

*TOWN OF DOVER*  
*COUNTY OF MORRIS*  
*REPORT OF AUDIT*  
*2011*

*NISIVOCIA LLP*  
*CERTIFIED PUBLIC ACCOUNTANTS*

TOWN OF DOVER  
COUNTY OF MORRIS  
REPORT OF AUDIT  
2011

TOWN OF DOVER  
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TOWN OF DOVER

PART I

FINANCIAL STATEMENTS

AND SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2011



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## Independent Auditors' Report

The Honorable Mayor and Members  
 of the Board of Aldermen  
 Town of Dover  
 Dover, New Jersey

We have audited the financial statements – regulatory basis of the various funds of the Town of Dover in the County of Morris (the "Town") as of and for the years ended December 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audits.

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

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

In our opinion, because the Town prepares its financial statements on the basis of accounting discussed in the third paragraph, the financial statements referred to in the first paragraph, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Town as of December 31, 2011 and 2010, and the results of its operations for the years then ended.

However, in our opinion, the financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position of the various funds of the Town of Dover at December 31, 2011 and 2010, and the results of operations and changes in fund balances, where applicable, of such funds thereof for the years then ended, in conformity with accounting principles prescribed by the Division, as described in Note 1.



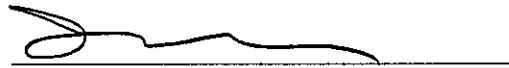
The Honorable Mayor and Members  
of the Board of Aldermen  
Town of Dover  
Page 2  
June 18, 2012

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2012 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the financial statements as a whole. The information included in the supplementary schedules listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedules of expenditures of federal and state awards are also presented for purposes of additional analysis and are required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* and are not a required part of the financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state grant awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole, on the basis of accounting described in Note I to the financial statements and Note B to the schedules of expenditures of federal and state awards.

Mount Arlington, New Jersey  
June 18, 2012

  
NISIVOCCIA LLP

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

TOWN OF DOVER  
COUNTY OF MORRIS  
2011  
CURRENT FUND

TOWN OF DOVER  
CURRENT FUND  
COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2011</u>	<u>2010</u>
<b>Regular Fund:</b>			
Cash and Cash Equivalents	A-4	\$ 2,954,300.47	\$ 2,932,887.18
Change Funds		615.00	615.00
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes	A-7	530,615.40	761,383.25
Tax Title Liens	A-8	232,805.24	209,761.06
Property Acquired for Taxes - Assessed Valuation		137,400.00	137,400.00
Revenue Accounts Receivable	A-9	32,718.05	29,642.65
Sewer Rents Receivable	A-10	42,829.33	54,378.77
Due from:			
Dover Housing Authority			3,454.74
Police Outside Services		26,581.83	45,417.55
Animal Control Fund	B	4,310.60	5,659.58
Tax Sale Premium	B	100,000.00	
Water Utility Operating Fund	D		70,643.71
Federal and State Grant Fund	A	15,506.52	
Total Receivables and Other Assets with Full Reserves		<u>1,122,766.97</u>	<u>1,317,741.31</u>
<b>Deferred Charges:</b>			
Special Emergency Authorization		191,000.00	132,000.00
Emergency Authorization		45,000.00	
		<u>236,000.00</u>	<u>132,000.00</u>
<b>Total Regular Fund</b>		<u>4,313,682.44</u>	<u>4,383,243.49</u>
<b>Federal and State Grant Fund:</b>			
Federal and State Grants Receivable	A-13	685,732.70	1,157,862.04
Due from Current Fund	A		148,889.67
<b>Total Federal and State Grant Fund</b>		<u>685,732.70</u>	<u>1,306,751.71</u>
<b><u>TOTAL ASSETS</u></b>		<u>\$ 4,999,415.14</u>	<u>\$ 5,689,995.20</u>

TOWN OF DOVER  
CURRENT FUND  
COMPARATIVE BALANCE SHEET  
(Continued)

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2011</u>	<u>2010</u>
Regular Fund:			
Appropriation Reserves:			
Unencumbered	A-3;A-11	\$ 631,018.87	\$ 700,983.10
Encumbered	A-3;A-11	103,211.66	140,794.60
Total Appropriation Reserves		<u>734,230.53</u>	<u>841,777.70</u>
County Taxes Payable		523.64	2,401.50
Local School Taxes Payable	A-12	982,827.19	962,828.68
Prepaid Taxes		135,262.50	114,915.41
Tax Overpayments		784.94	
Prepaid Sewer Rents		2,013.14	1,848.78
Accounts Payable		1,252.00	
Due to:			
Federal and State Grant Fund	A		148,889.67
Other Trust - Recycling Trust Fund	B	373.00	250.00
Water Utility Operating Fund	D	106.14	
Dover Housing Authority		4,666.50	
State of NJ - Marriage License Fees		1,985.00	1,690.00
State of NJ - Veterans' and Senior Citizens' Deductions		12,675.22	13,925.22
State of NJ - Building Fees		1,818.00	396.00
Reserve for:			
Maintenance of Free Public Library		26,162.57	29,544.87
Attorney Foreclosure Fees		318.13	318.13
Third Party Liens			59,249.79
Hurricane Irene		56,804.09	
Tropical Storm Lee		3,028.36	
Sale of Municipal Assets		36,355.35	4,855.35
Master Plan		4,144.56	4,144.56
Tax Maps and Revaluation		29,399.97	29,399.97
Tax Appeals		120,000.00	120,000.00
		<u>2,154,730.83</u>	<u>2,336,435.63</u>
Reserve for Receivables and Other Assets	A	1,122,766.97	1,317,741.31
Fund Balance	A-1	1,036,184.64	729,066.55
Total Regular Fund		<u>4,313,682.44</u>	<u>4,383,243.49</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-14	586,755.10	1,088,110.73
Unappropriated Reserves	A-15	3,366.26	37,215.41
Encumbrances Payable	A-14	37,782.25	181,425.57
Due General Capital Fund	C	42,322.57	
Due Current Fund	A	15,506.52	
Total Federal and State Grant Fund		<u>685,732.70</u>	<u>1,306,751.71</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 4,999,415.14</u>	<u>\$ 5,689,995.20</u>

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

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

	Year Ended December 31,	
	2011	2010
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 724,000.00	\$ 576,000.00
Miscellaneous Revenue Anticipated	5,833,445.04	6,395,277.21
Receipts from:		
Delinquent Taxes	614,189.95	810,301.06
Current Taxes	27,716,528.71	27,277,176.91
Nonbudget Revenue	402,366.42	104,004.68
Other Credits to Income:		
Cancellation of Appropriated Reserves - Federal and State Grant Fund	116,070.44	15,053.14
Unexpended Balance of Appropriation Reserves	470,372.56	344,699.42
 Total Income	 <u>35,876,973.12</u>	 <u>35,522,512.42</u>
 <u>Expenditures</u>		
Budget Appropriations:		
Municipal Purposes	18,470,106.70	18,280,101.36
County Taxes	3,493,131.74	3,510,849.43
Local School District Taxes	12,915,430.18	13,005,566.28
Interfunds and Other Receivables Advanced	21,223.37	58,770.54
Cancellation of Dover Housing Authority Receivable	4,082.04	
Cancellation of Federal and State Grant Funds Receivable	111,881.00	71,060.00
 Total Expenditures	 <u>35,015,855.03</u>	 <u>34,926,347.61</u>
 Excess in Revenue	 861,118.09	 596,164.81

TOWN OF DOVER  
CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE  
(Continued)

	<u>Ref.</u>	<u>Year Ended December 31,</u>	
		<u>2011</u>	<u>2010</u>
Adjustments to Income Before Fund Balance:			
Expenditures Included above Which are by Statute			
Deferred Charges to Budget of Succeeding Year:			
Special Emergency Authorization		\$ 125,000.00	
Emergency Authorization		45,000.00	
Statutory Excess to Fund Balance		1,031,118.09	\$ 596,164.81
<u>Fund Balance</u>			
Balance January 1		729,066.55	708,901.74
		1,760,184.64	1,305,066.55
Decreased by:			
Utilized as Anticipated Revenue		724,000.00	576,000.00
Balance December 31	A	\$ 1,036,184.64	\$ 729,066.55

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

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Fund Balance Anticipated	\$ 724,000.00		\$ 724,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	39,000.00		38,660.00	\$ 340.00 *
Other	43,000.00		42,180.00	820.00 *
Fees and Permits	143,000.00		188,478.21	45,478.21
Fines and Costs:				
Municipal Court	558,000.00		482,476.41	75,523.59 *
Interest and Costs on Taxes	277,000.00		135,502.85	141,497.15 *
Interest on Investments and Deposits	7,000.00		963.87	6,036.13 *
In Lieu of Taxes - Mill Pond Towers				
Senior Citizen Apartments	181,000.00		181,232.00	232.00
Sewer Rents	1,745,000.00		1,791,156.96	46,156.96
Fire Prevention Inspection Fees	45,000.00		45,329.50	329.50
Consolidated Municipal Property Tax Relief Aid	313,310.00		313,310.00	
Energy Receipts Taxes	951,312.00		951,312.00	
Uniform Construction Code Fees	100,000.00		182,380.00	82,380.00
Interlocal Services - Municipal Court & Fire	393,000.00		393,000.00	

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Miscellaneous Revenue (Cont'd):				
N.J. Transportation Trust Fund Authority Act	\$ 125,000.00		\$ 125,000.00	
Recycling Tonnage Grant	14,134.15	\$ 14,590.36	28,724.51	
Clean Communities Program	20,547.89		20,547.89	
Municipal Alliance on Alcoholism and Drug Abuse	30,661.00		30,661.00	
Small Cities Grant	210,000.00		210,000.00	
Reserve for Housing Rehabilitation	33,682.00		33,682.00	
Cooperative Housing Inspection Grant	3,479.00		3,479.00	
NJ Department of Transportation:				
2011- Safe Corridor		42,322.57	42,322.57	
Bulletproof Vest Partnership Grant		1,732.58	1,732.58	
NJ Department of Environmental Protection				
Community Forestry Plan - Green Communities		3,000.00	3,000.00	
Acadia Lodge No. 20 - Hurricane Irene Relief		500.00	500.00	
State Health Services Grant - H1N1	10,000.00		10,000.00	
Municipal Alliance Donation - Borough of Victory Gardens	1,000.00		1,000.00	
Utility Operating Surplus of Prior Year (Water Utility)	118,000.00		118,000.00	
Utility Operating Surplus of Prior Year (Parking Utility)	80,000.00		80,000.00	
Uniform Fire Safety Act	34,000.00		36,379.85	\$ 2,379.85
Cell Tower Rental	130,000.00		188,132.16	58,132.16
Cable TV Franchise Fee	117,000.00		154,301.68	37,301.68
	<hr/>	<hr/>	<hr/>	<hr/>
Total Miscellaneous Revenue	5,723,126.04	62,145.51	5,833,445.04	48,173.49
	<hr/>	<hr/>	<hr/>	<hr/>
Receipts from Delinquent Taxes	765,000.00		614,189.95	150,810.05 *
	<hr/>	<hr/>	<hr/>	<hr/>



TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	\$ 11,676,081.52		\$ 11,958,209.88	\$ 282,128.36
Minimum Library Tax	505,000.18		505,000.18	
Budget Totals	19,393,207.74	\$ 62,145.51	19,634,845.05	<u>\$ 179,491.80</u>
Nonbudget Revenue			402,366.42	
	<u>\$ 19,393,207.74</u>	<u>\$ 62,145.51</u>	<u>\$ 20,037,211.47</u>	

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Collection of Current Taxes	\$ 27,716,528.71
Allocated to:	
School and County Taxes	16,408,561.92
	11,307,966.79
Add: Appropriation "Reserve for Uncollected Taxes"	1,155,243.27
	\$ 12,463,210.06
Realized for Support of Municipal Budget	\$ 12,463,210.06
Receipts from Delinquent Taxes:	
Delinquent Taxes Receivable	\$ 614,189.95
	\$ 614,189.95

Analysis of Nonbudget Revenue

Miscellaneous Revenue Not Anticipated:

Treasurer:

Division of Motor Vehicles - Fines	\$ 11,244.00	
Flea Market Fee/Dover Marketplace	27,000.00	
Clerk Miscellaneous Revenue	3,657.64	
Insurance Settlement	80,000.00	
State of New Jersey - Prior Year FEMA	45,243.17	
Prudential Dividend	3,335.80	
Morris County Municipal Joint Insurance Fund Refund	139,242.00	
Senior Citizen and Veteran Deductions - Administrative Fee	1,700.00	
Other Receipts	86,493.21	
		\$ 397,915.82
Due from Animal Control Fund:		
Statutory Excess in Reserve for Animal Control		4,310.60
Tax Collector Miscellaneous Revenue		140.00
		\$ 402,366.42

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS":					
GENERAL GOVERNMENT:					
Mayor and Board of Aldermen:					
Salaries and Wages	\$ 50,990.00	\$ 50,990.00	\$ 50,990.00		
Other Expenses	28,392.00	28,392.00	27,139.45	\$ 1,252.55	
Administrative and Executive:					
Salaries and Wages	165,470.00	165,470.00	160,496.92	4,973.08	
Other Expenses	101,622.00	101,622.00	95,531.22	6,090.78	
Town Clerk:					
Salaries and Wages	116,806.00	116,806.00	116,464.43	341.57	
Other Expenses	20,995.00	20,995.00	13,780.00	7,215.00	
Financial Administration:					
Salaries and Wages	134,828.00	134,828.00	134,329.58	498.42	
Other Expenses	49,495.00	49,495.00	28,676.10	20,818.90	
Annual Audit	36,929.00	36,929.00	29,925.00	7,004.00	
Assessment of Taxes:					
Salaries and Wages	82,312.00	82,312.00	82,311.84	0.16	
Other Expenses	21,803.00	21,803.00	17,088.22	4,714.78	
Collection of Taxes:					
Salaries and Wages	56,000.00	56,000.00	55,999.84	0.16	
Other Expenses	9,735.00	9,735.00	8,855.12	879.88	
Legal Services and Costs:					
Legal Fees	104,975.00	104,975.00	83,713.71	21,261.29	
Municipal Prosecutor:					
Salaries and Wages	91,000.00	91,000.00	83,999.96	7,000.04	

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
GENERAL GOVERNMENT (Continued):					
Engineering Services and Costs:					
Salaries and Wages	\$ 145,407.00	\$ 145,407.00	\$ 141,220.69	\$ 4,186.31	
Other Expenses	30,497.00	30,497.00	15,872.47	14,624.53	
Municipal Land Use Law (N.J.S.A.40:55D-1):					
Planning Board:					
Salaries and Wages	5,930.00	5,930.00	5,930.00		
Other Expenses	5,980.00	5,980.00	2,022.81	3,957.19	
Board of Adjustment:					
Salaries and Wages	5,930.00	5,930.00	5,930.00		
Other Expenses	4,859.00	4,859.00	2,226.30	2,632.70	
Insurance:					
General Liability	200,000.00	200,000.00	170,988.08	29,011.92	
Workers Compensation	215,926.00	215,926.00	215,925.10	0.90	
Employee Group Health	2,951,844.00	2,887,244.00	2,831,893.56	55,350.44	
Code Enforcement:					
Salaries and Wages	298,726.00	298,726.00	285,360.91	13,365.09	
Other Expenses	6,413.00	6,413.00	5,258.29	1,154.71	
PUBLIC SAFETY:					
Police:					
Salaries and Wages	3,720,778.00	3,785,378.00	3,777,865.25	7,512.75	
Other Expenses	153,250.00	153,250.00	106,823.43	46,426.57	
Shared Services Dispatching:					
Other Expenses	137,210.00	137,210.00	123,257.00	13,953.00	
Office of Emergency Management:					
Salaries and Wages	1,165.00	1,165.00	1,165.00		
Other Expenses	2,375.00	2,375.00	1,220.01	1,154.99	
Public Defender:					
Other Expenses	38,500.00	38,500.00	34,203.00	4,297.00	

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
<b>PUBLIC SAFETY:</b>					
Uniform Fire Safety Act (P.L. 1983,Ch. 383):					
Salaries and Wages	\$ 98,078.00	\$ 98,078.00	\$ 96,929.32	\$ 1,148.68	
Other Expenses	6,888.00	6,888.00	5,888.53	999.47	
Fire:					
Salaries and Wages	373,819.00	373,819.00	322,818.69	51,000.31	
Other Expenses	71,113.00	71,113.00	69,132.85	1,980.15	
Municipal Court:					
Salaries & Wages	119,735.00	119,735.00	102,775.29	16,959.71	
Other Expenses	60,755.00	60,755.00	55,362.75	5,392.25	
<b>HEALTH &amp; WELFARE:</b>					
Board of Health:					
Salaries and Wages	113,786.00	113,786.00	113,017.90	768.10	
Other Expenses	105,820.00	105,820.00	92,805.66	13,014.34	
Other Expenses Shared Services	34,330.00	34,330.00	34,330.00		
Solid Waste and Recycling:					
Salaries and Wages	57,029.00	57,029.00	52,048.04	4,980.96	
Other Expenses	1,130,420.00	1,130,420.00	1,028,578.41	101,841.59	
<b>RECREATION &amp; EDUCATION:</b>					
Shade Trees:					
Salaries and Wages	1,646.00	1,646.00	1,646.00		
Other Expenses	21,684.00	21,684.00	17,065.00	4,619.00	
Senior Citizens Transportation:					
Salaries and Wages	36,599.00	36,599.00	34,741.94	1,857.06	
Other Expenses	9,880.00	9,880.00	8,218.76	1,661.24	

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
RECREATION & EDUCATION:					
Recreation Department:					
Salaries and Wages	\$ 50,672.00	\$ 50,672.00	\$ 50,671.96	\$ 0.04	
Other Expenses	26,434.00	26,434.00	15,854.76	10,579.24	
Historic Preservation:					
Salaries and Wages	5,643.00	5,643.00	5,643.00		
Other Expenses	5,890.00	5,890.00	1,572.64	4,317.36	
STREETS & ROADS:					
Division of Streets and Roads:					
Salaries and Wages	645,916.00	645,916.00	627,544.21	18,371.79	
Other Expenses (Emergency \$170,000.00 )	96,500.00	266,500.00	248,430.33	18,069.67	
Division of Sewer Maintenance:					
Salaries and Wages	200,467.00	200,467.00	191,423.34	9,043.66	
Other Expenses	7,268.00	7,268.00	4,495.64	2,772.36	
Buildings and Grounds Maintenance Division:					
Salaries and Wages	69,473.00	69,473.00	69,436.90	36.10	
Other Expenses	45,838.00	45,838.00	37,465.96	8,372.04	
Snow and Ice Removal:					
Salaries and Wages	36,500.00	36,500.00	28,271.04	8,228.96	
Other Expenses	100,000.00	100,000.00	73,340.56	26,659.44	
State Uniform Construction Code:					
Salaries and Wages	123,105.00	123,105.00	119,675.47	3,429.53	
Other Expenses	6,137.00	6,137.00	5,696.78	440.22	
Unclassified:					
Utility Expenses & Bulk Purchases	482,000.00	482,000.00	476,775.58	5,224.42	

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Total Operations Within "CAPS"	\$ 13,139,567.00	\$ 13,309,567.00	\$ 12,708,120.60	\$ 601,446.40	
Total Operations Including Contingent Within "CAPS"	13,139,567.00	13,309,567.00	12,708,120.60	601,446.40	
Detail:					
Salaries and Wages	6,807,810.00	6,781,410.00	6,634,707.56	146,702.44	
Other Expenses	6,331,757.00	6,528,157.00	6,073,413.04	454,743.96	
Deferred Charges and Statutory Expenditures - Municipal within "CAPS":					
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	330,957.00	330,957.00	330,957.00		
Social Security System (O.A.S.I.)	330,253.00	330,253.00	313,311.14	16,941.86	
Consolidated Police and Firemen's Pension Fund	9,960.00	9,960.00	9,959.64	0.36	
Police and Fireman's Retirement System of New Jersey	1,004,597.00	1,004,597.00	1,004,597.00		
Defined Contribution Retirement Program	3,000.00	3,000.00	2,554.32	445.68	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	1,678,767.00	1,678,767.00	1,661,379.10	17,387.90	
Total General Appropriations for Municipal Purposes Within "CAPS"	14,818,334.00	14,988,334.00	14,369,499.70	618,834.30	

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations Excluded from "CAPS":					
Rockaway Valley Regional Sewerage Authority Contribution	\$ 867,696.00	\$ 867,696.00	\$ 867,696.00		
Maintenance of Free Public Library (Ch. 82 and 541, P.L. 1985)	505,000.18	505,000.18	492,815.61	\$ 12,184.57	
Employee Group Health	42,518.00	42,518.00	42,518.00		
Interlocal Municipal Service Agreements	393,000.00	393,000.00	393,000.00		
Public and Private Programs Offset by Revenue:					
Clean Communities Program	20,547.89	20,547.89	20,547.89		
Small Cities Grants	210,000.00	210,000.00	210,000.00		
Recycling Tonnage Grant (N.J.S.A. 40A:4-87 +\$14,590.36)	14,134.15	28,724.51	28,724.51		
Cooperative Housing Inspection Grant	3,479.00	3,479.00	3,479.00		
Bulletproof Vest Grant (N.J.S.A. 40A:4-87 +\$1,732.58)		1,732.58	1,732.58		
NJ DOT Safe Corridors (N.J.S.A. 40A:4-87 +\$42,322.57)		42,322.57	42,322.57		
Green Communities Grant (N.J.S.A. 40A:4-87 +\$3,000.00)		3,000.00	3,000.00		
Hurricane Irene - Acadia Lodge Grant (N.J.S.A. 40A:4-87 +\$500.00)		500.00	500.00		



TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS" (Continued):					
Public and Private Programs Offset by					
Revenue (Continued):					
Municipal Alliance on Alcoholism and					
Drug Abuse:					
State Share	\$ 30,661.00	\$ 30,661.00	\$ 30,661.00		
Local Share	7,040.25	7,040.25	7,040.25		
Reserve for Housing Rehabilitation - 2011	33,682.00	33,682.00	33,682.00		
2011 State Health Services Grant- H1N1 Public					
Health Emergency Response	10,000.00	10,000.00	10,000.00		
<b>Total Operations Excluded from "CAPS"</b>	<b>2,137,758.47</b>	<b>2,199,903.98</b>	<b>2,187,719.41</b>	<b>\$ 12,184.57</b>	
Detail:					
Other Expenses	2,137,758.47	2,199,903.98	2,187,719.41	12,184.57	
Capital Improvements - Excluded from "CAPS":					
New Jersey Transportation Trust Fund					
Authority Act	125,000.00	125,000.00	125,000.00		
<b>Total Capital Improvements - Excluded</b>	<b>125,000.00</b>	<b>125,000.00</b>	<b>125,000.00</b>		
<b>from "CAPS"</b>					

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Municipal Debt Service Excluded from "CAPS":					
Payment of Bond Principal	\$ 775,000.00	\$ 775,000.00	\$ 775,000.00		
Interest on Bonds	130,519.00	130,519.00	130,517.50		\$ 1.50
Capital Lease:					
Principal	57,447.00	57,447.00	57,446.10		0.90
Interest	2,906.00	2,906.00	2,905.20		0.80
Total Municipal Debt Service - Excluded from "CAPS"	965,872.00	965,872.00	965,868.80		3.20
Deferred Charges - Municipal - Excluded from "CAPS"					
Special Emergency Authorizations - 5 Years	66,000.00	66,000.00	66,000.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	66,000.00	66,000.00	66,000.00		
Judgments (N.J.S.A.40A:4-45.3cc)	125,000.00	125,000.00	124,999.92		0.08
Total General Appropriations Excluded from "CAPS"	3,419,630.47	3,481,775.98	3,469,588.13	\$ 12,184.57	3.28
Subtotal General Appropriations	18,237,964.47	18,470,109.98	17,839,087.83	631,018.87	3.28
Reserve for Uncollected Taxes	1,155,243.27	1,155,243.27	1,155,243.27		
Total General Appropriations	\$ 19,393,207.74	\$ 19,625,353.25	\$ 18,994,331.10	\$ 631,018.87	\$ 3.28

Ref.

A

TOWN OF DOVER  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	<u>Ref.</u>	<u>Budget After Modification</u>	<u>Analysis of Paid or Charged</u>
Adopted Budget		\$ 19,393,207.74	
Added by:			
N.J.S.A. 40A:4-87		62,145.51	
Special Emergency Authorization NJSA 40A:4-53		125,000.00	
Emergency Authorization		45,000.00	
		<u>\$ 19,625,353.25</u>	
Cash Disbursed			\$ 17,442,983.72
Reserve for Uncollected Taxes			1,155,243.27
Deferred Charges			66,000.00
Reserve for Hurricane Irene			125,000.00
Reserve for Tropical Storm Lee			45,000.00
Encumbrances	A		103,211.66
Transfer to Appropriated Grant Reserves:			
Federal and State Grants			509,649.55
Local Matching Funds			7,040.25
			<u>19,454,128.45</u>
Less: Appropriation Refunds			<u>459,797.35</u>
			<u>\$ 18,994,331.10</u>

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

TOWN OF DOVER

COUNTY OF MORRIS

2011

TRUST FUNDS

TOWN OF DOVER  
TRUST FUNDS  
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		2011	2010
<b><u>ASSETS</u></b>			
Animal Control Fund:			
Cash and Cash Equivalents	B-4	\$ 28,749.60	\$ 27,112.38
		<u>28,749.60</u>	<u>27,112.38</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	764,147.56	753,226.22
Due from Current Fund - Recycling Trust Fund	A	373.00	250.00
		<u>764,520.56</u>	<u>753,476.22</u>
<b><u>TOTAL ASSETS</u></b>		<b><u>\$ 793,270.16</u></b>	<b><u>\$ 780,588.60</u></b>
 <b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Animal Control Fund:			
Due to State of New Jersey		\$ 2.40	\$ 33.00
Due to Current Fund	A	4,310.60	5,659.58
Reserve for Animal Control Fund Expenditures	B-6	24,436.60	21,419.80
		<u>28,749.60</u>	<u>27,112.38</u>
Other Trust Funds:			
Due to Current Fund - Tax Sale Premiums	A	100,000.00	
Tax Sale Premiums		146,900.00	210,400.00
Reserve for:			
Other Deposits		330,938.27	340,222.74
Recycling Trust Fund		39,316.97	29,866.05
Forfeited Assets Deposits		52,002.80	51,118.94
Fire Penalty Fees		10,386.93	5,249.43
Recreation		45,652.62	54,208.60
Historical Preservation		4,800.00	3,750.00
Accumulated Absences		276.34	25,274.34
Unemployment Compensation		34,246.63	33,386.12
		<u>764,520.56</u>	<u>753,476.22</u>
<b><u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u></b>		<b><u>\$ 793,270.16</u></b>	<b><u>\$ 780,588.60</u></b>

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

TOWN OF DOVER  
ASSESSMENT TRUST FUND  
STATEMENT OF FUND BALANCE  
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

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

TOWN OF DOVER  
ASSESSMENT TRUST FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

ASSESSMENT TRUST FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWN OF DOVER

COUNTY OF MORRIS

2011

GENERAL CAPITAL FUND



TOWN OF DOVER  
GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		2011	2010
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 870,740.14	\$ 1,652,557.58
Due Federal and State Grant Fund	A	42,322.57	
Deferred Charges to Future Taxation:			
Funded		2,967,424.17	3,794,388.70
Unfunded	C-4	2,493,978.00	1,637,078.00
<u>TOTAL ASSETS</u>		<u>\$ 6,374,464.88</u>	<u>\$ 7,084,024.28</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-8	\$ 2,885,000.00	\$ 3,660,000.00
Bond Anticipation Notes	C-7	1,636,629.00	\$ 1,636,629.00
Morris County Improvement Authority Lease Payable	C-9	82,424.17	134,388.70
Improvement Authorizations:			
Funded	C-5	270,319.68	317,924.83
Unfunded	C-5	1,394,146.35	1,068,107.56
Capital Improvement Fund	C-6		40,655.20
Downpayments on Improvements	C-6A	792.20	5,237.00
Encumbrances Payable		98,962.77	217,588.90
Fund Balance	C-1	6,190.71	3,493.09
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 6,374,464.88</u>	<u>\$ 7,084,024.28</u>

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

TOWN OF DOVER  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 3,493.09
Increased by:		
Premium Received on Bond Anticipation Notes		<u>2,697.62</u>
Balance December 31, 2011	C	<u>\$ 6,190.71</u>

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

TOWN OF DOVER

COUNTY OF MORRIS

2011

WATER UTILITY FUND

TOWN OF DOVER  
WATER UTILITY FUND  
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		2011	2010
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	D-4	\$ 416,667.45	\$ 453,650.79
Collector's Change Fund		100.00	100.00
Due from Current Fund	A	106.14	
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable	D-6	56,710.01	53,293.94
Inventory	D-7	68,481.34	68,481.34
Total Receivables and Inventory with Full Reserves		<u>125,191.35</u>	<u>121,775.28</u>
Total Operating Fund		<u>542,064.94</u>	<u>575,526.07</u>
Capital Fund:			
Cash and Cash Equivalents	D-4	473,143.22	496,329.65
New Jersey Department of Transportation Receivable		106,734.07	124,851.76
New Jersey Infrastructure Trust Loan Receivable		554,875.00	607,500.00
Fixed Capital	D-8	7,565,463.15	7,422,377.31
Fixed Capital Authorized and Uncompleted	D-9	3,615,214.16	3,483,300.00
Total Capital Fund		<u>12,315,429.60</u>	<u>12,134,358.72</u>
<u>TOTAL ASSETS</u>		<u>\$ 12,857,494.54</u>	<u>\$ 12,709,884.79</u>

TOWN OF DOVER  
WATER UTILITY FUND  
COMPARATIVE BALANCE SHEET  
(Continued)

	Ref.	December 31,	
		2011	2010
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	D-3;D-10	\$ 192,372.57	\$ 213,520.89
Encumbered	D-3;D-10	21,028.95	76,727.97
Total Appropriation Reserves		<u>213,401.52</u>	<u>290,248.86</u>
Due to Current Fund	A		70,643.71
Prepaid Water Rents		1,488.97	2,154.42
Accrued Interest on Bonds		44,397.21	48,039.50
		<u>259,287.70</u>	<u>411,086.49</u>
Reserve for Receivables and Inventory	D	125,191.35	121,775.28
Fund Balance	D-1	157,585.89	42,664.30
Total Operating Fund		<u>542,064.94</u>	<u>575,526.07</u>
Capital Fund:			
Serial Bonds Payable	D-14	2,685,575.00	2,900,575.00
Loans Payable	D-16	563,728.83	591,991.53
Improvement Authorizations:			
Funded	D-11	1,034,372.20	1,069,728.77
Unfunded	D-11	339,320.11	129,271.26
Capital Improvement Fund	D-12	6,773.48	10,523.48
Encumbrances Payable		25,400.00	29,021.40
Reserve for:			
Receivables		106,734.07	124,851.76
Amortization		7,396,088.03	7,181,088.03
Deferred Amortization	D-13	157,437.10	97,306.71
Fund Balance	D-1A	0.78	0.78
Total Capital Fund		<u>12,315,429.60</u>	<u>12,134,358.72</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 12,857,494.54</u>	<u>\$ 12,709,884.79</u>

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

TOWN OF DOVER  
WATER UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

	<u>Ref.</u>	<u>Year Ended December 31,</u>	
		<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 40,000.00	\$ 202,000.00
Rents		2,486,871.78	2,230,101.32
Miscellaneous Revenue Anticipated		8,694.90	14,076.36
Capital Fund Balance			8,443.00
Other Credits to Income:			
Appropriation Reserves Lapsed		100,251.79	21,088.37
Total Income		<u>2,635,818.47</u>	<u>2,475,709.05</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		1,849,111.00	1,748,453.00
Capital Improvement Fund		10,000.00	10,000.00
Debt Service		380,467.88	353,743.47
Deferred Charges and Statutory Expenditures		123,318.00	121,545.00
Surplus - General Budget		118,000.00	200,000.00
Total Expenditures		<u>2,480,896.88</u>	<u>2,433,741.47</u>
Excess in Revenue		154,921.59	41,967.58
<u>Fund Balance</u>			
Balance January 1	D	42,664.30	202,696.72
		197,585.89	244,664.30
Decreased by:			
Utilized as Anticipated Revenue		40,000.00	202,000.00
Balance December 31	D	<u>\$ 157,585.89</u>	<u>\$ 42,664.30</u>

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

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 0.78</u>
Balance December 31, 2011	D	<u>\$ 0.78</u>

