code Inspector.

#### **Cause:**

The forms that are being used are not pre-numbered and the Planning and Zoning Office was not instructed to record the receipts in a cash receipts journal.

#### **Effect:**

Internal controls would be improved by using pre-numbered forms and maintaining a cash receipts journal. The forms are being pre-numbered in 2010.

#### **Recommendation:**

That a detailed cash receipts journal be kept and support for the deposits for the Fire Code Inspection Fees, and that the application forms be pre-numbered.

#### **Finding #2009-2:**

Our audit of Planning and Zoning Board found that no detailed cash receipt journal is kept by the employee who collects the fees, there is little or no support for the deposits and no reconciliation is completed of the ending balance in the escrow bank account and the individual account ledger book.

#### **Criteria:**

In order to strengthen internal controls, a detailed receipt journal should be kept by the employee receiving the fees, support for deposits should be kept and reconciliations should be completed to agree the bank account balance to the individual account ledger.

#### **Condition:**

The fees are collected by the Planning and Zoning Office, who then turns the money over to the Finance office for deposit.

#### **Cause:**

The forms that are being used are not pre-numbered and the Planning and Zoning Office was not instructed to record the receipts in a cash receipts journal.

#### **Effect:**

Internal controls would be improved by maintaining a detailed cash receipts journal.

#### **Recommendation:**

That a detailed cash receipts journal and support for the deposits be kept for the Planning and Zoning Escrow Account and that reconciliations be completed to agree the bank account balance to the individual account ledger.

## TOWNSHIP OF BUENA VISTA

### FINDINGS AND RECOMMENDATIONS (CONTINUED)

#### **\*\*Finding #2009-3:**

The Township's general ledger is not being monitored properly by the Chief Financial Officer which resulted in a significant number of audit adjustments at year end.

#### **Criteria:**

The General Ledger is the official permanent record of the municipality which provides a summary of all financial transactions. State Technical Accounting Directives require that an accurate General Ledger be maintained.

#### **Condition:**

General Ledger accounts required adjustments by the auditor that were material to the financial statements.

#### **Cause:**

The Chief Financial Officer is not monitoring or reconciling General Ledger activity throughout the year.

#### **Effect:**

There is more than a remote likelihood of a material misstatement of the financial statements that will not be prevented or detected timely.

#### **Recommendation:**

That the general ledger be monitored properly by the Chief Financial Officer and that any adjustments, necessary to correctly reflect the financial transactions, be made, and that all funds be set up in the general ledger.

#### **\*\*Finding #2009-4:**

There were overexpenditures of current year appropriations.

#### **Criteria:**

Overexpenditures are a violation of N.J.S. 40A:4, The Local Budget Law.

#### **Cause:**

Balances were not properly monitored and, therefore, transfers were not made to avoid overexpenditures.

#### **Effect:**

The overexpenditures must be raised in subsequent budgets.

#### **Recommendation:**

That greater care be exercised to avoid overexpenditures of current year appropriations.

TOWNSHIP OF BUENA VISTA

FINDINGS AND RECOMMENDATIONS (CONTINUED)

**\*\*Finding #2009-5:**

There are significant interfund balances on the various fund balance sheets at year-end.

**Criteria:**

Interfunds are loans from one fund to another fund. Interfunds should be liquidated prior to year-end.

**Condition:**

Interfunds receivable may cause a deficit in fund balance.

**Cause:**

Interfund loans were not returned prior to year-end.

**Effect:**

Interfunds receivable balances require a reserve for receivables on the balance sheet. The reserve is created by reducing the fund balance.

**Recommendation:**

That all interfunds be liquidated prior to year-end.

**\*\* Denotes a similar recommendation was made in the prior year**

In accordance with OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and Division of Local Government Services Regulations, a corrective action plan must be prepared and filed by the Township in response to my recommendations.

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

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

  
Glen J. Ortman  
Certified Public Accountant  
Registered Municipal Accountant  
No. 427

July 6, 2010