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

TOWN OF DOVER  
WATER UTILITY OPERATING FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Fund Balance Anticipated	\$ 40,000.00	\$ 40,000.00	
Water Rents	2,230,000.00	2,289,973.78	\$ 59,973.78
Miscellaneous Revenue	14,000.00	8,694.90	5,305.10 *
Additional Water Rents	196,898.00	196,898.00	
	<u>\$ 2,480,898.00</u>	<u>\$ 2,535,566.68</u>	<u>\$ 54,668.68</u>

Analysis of Water Rents Revenue:

Cash Received	\$ 2,484,611.22
Collected In Current Fund	106.14
Prepaid Rents Applied	2,154.42
	<u>\$ 2,486,871.78</u>

Analysis of Miscellaneous Revenue:

Water Collector:	
Copy Fees	\$ 669.00
Miscellaneous	4,309.00
	<u>4,978.00</u>
Treasurer:	
Interest on Investments	74.61
Miscellaneous Receipts	3,642.29
	<u>\$ 8,694.90</u>

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



TOWN OF DOVER  
WATER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 648,134.00	\$ 648,134.00	\$ 584,235.09	\$ 63,898.91	
Other Expenses	1,200,977.00	1,200,977.00	1,076,082.56	124,894.44	
Capital Improvements:					
Capital Improvement Fund	10,000.00	10,000.00	10,000.00		
Debt Service:					
Payment of Bond Principal	215,000.00	215,000.00	215,000.00		
Interest on Bonds	128,931.00	128,931.00	128,930.18		\$ 0.82
NJEIT Principal and Interest	36,538.00	36,538.00	36,537.70		0.30
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	74,818.00	74,818.00	74,818.00		
Social Security System (O.A.S.I.)	43,700.00	43,700.00	40,120.78	3,579.22	
Unemployment Compensation Insurance	1,600.00	1,600.00	1,600.00		
State Disability Insurance	3,200.00	3,200.00	3,200.00		
Surplus - General Budget	118,000.00	118,000.00	118,000.00		
	<u>\$ 2,480,898.00</u>	<u>\$ 2,480,898.00</u>	<u>\$ 2,288,524.31</u>	<u>\$ 192,372.57</u>	<u>\$ 1.12</u>
				D	
Cash Disbursed			\$ 2,161,065.56		
Encumbrances			21,028.95		
Accrued Interest on Bonds			128,930.18		
			<u>2,311,024.69</u>		
Less: Appropriation Refunds			<u>22,500.38</u>		
			<u>\$ 2,288,524.31</u>		

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

TOWN OF DOVER

COUNTY OF MORRIS

2011

PARKING UTILITY FUND

TOWN OF DOVER  
PARKING UTILITY FUND  
COMPARATIVE BALANCE SHEET

	Ref.	December 31,	
		2011	2010
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	E-4	\$ 158,689.18	\$ 108,253.01
Collector's Change Fund		250.00	250.00
Total Operating Fund		<u>158,939.18</u>	<u>108,503.01</u>
Capital Fund:			
Cash and Cash Equivalents	E-4	181,551.23	43,321.75
Fixed Capital	E-6	610,815.40	610,815.40
Fixed Capital Authorized and Uncompleted	E-7	910,614.00	417,028.00
Total Capital Fund		<u>1,702,980.63</u>	<u>1,071,165.15</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,861,919.81</u>	<u>\$ 1,179,668.16</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	E-3;E-8	\$ 31,508.66	\$ 24,507.19
Encumbered	E-3;E-8	8,955.30	1,272.64
Total Appropriation Reserves		<u>40,463.96</u>	<u>25,779.83</u>
Prepaid Parking Decals			730.00
		<u>40,463.96</u>	<u>26,509.83</u>
Fund Balance	E-1	118,475.22	81,993.18
Total Operating Fund		<u>158,939.18</u>	<u>108,503.01</u>
Capital Fund:			
Bond Anticipation Notes	E-12	821,020.00	352,114.00
Improvement Authorizations:			
Funded	E-9	315.44	315.44
Unfunded	E-9	155,872.18	3,543.08
Capital Improvement Fund	E-10	24,783.23	39,463.23
Reserves For:			
Amortization		610,815.40	610,815.40
Deferred Amortization	E-11	89,594.00	64,914.00
Fund Balance	E-1A	580.38	
Total Capital Fund		<u>1,702,980.63</u>	<u>1,071,165.15</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 1,861,919.81</u>	<u>\$ 1,179,668.16</u>

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

TOWN OF DOVER  
PARKING UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

	Ref.	Year Ended December 31,	
		2011	2010
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized			\$ 15,000.00
Revenue - Parking Meters		\$ 261,167.56	257,256.44
Miscellaneous		80,682.89	28,526.08
Other Credits to Income:			
Appropriation Reserves Lapsed		5,055.97	15,053.60
Total Income		<u>346,906.42</u>	<u>315,836.12</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		184,983.00	184,763.00
Capital Improvements		10,000.00	10,000.00
Interest on Notes		3,827.38	9,726.47
Statutory Expenditures		31,614.00	33,749.00
Total Expenditures		<u>230,424.38</u>	<u>238,238.47</u>
Excess in Revenue		116,482.04	77,597.65
<u>Fund Balance</u>			
Balance January 1	E	81,993.18	99,395.53
		<u>198,475.22</u>	<u>176,993.18</u>
Decreased by:			
Utilized as Anticipated Revenue			15,000.00
Prior Year Fund Balance Anticipated as Current Fund Revenue		80,000.00	80,000.00
Balance December 31	E	<u>\$ 118,475.22</u>	<u>\$ 81,993.18</u>

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

TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE  
YEAR ENDED DECEMBER 31, 2011

Ref.

Increased By:

Premium on Sale of Bond Anticipation Notes		<u>\$ 580.38</u>
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Balance December 31, 2011	E	<u><u>\$ 580.38</u></u>
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THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER  
PARKING UTILITY OPERATING FUND  
STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Revenue - Parking Meters	\$ 205,436.00	\$ 261,167.56	\$ 55,731.56
Miscellaneous	25,000.00	80,682.89	55,682.89
	<u>\$ 230,436.00</u>	<u>\$ 341,850.45</u>	<u>\$ 111,414.45</u>

Analysis of Miscellaneous Revenue:

Collector:

Parking Permits - Decals	\$ 11,566.89	
Prior Year Prepaid Parking Decals Applied as Revenue		730.00
		<u>12,296.89</u>

Treasurer:

Parking Agreements	68,386.00	
		<u>68,386.00</u>
		<u>\$ 80,682.89</u>

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

TOWN OF DOVER  
PARKING UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

	Appropriations		Expended by		
	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
Operating:					
Salaries and Wages	\$ 92,125.00	\$ 92,125.00	\$ 78,984.36	\$ 13,140.64	
Other Expenses	92,858.00	92,858.00	75,627.63	17,230.37	
Capital Improvements:					
Capital Improvement Fund	10,000.00	10,000.00	10,000.00		
Debt Service:					
Interest on Notes	3,839.00	3,839.00	3,827.38		\$ 11.62
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	19,921.00	19,921.00	19,921.00		
Social Security System (O.A.S.I.)	6,300.00	6,300.00	5,162.35	1,137.65	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	400.00	400.00	400.00		
Liability Insurance	1,336.00	1,336.00	1,336.00		
Disability Insurance	540.00	540.00	540.00		
Workers Compensation Insurance	3,117.00	3,117.00	3,117.00		
	<u>\$ 230,436.00</u>	<u>\$ 230,436.00</u>	<u>\$ 198,915.72</u>	<u>\$ 31,508.66</u>	<u>\$ 11.62</u>
				E	
Cash Disbursed			\$ 189,960.42		
Encumbrances			<u>8,955.30</u>		
			<u>\$ 198,915.72</u>		

Ref.

E

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

TOWN OF DOVER

COUNTY OF MORRIS

2011

GENERAL FIXED ASSETS ACCOUNT GROUP



TOWN OF DOVER  
GENERAL FIXED ASSETS ACCOUNT GROUP  
COMPARATIVE BALANCE SHEET

<u>ASSETS</u>	December 31,	
	2011	2010
Land	\$ 4,105,200.00	\$ 4,105,200.00
Buildings	2,326,500.00	2,326,500.00
Machinery and Equipment	7,778,819.26	7,538,611.00
<u>TOTAL ASSETS</u>	\$ 14,210,519.26	\$ 13,970,311.00
<u>RESERVES</u>		
Reserve for General Fixed Assets	\$ 14,210,519.26	\$ 13,970,311.00
<u>TOTAL RESERVES</u>	\$ 14,210,519.26	\$ 13,970,311.00

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

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Town of Dover include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Town of Dover, as required by N.J.S. 40A:5-5.

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

B. Description of Funds

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

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

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

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

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned water utility.

Parking Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned parking utility.

General Fixed Asset Account Group - These accounts were established with estimated values of land, buildings and certain fixed assets of the Town as discussed in Note 1E.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

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

C. Basis of Accounting

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

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

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Grant revenue is realized in the Operating Funds when it is budgeted and in the Capital Funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

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

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

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

The cash basis of accounting is followed in the Trust and Capital Funds, except that encumbrances payable are recorded in the Capital Funds.

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

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
 (Continued)

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

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

E. Other significant accounting policies include:

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

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

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

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

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

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

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

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

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets, except for the Water Utility Operating Fund. The value of inventory is offset by a reserve.

General Fixed Assets Account Group - General fixed assets are recorded at historical value as estimated by the independent appraisal company which conducted an inventory of the Town's equipment during 2001 plus the cost of any additions since 2001 except for land (which is recorded at the 1987 assessed value) and buildings (which are recorded at historical cost). Infrastructure assets are not included in general fixed assets, as per state directive.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
 (Continued)

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

E. Other significant accounting policies include: (Cont'd)

General Fixed Assets Account Group (Cont'd) – Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current, General Capital, Water Utility and Parking Utility Funds. The values recorded in the General Fixed Assets Account Group and the Current, General Capital, Water Utility and Parking Utility Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Capital assets are reviewed for impairment.

Property and equipment purchased by the Utility Funds are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent replacement costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Utility Funds do not record depreciation on fixed assets.

Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current, Water Utility Operating and Parking Utility Operating Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Town during the year.

Note 2: Long-Term Debt

Summary of Municipal Debt

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

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

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

Summary of Municipal Debt (Cont'd)

	December 31,		
	2011	2010	2009
<u>Issued</u>			
General:			
Bonds and Notes	\$ 4,604,053.17	\$ 5,431,017.70	\$ 4,564,086.58
Water Utility:			
Bonds and Loans	3,249,303.83	3,492,566.53	3,100,575.00
Parking Utility:			
Bonds and Notes	821,020.00	352,114.00	352,114.00
Total Issued	<u>8,674,377.00</u>	<u>9,275,698.23</u>	<u>8,016,775.58</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	857,349.00	449.00	930,328.00
Water Utility:			
Bonds and Notes	377,848.35	766,926.69	766,926.69
Total Authorized but not Issued	<u>1,235,197.35</u>	<u>767,375.69</u>	<u>1,697,254.69</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 9,909,574.35</u>	<u>\$ 10,043,073.92</u>	<u>\$ 9,714,030.27</u>

Summary of Municipal Debt Issued and Outstanding

	Summary of Municipal Debt Issued and Outstanding - Current Year			
	Balance 12/31/2010	Additions	Retirements	Balance 12/31/2011
Serial Bonds Payable:				
General Capital Fund	\$ 3,660,000		\$ 775,000	\$ 2,885,000
Water Utility Fund	2,900,575		215,000	2,685,575
Lease Payable:				
General Capital Fund	134,389		51,965	82,424
Loan Payable:				
Water Utility Fund	591,992		28,263	563,729
Bond Anticipation Notes Payable:				
General Capital Fund	1,636,629	\$ 1,636,629	1,636,629	1,636,629
Parking Utility Fund	352,114	821,020	352,114	821,020
Total	<u>\$ 9,275,699</u>	<u>\$ 2,457,649</u>	<u>\$ 3,058,971</u>	<u>\$ 8,674,377</u>

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

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

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

Summary of Municipal Debt Issued and Outstanding - Prior Year				
	Balance 12/31/2009	Additions	Retirements	Balance 12/31/2010
Serial Bonds Payable:				
General Capital Fund	\$ 4,380,000		\$ 720,000	\$ 3,660,000
Water Utility Fund	3,100,575		200,000	2,900,575
Lease Payable:				
General Capital Fund	184,087		49,698	134,389
Loan Payable:				
Water Utility Fund		\$ 607,500	15,508	591,992
Bond Anticipation Notes Payable:				
General Capital Fund		1,636,629		1,636,629
Parking Utility Fund	352,114			352,114
Total	\$ 8,016,776	\$ 2,244,129	\$ 985,206	\$ 9,275,699

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .36%.

	Gross Debt	Deductions	Net Debt
Local School Debt	\$ 9,639,000.00	\$ 9,639,000.00	
Water Utility Debt	3,627,152.18	3,627,152.18	
Parking Utility Debt	821,020.00	821,020.00	
General Debt	5,461,402.17		\$ 5,461,402.17
	\$ 18,727,554.35	\$ 13,266,152.18	\$ 5,461,402.17

Net Debt \$5,461,402.17 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$1,510,219,030.33 = .36%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 52,857,666.06
Net Debt	5,461,402.17
Remaining Borrowing Power	\$ 47,396,263.89

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

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

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 2,535,566.68
Deductions:		
Operating and Maintenance Costs	\$ 1,972,429.00	
Debt Service	380,469.00	
Total Deductions	2,352,898.00	
Excess in Revenue		\$ 182,668.68

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 341,850.45
Deductions:		
Operating and Maintenance Costs	\$ 216,597.00	
Debt Service	3,827.38	
Total Deductions	220,424.38	
Excess in Revenue		\$ 121,426.07

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

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

The Town's debt issued and outstanding on December 31, 2011 is described as follows:

General Capital Serial Bonds

Purpose	Final Maturity Date	Interest Rate	Balance Outstanding Dec. 31, 2011
General Improvement	09/01/13	3.30% - 3.40%	\$ 1,170,000.00
General Improvement	10/15/19	3.75% - 4.00%	1,715,000.00
			\$ 2,885,000.00

Water Utility Capital Serial Bonds

Purpose	Final Maturity Date	Interest Rate	Balance Outstanding Dec. 31, 2011
Water Improvements	07/15/19	4.90%	\$ 741,575.00
Water Improvements	09/01/23	3.75% - 4.70%	1,944,000.00
			\$ 2,685,575.00



TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

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

The Town's debt issued and outstanding on December 31, 2011 is described as follows: (Cont'd)

<u>General Capital Lease Payable</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2011</u>
Emergency Medical Vehicle and Street Sweeper	01/11/13	4.51%	\$ 82,424.17
<u>Water Utility Capital Loan Payable</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2011</u>
Various Improvements to the Water Department	8/1/2029	3.00%-5.00%	\$ 563,728.83
<u>General Capital Bond Anticipation Notes Payable</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2011</u>
Various General Improvements	3/14/2012	2.00%	\$ 929,879.00
Various General Improvements	3/14/2012	2.00%	706,750.00
			<u>\$ 1,636,629.00</u>
<u>Parking Utility Bond Anticipation Notes Payable</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2011</u>
Various General Improvements	03/14/12	2.00%	\$ 352,114.00
Various General Improvements	03/14/12	1.15%	468,906.00
			<u>\$ 821,020.00</u>
<b>TOTAL DEBT ISSUED AND OUTSTANDING</b>			<u><u>\$ 8,674,377.00</u></u>

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

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

Morris County Improvement Authority Lease Payable

On May 30, 2007, the Town of Dover entered into a lease agreement with the Morris County Improvement Authority in the amount of \$341,568.35. The lease was to fund existing ordinances in the amount of \$434,242, for the purchase of a street sweeper and an EMS vehicle. Principal payments to the Improvement Authority commenced December 21, 2006 and will continue on a semiannual basis over 7 years.

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

Calendar Year	General		Total
	Principal	Interest	
2012	839,334.55	108,266.54	947,601.09
2013	833,089.62	78,938.42	912,028.04
2014	210,000.00	50,200.00	260,200.00
2015	210,000.00	42,325.00	252,325.00
2016	220,000.00	34,450.00	254,450.00
2017-2019	655,000.00	52,200.00	707,200.00
	<u>\$ 2,967,424.17</u>	<u>\$ 366,379.96</u>	<u>\$ 3,333,804.13</u>

Calendar Year	Water Utility		Total
	Principal	Interest	
2012	243,262.70	125,665.18	368,927.88
2013	243,262.70	116,050.18	359,312.88
2014	253,262.70	106,435.18	359,697.88
2015	268,262.70	96,375.18	364,637.88
2016	268,262.70	85,525.18	353,787.88
2017-2021	1,287,888.50	265,651.54	1,553,540.04
2022-2026	585,313.50	41,056.00	626,369.50
2027-2029	99,788.33	2,400.00	102,188.33
	<u>\$ 3,249,303.83</u>	<u>\$ 839,158.44</u>	<u>\$ 4,088,462.27</u>

Note 3: Fund Balances Appropriated

Fund balance at December 31, 2011, which is appropriated and included in the introduced budget as anticipated revenue in the Current Fund for the year ending December 31, 2012, is \$724,000.00. There was no fund balance appropriated in either the Water Utility Fund or the Parking Utility Fund.

Note 4: Local School District Taxes

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

The Town of Dover has elected not to defer school taxes.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 5: Pension Plans

Current Town employees are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS) of New Jersey or the Defined Contribution Retirement Program (DCRP). The State of New Jersey sponsors and administers the PERS and the PFRS which cover substantially all Town employees. As a general rule, all full-time employees are eligible to join the PERS or the PFRS. However, if an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. Several retired Town police and firemen are enrolled in the Consolidated Police and Firemen's Pension Fund (CPFPPF) of New Jersey.

Employees who are members of PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of creditable service. Vesting occurs after 8 to 10 years of service. Enrolled PFRS members may retire at age 55 with a minimum of 10 years of service required for vesting. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

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

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Effective with the first payroll to be paid on or after October 1, 2011, the employee contributions for PERS went from 5.5% to 6.50% while employee contributions for PFRS increased to 10.00% from 8.50% of employees' annual compensation, as defined. There are no active members in the CPFPPF. Employers are required to contribute at an actuarially determined rate in the PERS, PFRS and CPFPPF. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits for PERS and PFRS. Employee contributions remained at 5.5% for DCRP. 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. Employee contributions for DCRP are matched by a 3% employer contribution.

Town contributions to PERS amounted to \$425,696.00, \$338,288.00 and \$312,750.00 for 2011, 2010 and 2009 respectively.

Town contributions for PFRS amounted to \$1,004,597.00, \$835,362.00 and \$784,538.00 for 2011, 2010 and 2009 respectively.

The employee and employer contributions for the DCRP for the year ended December 31, 2011, 2010 and 2009 were \$2,554.32, \$2,802.14 and \$7,000.00, respectively.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 6: Accrued Sick and Vacation Benefits

The Town has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$956,200.22. However, it is expected that the cost of such unpaid compensation would be included in the Town's budget operating expenditures in the year in which it is used. This amount is partially reserved in the Reserve for Accumulated Absences of \$276.34 on the Trust Funds balance sheet at December 31, 2011.

Note 7: Supplemental Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1.

A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

Comparative Schedule of Tax Rate Information

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Tax Rate</u>	\$ 1.88	\$ 1.84	\$ 1.80
<u>Apportionment of Tax Rate</u>			
Municipal	0.80	0.76	0.72
County	0.23	0.23	0.24
Local School	0.85	0.85	0.84
<u>Assessed Valuations</u>			
2011	<u>\$ 1,517,017,200.00</u>		
2010		<u>\$ 1,539,090,600.00</u>	
2009			<u>\$ 1,553,627,400.00</u>

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 7: Supplemental Tax Information (Cont'd)

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2011	\$ 28,600,057	\$ 27,716,529	96.91%
2010	28,307,753	27,277,177	96.35%
2009	28,118,019	27,194,016	96.71%

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

Note 8: Cash and Cash Equivalents

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

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

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

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

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

Deposits

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

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

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
 (Continued)

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

The market value of the collateral must equal 5% of the average daily balance of public funds; and

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

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

Investments

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund; or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in statute; and

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

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

- (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2011, cash and cash equivalents of the Town of Dover consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking Accounts</u>	<u>Totals</u>
Current	\$ 615.00	\$ 2,954,300.47	\$ 2,954,915.47
Animal Control		28,749.60	28,749.60
Other Trust		764,147.56	764,147.56
General Capital		870,740.14	870,740.14
Water Utility Operating	100.00	416,667.45	416,767.45
Water Utility Capital		473,143.22	473,143.22
Parking Utility Operating	250.00	158,689.18	158,939.18
Parking Utility Capital		181,551.23	181,551.23
	<u>\$ 965.00</u>	<u>\$ 5,847,988.85</u>	<u>\$ 5,848,953.85</u>

The carrying amount of the Town's cash and cash equivalents at year end was \$5,848,953.85 and the bank balance was \$6,279,631.34.

Note 9: Post-Retirement Medical/Dental Benefits

The Town of Dover provides post-retirement benefits, as follows, to Town employees who meet the following criteria:

Upon retirement, full time employees with twenty-five (25) years in the state Pension Plan at age fifty-five (55) or with twenty (20) years in the state Pension Plan at age sixty (60) will receive full hospitalization, medical and prescription benefits which will cover the retiring employees and their families.

Funding Policy

The Town is not required to nor does it contribute the annual required contribution (ARC) per N.J.S.A. 40A:4-1 et. seq. There is currently no provision under State statute for the Town to accrue funds, create a trust or issue debt to finance their other post employment benefit ("OPEB") liability.

Currently, there are no contribution requirements of plan members.

The Town's portion of post retirement benefits is funded on a pay-as-you-go basis from the Current Fund operating budget. As of December 31, 2011, there were 85 participants receiving retiree benefits, and 104 active participants of whom 4 are eligible to retire as of the valuation date. The average age of the active population is 47 and the average age of the retiree population is 68. Those hired on or after January 1, 2009 are not eligible for retiree benefits.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011

(Continued)

Note 9: Post-Retirement Medical/Dental Benefits (Cont'd)

The Town accounts for certain post-employment health care benefits provided in accordance with Government Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Employers that participate in *single-employer or agent multiple-employer defined benefit* OPEB plans (sole and agent employers) are required to measure and disclose an amount for annual OPEB cost on the accrual basis of accounting. Annual OPEB cost is equal to the employer's annual required contribution to the plan (ARC), with certain adjustments if the employer has a net OPEB obligation for past under- or over contributions.

The ARC is defined as the employer's required contributions for the year, calculated in accordance with certain parameters, and includes (a) the normal cost for the year and (b) a component for amortization of the total unfunded actuarial accrued liabilities (or funding excess) of the plan over a period not to exceed thirty years. If the methods and assumptions used in determining a plan's funding requirements meet the parameters, the same methods and assumptions are required for financial reporting by both a plan and its participating employer(s). However, if a plan's method of financing does not meet the parameters (for example, the plan is financed on a pay-as-you-go basis), the parameters nevertheless apply for financial reporting purposes.

The Town as a sole employer should recognize OPEB expense in an amount equal to annual OPEB cost. Net OPEB obligations, if any, should be displayed as liabilities (or assets) in the financial statements.

Plan Description

The provisions of Chapter 88, P.L. 1974, along with any Town approved ordinances and resolutions, provide the authority for the Town to offer the post-employment health care benefits as detailed below.

The Town provides medical, prescription drug and Medicare Part B reimbursement to retirees and their covered dependents. All active employees who retire from the Town and meet the eligibility criteria will receive these benefits. As of December 31, 2011, the valuation date, approximately 85 retirees and surviving spouses, and 104 active members meet the eligibility requirements put forth in P.L. 1992, c 126. The Town sponsors and participates in a single-employer defined benefit OPEB plan. The OPEB plan is administered by the Town and does not issue a stand-alone financial statement.

Employees are eligible to receive postretirement health benefits through the County health plan by meeting either of the following criteria:

- Retires after 25 years or more of service credit in a New Jersey State retirement system and with at least 15 years of service with the County of Morris, or
- Retires at age 62 or older with at least 15 years of service with the County of Morris

The County subsidizes 100% of the cost of coverage for current retirees meeting the requirements outlined above and future retirees who have at least 20 years of service as of 7/1/, the County Reimburses 100% of eligible retiree's Medicare Part B premiums.



TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 9: Post-Retirement Medical/Dental (Cont'd)

Annual OPEB Cost and Net OPEB Obligation

The Town's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer. The District has engaged an actuary to calculate the ARC and related information per the provisions of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial accrued liabilities over a period not to exceed 30 years, with an assumption that payroll increases by 4% per year.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include economic assumptions; benefit assumptions and demographic assumptions. Economic assumptions include the discount and health care cost trend rates. Benefit assumptions encompass the initial per capita costs rates for medical coverage. Finally, demographic assumptions include probabilities concerning retirement, mortality, termination without being eligible for benefits, disability, participation rates and coverage levels were based on those used to value the New Jersey State Health Benefits Program. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and included the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the 2009, 2010 and 2011 actuarial valuations, the projected unit credit cost method was used. Under this method, the present value of benefits is allocated uniformly over an employee's expected working lifetime.

The actuarial assumptions per the 2011 valuation include a 2.50% anticipated rate of return on investments. For medical benefits, the initial rate utilized is 9.0% or 8.0% (depending on medical plan) and decreases to a 5.0% long-term trend rate for all medical benefits after 10 years. For prescription drug benefits, the initial trend rate is 10.0%, decreasing to a 5.0% long-term trend rate after 10 years. For Medicare Part B reimbursements, the trend rate is 5.0%.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 9: Post-Retirement Medical/Dental (Cont'd)

Annual OPEB Cost per Actuarial Valuation

The following table shows the components of the Commission's annual OPEB cost for the year, the amount actually contribution to the plan and the Commission's obligation to the Plan at December 31, 2009, 2010 and 2011:

**Benefit Obligations and Normal Cost**

	Valuation December 31,		
	2009	2010	2011
Actuarial accrued liability (AAL)	N/A	N/A	\$ 51,500,916
Unfunded actuarial accrued liability (UAAL)	N/A	N/A	\$ 51,500,916
Normal cost at beginning of year	N/A	N/A	\$ 3,776,900
Amortization factor based on 30 years	N/A	N/A	\$ 3,161,721
Annual covered payroll	N/A	N/A	N/A
UAAL as a percentage of covered payroll	N/A	N/A	N/A

**Level Dollar Amortization**

Calculation of ARC under Entry Age Method

ARC normal cost with interest to end of year	N/A	N/A	\$ 1,349,627
(UAAL) over 30 years with interest at year end	N/A	N/A	3,161,721
Annual Required Contribution (ARC)			4,511,348
Interest on net OPEB obligation			-0-
Adjustment to ARC			-0-
Annual OPEB cost (expense)			4,511,348
Pay as you go benefits			-0-
Net OPEB expense at June 30,:			
2009, 2010 and 2011, respectively			4,511,348
Prior year	N/A	N/A	5,962,800
Net OPEB obligation June 30,:			
2009, 2010 and 2011, respectively	N/A	N/A	\$ 10,474,148
Unfunded actuarial accrued liability (December 31, 2009)			N/A
Unfunded actuarial accrued liability (December 31, 2010)			N/A
Projected unfunded actuarial accrued liability (December 31, 2011)			\$ 51,500,916

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 10: Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property, Liability and Workers' Compensation

The Town of Dover is a member of the Morris County Municipal Joint Insurance Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum.

The following coverages are offered by these funds to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) Liability Other Than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicle
- e.) Public Officials' Liability Coverage
- f.) Environmental Coverage

The Municipal Excess Liability Joint Insurance Fund also offers Public Officials' Liability Coverage.

Members of the Morris County Municipal Joint Insurance Fund are also members of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance for each of the coverages noted above, except for excess property coverage which is purchased by the Morris County Municipal Joint Insurance Fund from a commercial carrier.

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

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 10: Risk Management (Cont'd)

Selected, summarized financial information for the Morris County Municipal Joint Insurance Fund as of December 31, 2011 is as follows:

	Morris County Municipal Joint Insurance Fund
Total Assets	\$ 25,146,526
Net Assets	\$ 11,920,742
Total Revenue	\$ 17,214,724
Total Expenses	\$ 16,582,186
Change in Net Assets for the Year Ended December 31, 2011	\$ 632,538
Net Assets Distribution to Participating Members	\$ -

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

PERMA Risk Management Services  
9 Campus Drive, Suite 16  
Parsippany, NJ 07054  
(201) 881-7632

The Town of Dover is also a member of the North Jersey Municipal Employee Benefits Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain employee benefits for member municipalities in order to keep local property taxes at a minimum.

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

- a.) Medical
- b.) Prescription
- c.) Dental

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

This Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 10: Risk Management (Cont'd)

Selected, summarized financial information for the North Jersey Municipal Employee Benefits Fund as of December 31, 2011 is as follows:

	<u>North Jersey Municipal Employee Benefits Fund</u>
Total Assets	\$ 15,217,929
Total Net Assets	\$ 10,337,899
Total Revenue	\$ 38,454,252
Total Expenses	\$ 38,375,766
Change in Net Assets for the Year Ended December 31, 2011	\$ 78,486
Net Assets Distribution to Participating Members	\$ 1,200,000

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

PERMA Risk Management Services  
9 Campus Drive, Suite 16  
Parsippany, NJ 07054  
(201) 881-7632

New Jersey Unemployment Compensation Insurance

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

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

<u>Year</u>	<u>Town Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	\$ 5,727.61	\$ 12.39	\$ 34,070.95	\$ 38,950.44	\$ 34,246.63
2010	1,029.51	75.44	37,818.33	43,603.74	33,386.12
2009	940.00	128.56	18,811.06	25,580.69	38,066.58

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 11: Contingencies

The Town is periodically involved in several lawsuits arising in the normal course of business, including claims for disputes over contract awards. In the opinion of management, the ultimate outcome of these lawsuits will not have a material adverse effect on the Town's financial position as of December 31, 2011.

The city of Jersey City is currently a member of the Rockaway Valley Regional Sewerage Authority, as is the Town of Dover. Jersey City has filed a lawsuit to discontinue its membership to the Authority. If the lawsuit is successful and Jersey City is no longer a member, future contributions by the Town of Dover to the RVRSA could be materially impacted. The lawsuit is in its very early stages and the outcome cannot be predicted at this time.

The municipality has been advised that a number of tax appeals have been filed. Potential refunds on tax appeals could be as much as \$120,000. A reserve for pending tax appeals in the amount of \$120,000 has been recorded as a liability as of December 31, 2011.

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

Note 12: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2011:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current	\$ 119,817.12	\$ 479.14
Federal and State Grants		57,829.09
Animal Control Fund		4,310.60
Other Trust Funds	373.00	100,000.00
General Capital Fund	42,322.57	
Water Utility Operating Fund	106.14	
	<u>\$ 162,618.83</u>	<u>\$ 162,618.83</u>

There was interfund activity throughout the year in the Town of Dover. A majority of the interfund activity was the forwarding of funds from utilities and trusts to cover expenses in the Current Fund, which subsequently returned those advances prior to year end. Bank interest earned in General Capital Fund and Other Trust Funds were also turned over to the Current Fund prior to the end of the year. The interfund receivable between the Current Fund and the Federal and State Grant Fund is comprised of the excess of grant revenue received in Current Fund and due to the Grant Fund. The interfund between the Current Fund and the Water Utility Operating Fund, is comprised of funds being paid by the Current Fund on behalf of the Water Utility Operating Fund, which are due back at year end.

The interfund receivable in the Other Trust Fund is due to recycling trust receipts collected in the Current Fund.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 13: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011, the following deferred charge is shown on the balance sheet of the Current Fund:

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Required</u> <u>2012 Budget</u> <u>Appropriation</u>	<u>Balance Deferred</u> <u>to Succeeding</u> <u>Years' Budgets</u>
Current Fund:			
Special Emergency Authorization	\$ 66,000.00	\$ 66,000.00	
Special Emergency Authorization - Hurricane Irene	125,000.00	25,000.00	\$ 100,000.00
Emergency Authorization	45,000.00	45,000.00	
	<u>\$ 236,000.00</u>	<u>\$ 136,000.00</u>	<u>\$ 100,000.00</u>

The amounts appropriated in the 2012 budget will not be less than the amount required by statute.

Note 14: Economic Dependency

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

Note 15: Deferred Compensation

The Town offers its employees a choice of two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, which are administered by the entities noted below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are Nationwide Retirement Solution and Transamerica Life Insurance.

TOWN OF DOVER  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

Note 16: Fixed Assets

The following schedules are a summarization of general fixed assets for the years ended December 31, 2010 and 2011:

	Balance December 31, 2010	Additions	Deletions	Balance December 31, 2011
Land	\$ 4,105,200			\$ 4,105,200
Buildings	2,326,500			2,326,500
Machinery and Equipment	7,538,611	\$ 258,593	\$ 18,385	7,778,819
	<u>\$ 13,970,311</u>	<u>\$ 258,593</u>	<u>\$ 18,385</u>	<u>\$ 14,210,519</u>
	Balance December 31, 2009	Additions	Deletions	Balance December 31, 2010
Land	\$ 4,105,200			\$ 4,105,200
Buildings	2,326,500			2,326,500
Machinery and Equipment	7,513,970	\$ 35,259	\$ 10,618	7,538,611
	<u>\$ 13,945,670</u>	<u>\$ 35,259</u>	<u>\$ 10,618</u>	<u>\$ 13,970,311</u>



TOWN OF DOVER  
SUPPLEMENTARY DATA

TOWN OF DOVER  
OFFICIALS IN OFFICE AND SURETY BONDS  
YEAR ENDED DECEMBER 31, 2011

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
James P. Dodd	Mayor		
Paul Downs	Alderman		
Jack Delaney	Alderman		
Carolyn Blackman	Alderman		
Michael Picciallo	Alderman		
Frank Poolas	Alderman		
Dominic Timpani	Alderman		
Cindy Romaine	Alderman		
James Visioli	Alderman		
William Close	Administrator		
Margaret Verga	Town Clerk; Assessment Search Officer	\$ 1,000,000.00	MELJIF
Kelly N. Toohey	Chief Financial Officer; Treasurer	1,000,000.00	MELJIF
Andrea Coroneos	Tax Collector	1,000,000.00	MELJIF
Maria Acuria	Principal Water Cashier	(A)	
Arnold Miniman	Magistrate	(A)	
Sonia Barria	Court Administrator	(A)	
David Pennella	Town Attorney		
Luis Acevedo	Water Superintendent DPW Director	(A)	
Andrew Dujack	Water President/Water Commissioner	(A)	
Aldo Cicchetti	Water Commissioner	(A)	

(A) There is a Faithful Performance Blanket Position Bond for \$50,000 with MCMJIF and \$950,000 with MELJIF for employees not separately bonded and \$1,000,000 with MELJIF for those separately bonded.

All bonds were examined and were properly executed.

TOWNSHIP OF DOVER  
REQUIRED SUPPLEMENTARY INFORMATION  
POST RETIREMENT BENEFITS - SCHEDULE OF FUNDING PROGRESS

<u>Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2011	12/11	-0-	\$ 51,500,916	\$ 51,500,916	0.00%	N/A	N/A

N/A - Not available

TOWN OF DOVER

COUNTY OF MORRIS

2011

CURRENT FUND

TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 2,932,887.18
Increased by Receipts:		
Tax Collector		\$ 28,729,896.52
Revenue Accounts Receivable		3,394,859.23
Sewer Rents Receivable		1,789,308.18
Prepaid Sewer Rents		2,013.14
Miscellaneous Revenue Not Anticipated		397,915.82
Interest on Investments and Deposits		963.87
Due to/from:		
State of N.J. - Veterans' and Senior Citizens' Deductions		85,000.00
Police Outside Services		474,040.86
Dover Housing Authority		53,023.68
Federal and State Grant Fund:		
Unappropriated Grant Reserves		70,606.74
Grant Funds Receivable		765,442.00
Animal Control Fund:		
Settlement of Prior Year Interfund		5,659.58
Recycling Trust Fund:		
Reserve for Recycling		7,078.00
Water Utility Operating Fund:		
Interfund Returned		70,643.71
Water Rents Collected		106.14
Budget Appropriation Refunds:		
2011 Budget		459,797.35
Due to State of N.J.:		
Marriage License Fees		4,010.00
Building Fees		15,883.00
Reserve for:		
Third Party Liens		134,716.41
Maintenance of Free Public Library		8,367.00
Sale of Municipal Assets		31,500.00
		36,500,831.23
		39,433,718.41

TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF CASH - TREASURER  
(Continued)

Ref.

Decreased by Disbursements:

2011 Budget Appropriations	\$ 17,442,983.72
2010 Appropriation Reserves	370,153.14
County Taxes	3,495,009.60
Local School District Taxes	12,895,431.67

Due to State of N.J.:

Marriage Licenses	3,715.00
Building Fees	14,461.00

Refunds:

Tax Overpayments	2,103.59
Third Party Liens	535,203.01

Due to/from:

Dover Housing Authority	48,984.48
Police Outside Services	455,205.14

Federal and State Grant Fund:

Appropriated Grant Reserves Expenditures	1,003,295.74
Other Trust - Tax Sale Premium	84,000.00

Recycling Trust Fund:

Recycling Trust Fees	6,955.00
----------------------	----------

Reserve for:

Hurricane Irene	68,195.91
Tropical Storm Lee	41,971.64
Maintenance of Free Public Library	11,749.30

\$ 36,479,417.94

Balance December 31, 2011

A

\$ 2,954,300.47

TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF CASH - COLLECTOR  
YEAR ENDED DECEMBER 31, 2011

Increased by Receipts:	
Taxes Receivable	\$ 28,129,553.25
2012 Prepaid Taxes	135,262.50
Tax Overpayments	2,888.53
Interest and Costs on Taxes	134,146.78
Year End Penalty	1,356.07
Tax Sale Premium	84,000.00
Third Party Liens Redeemed	241,236.81
Revenue Accounts Receivable	1,312.58
Miscellaneous Revenue	140.00
	<hr/>
	28,729,896.52
Decreased by:	
Payments to Treasurer	<u><u>\$ 28,729,896.52</u></u>

FEDERAL AND STATE GRANT FUND  
SCHEDULE OF CASH  
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWN OF DOVER  
CURRENT FUND  
TAX COLLECTOR - SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	2011 Levy	Collections		State of NJ Veterans' and Senior Citizens' Deductions	Cancelled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2010		2010	2011				Dec. 31, 2011
2007	\$ 3,659.30					\$ 3,655.43		\$ 3.87
2008	161.67					138.41		23.26
2009	26,329.35			\$ 22,899.12		3,096.93		333.30
2010	731,232.93			591,290.83		135,911.41		4,030.69
	761,383.25			614,189.95		142,802.18		4,391.12
2011		\$ 28,600,057.40	\$ 114,915.41	27,515,363.30	\$ 86,250.00	334,260.23	\$ 23,044.18	526,224.28
	\$ 761,383.25	\$ 28,600,057.40	\$ 114,915.41	\$ 28,129,553.25	\$ 86,250.00	\$ 477,062.41	\$ 23,044.18	\$ 530,615.40
Ref.	A							A

## Tax Yield:

General Property Tax	\$ 28,595,784.39
Added Taxes (54:4-63.1 et seq.)	4,273.01
	<u>\$ 28,600,057.40</u>

## Tax Levy:

Local School District Taxes	\$ 12,915,430.18
County Taxes	\$ 3,492,608.10
Due County for Added and Omitted Taxes	523.64
	<u>3,493,131.74</u>
	16,408,561.92
Local Tax for Municipal Purposes	11,676,081.52
Municipal Library Tax	505,000.18
Add: Additional Tax Levied	10,413.78
	<u>12,191,495.48</u>
	<u>\$ 28,600,057.40</u>



TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 209,761.06
Increased by:		
Transferred From Taxes Receivable		<u>23,044.18</u>
Balance December 31, 2011	A	<u>\$ 232,805.24</u>

TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance	Accrued In	Received		Balance
	Dec. 31, 2010	2011	Tax Collector	Treasurer	Dec. 31, 2011
Alcoholic Beverages Licenses		\$ 38,660.00		\$ 38,660.00	
Other Licenses		42,180.00		42,180.00	
Fees and Permits		188,478.21	\$ 1,312.58	187,165.63	
Municipal Court:					
Fines and Costs	\$ 29,642.65	485,551.81		482,476.41	\$ 32,718.05
Energy Receipts Taxes		951,312.00		951,312.00	
In Lieu of Taxes - Mill Pond Towers					
Senior Citizens Apartments		181,232.00		181,232.00	
Fire Prevention Inspection Fees		45,329.50		45,329.50	
Consolidated Municipal Property Tax					
Relief Aid		313,310.00		313,310.00	
Construction Code Official:					
Fees and Permits		182,380.00		182,380.00	
Municipal Alliance Donation -					
Borough of Victory Gardens		1,000.00		1,000.00	
Water Utility Operating Fund:					
Fund Balance Anticipated		118,000.00		118,000.00	
Parking Utility Operating Fund:					
Fund Balance Anticipated		80,000.00		80,000.00	
Interlocal Services -					
Municipal Court & Fire		393,000.00		393,000.00	
Cell Tower Rental		188,132.16		188,132.16	
Uniform Fire Safety Act		36,379.85		36,379.85	
Cable TV Franchise Fee		154,301.68		154,301.68	
	<u>\$ 29,642.65</u>	<u>\$ 3,399,247.21</u>	<u>\$ 1,312.58</u>	<u>\$ 3,394,859.23</u>	<u>\$ 32,718.05</u>

Ref.

A

A

TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF SEWER RENTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 54,378.77
Increased by:		
Sewer Rents Levied		<u>1,779,607.52</u>
		1,833,986.29
Decreased by:		
Sewer Collections	\$ 1,789,308.18	
Overpayments Applied	<u>1,848.78</u>	
		<u>1,791,156.96</u>
Balance December 31, 2011	A	<u>\$ 42,829.33</u>

TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF 2010 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010	Balance After Modification	Paid or Charged	Balance Lapsed
Mayor and Board of Aldermen:				
Salaries and Wages	\$ 0.58	\$ 0.58		\$ 0.58
Other Expenses	28,762.60	28,762.60	\$ 1,887.44	26,875.16
Administrative and Executive:				
Salaries and Wages	9,145.12	9,145.12		9,145.12
Other Expenses	25,027.77	25,027.77	14,991.06	10,036.71
Town Clerk:				
Salaries and Wages	5,259.33	5,259.33		5,259.33
Other Expenses	4,709.15	4,709.15	1,244.96	3,464.19
Financial Administration:				
Salaries and Wages	0.92	0.92		0.92
Other Expenses	5,100.46	5,100.46	4,248.25	852.21
Annual Audit	29,979.00	29,979.00	29,979.00	
Assessment of Taxes:				
Other Expenses	4,676.85	4,676.85	4,023.75	653.10
Collection of Taxes:				
Salaries and Wages	2,483.16	2,483.16		2,483.16
Other Expenses	2,235.19	2,235.19	2,235.19	
Legal Services and Costs:				
Legal Fees	7,614.16	22,614.16	17,297.61	5,316.55
Municipal Prosecutor:				
Other Expenses	11,019.24	11,019.24		11,019.24
Engineering Services and Costs:				
Salaries and Wages	242.57	242.57		242.57
Other Expenses	15,574.02	15,574.02	951.65	14,622.37
Municipal Land Use Law:				
Planning Board:				
Other Expenses	2,698.43	2,698.43	458.32	2,240.11
Board of Adjustment:				
Other Expenses	1,252.86	1,252.86	1,163.52	89.34
Code Enforcement:				
Salaries and Wages	2,905.20	2,905.20		2,905.20
Other Expenses	1,115.88	1,115.88	603.60	512.28
Police:				
Salaries and Wages	17,657.65	17,657.65		17,657.65
Other Expenses	32,607.83	32,607.83	1,444.80	31,163.03

TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF 2010 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	Balance Dec. 31, 2010	Balance After Modification	Paid or Charged	Balance Lapsed
Office of Emergency Management:				
Other Expenses	\$ 2,375.00	\$ 2,375.00		\$ 2,375.00
Public Defender:				
Other Expenses	10,276.00	10,276.00	\$ 9,408.00	868.00
Uniform Fire Safety Act:				
Salaries and Wages	1,854.58	1,854.58	800.00	1,054.58
Other Expenses	4,916.68	4,916.68	3,410.98	1,505.70
Fire:				
Salaries and Wages	30,937.00	15,937.00	2,264.48	13,672.52
Other Expenses	7,754.02	7,754.02	4,916.98	2,837.04
Municipal Court:				
Salaries and Wages	40,297.75	40,297.75	750.00	39,547.75
Other Expenses	12,939.81	12,939.81	8,621.69	4,318.12
Board of Health:				
Salaries and Wages	12,573.19	12,573.19	399.70	12,173.49
Other Expenses	14,433.93	14,433.93	11,271.03	3,162.90
Solid Waste and Recycling:				
Salaries and Wages	6,160.10	6,160.10		6,160.10
Other Expenses	139,823.25	139,823.25	108,095.83	31,727.42
Shade Trees:				
Other Expenses	2,675.00	2,675.00	459.00	2,216.00
Senior Citizen Transportation:				
Salaries and Wages	1,949.91	1,949.91		1,949.91
Other Expenses	334.30	334.30	334.30	
Recreation Department:				
Salaries and Wages	679.78	679.78	163.59	516.19
Other Expenses	16,361.80	16,361.80	6,997.74	9,364.06
Historic Preservation:				
Other Expenses	4,525.87	4,525.87	807.44	3,718.43
Division of Streets and Roads:				
Salaries and Wages	19,392.34	19,392.34	1,538.57	17,853.77
Other Expenses	20,814.19	20,814.19	5,644.31	15,169.88
Division of Sewer Maintenance:				
Salaries and Wages	1,599.13	1,599.13	520.92	1,078.21
Other Expenses	5,475.09	5,475.09	1,985.71	3,489.38
Buildings and Grounds Maintenance Division:				
Salaries and Wages	573.24	573.24	297.64	275.60
Other Expenses	16,211.08	16,211.08	4,661.20	11,549.88
Snow and Ice Removal:				
Salaries and Wages	17,688.59	17,688.59	7,315.65	10,372.94
Other Expenses	15,937.98	15,937.98	15,365.50	572.48

TOWN OF DOVER  
CURRENT FUND  
SCHEDULE OF 2010 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011  
(Continued)

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
State Uniform Construction Code:				
Salaries and Wages	\$ 9,475.52	\$ 9,475.52	\$ 2,077.00	\$ 7,398.52
Other Expenses	798.11	798.11	574.11	224.00
Unclassified:				
Utility Expenses & Bulk Purchases	80,214.91	80,214.91	73,771.92	6,442.99
Contribution to:				
Social Security System	47,460.62	47,460.62		47,460.62
Consolidated Police and Firemen's Pension Fund	0.77	0.77		0.77
Judgments (N.J.S.A.40A:4-45.3cc):				
Judgments	0.08	0.08		0.08
Insurance:				
General Liability	67.31	67.31		67.31
Employee Group Health	59,654.45	59,654.45	985.20	58,669.25
Maintenance of Free Public Library (Ch. 82 and 541, P.L. 1985):				
Salaries and Wages	11,136.66	11,136.66	3,097.81	8,038.85
Other Expenses	14,341.69	14,341.69	14,339.69	2.00
	<u>\$ 841,777.70</u>	<u>\$ 841,777.70</u>	<u>\$ 371,405.14</u>	<u>\$ 470,372.56</u>

<u>Analysis of Balance December 31, 2010:</u>	<u>Ref.</u>	
Unencumbered	A	\$ 700,983.10
Encumbered	A	140,794.60
		<u>\$ 841,777.70</u>

Cash Disbursed	\$ 370,153.14
Accounts Payable	1,252.00
	<u>\$ 371,405.14</u>

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

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 962,828.68
Increased by:		
Levy - Calendar Year 2011		12,915,430.18
		<u>13,878,258.86</u>
Decreased by:		
Payments to Local School District		12,895,431.67
		<u>12,895,431.67</u>
Balance December 31, 2011	A	<u>\$ 982,827.19</u>

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

	Balance Dec. 31, 2010	2011 Budget Revenue Realized	Cash Received	Transfer from Unappropriated Reserves	Cancelled	Balance Dec. 31, 2011
<b>Municipal Alliance on Alcoholism and Drug Abuse:</b>						
2006	\$ 28,314.52					\$ 28,314.52
2007	22,479.13					22,479.13
2010	28,161.00		\$ 28,161.00			
2011		\$ 30,661.00		\$ 2,789.91		27,871.09
<b>Cooperative Housing Inspection Program:</b>						
1999	1,110.00					1,110.00
2001	1,100.00					1,100.00
2004	1,000.00					1,000.00
2011		3,479.00		3,479.00		
<b>Small Cities:</b>						
Searing Street - 2007	39,492.00				\$ 39,492.00	
CDBG Rehabilitation - 2010	157,781.00		157,781.00			
CDBG Rehabilitation - 2011		210,000.00				210,000.00
Belmont Avenue - 2008	72,389.00				72,389.00	
Harding Avenue Area - 2009	137,731.00		42,801.00			94,930.00
Segur Street - 2010	500,000.00		386,699.00			113,301.00
Economic Development Initiative Grant - 2005	1,970.89					1,970.89
Clean Communities Grant - 2011		20,547.89		20,547.89		
<b>Safe and Secure Communities Program:</b>						
2010	15,000.00					15,000.00
Reserve for Housing Rehabilitation - 2011		33,682.00		33,682.00		
Recycling Tonnage Grant - 2011		28,724.51		28,724.51		
Bulletproof Vest Partnership Grant - 2011		1,732.58		1,732.58		
<b>Body Armor Replacement Fund:</b>						
2006	0.50					0.50



TOWN OF DOVER  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF GRANTS RECEIVABLE  
(Continued)

	Balance Dec. 31, 2010	2011 Budget Revenue Realized	Cash Received	Transfer from Unappropriated Reserves	Cancelled	Balance Dec. 31, 2011
Department of Homeland Security - FEMA Grant	\$ 833.00					\$ 833.00
Balanced Housing Neighborhood Preservation Program	500.00					500.00
NJ Department of Transportation:						
2010 - Chestnut Street	150,000.00		\$ 150,000.00			
2011 - Orchard Street		\$ 125,000.00				125,000.00
2011 - Safe Corridor		42,322.57				42,322.57
2011 State Health Services Grant- H1N1 Public Health Emergency Response		10,000.00		\$ 10,000.00		
NJ Department of Environmental Protection Community Forestry Plan - Green Communities		3,000.00		3,000.00		
Acadia Lodge No. 20 - Hurricane Irene Relief		500.00		500.00		
	<u>\$ 1,157,862.04</u>	<u>\$ 509,649.55</u>	<u>\$ 765,442.00</u>	<u>\$ 104,455.89</u>	<u>\$ 111,881.00</u>	<u>\$ 685,732.70</u>

Ref.

A

A

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

	Balance Dec. 31, 2010	Transferred from 2011 Budget	Cash Disbursed	Encumbered	Cancelled	Balance Dec. 31, 2011
<b>Municipal Alliance on Alcoholism and Drug Abuse:</b>						
2009 (State)	\$ 3,343.20				\$ 3,343.20	
2009 (Local Matching)	835.54				835.54	
2010 (State)	18,564.13		\$ 14,351.99			\$ 4,212.14
2010 (Local Matching)	5,162.27		4,179.84			982.43
2010 (State)		\$ 30,661.00	9,754.53	\$ 5,128.99		15,777.48
2010 (Local Matching)		7,040.25	2,501.14	657.25		3,881.86
<b>Cooperative Housing Inspection Program:</b>						
2010	6,555.00		2,642.40			3,912.60
2011		3,479.00				3,479.00
<b>C.D.B.G. - Small Cities Program:</b>						
Searing Street - 2007	39,492.85				39,492.85	
CDBG Housing Rehabilitation - 2010	167,381.00		143,747.00	23,634.00		
CDBG Housing Rehabilitation - 2011		210,000.00	24,975.00	3,020.00		182,005.00
Belmont Avenue - 2008	72,398.85				72,398.85	
Harding Avenue - 2009	135,917.84		52,991.01			82,926.83
Segur Street - 2010	500,000.00		395,214.46	1,895.00		102,890.54
<b>Reserve for Housing Rehabilitation:</b>						
2009	725.00		725.00			
2011		33,682.00	26,349.22	1,290.00		6,042.78
<b>Clean Communities Program:</b>						
2009	18,276.00					18,276.00
2010	21,334.29					21,334.29
2011		20,547.89				20,547.89
<b>Public Health Priority Funding:</b>						
2007	157.48					157.48
2009	16.95					16.95

TOWN OF DOVER  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES  
(Continued)

	Balance Dec. 31, 2010	Transferred from 2011 Budget	Cash Disbursed	Encumbered	Cancelled	Balance Dec. 31, 2011
<b>Hepatitis B Grant:</b>						
2004	\$ 402.21					\$ 402.21
2005	1,459.00		\$ 327.00			1,132.00
2006	686.00					686.00
<b>Safe and Secure Communities Program:</b>						
2010 (Local Matching)	66,771.40		66,771.40			
<b>Body Armor Replacement Program:</b>						
2008	3,873.00		3,873.00			
2009	3,494.00					3,494.00
2010	4,717.53					4,717.53
<b>Bulletproof Vest Program:</b>						
2008	391.62		391.62			
2009	2,399.85		1,820.53			579.32
2011		\$ 1,732.58				1,732.58
<b>Recycling Tonnage Grant:</b>						
2007	4,748.30		3,310.00	\$ 1,438.30		
2008	7,103.16		1,583.58	561.70		4,957.88
2010	23,052.32					23,052.32
2011		28,724.51				28,724.51
<b>Drunk Driving Enforcement Fund Grant:</b>						
2010	10,195.80		6,591.73	157.01		3,447.06

TOWN OF DOVER  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES  
(Continued)

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Transferred</u> <u>from</u> <u>2011 Budget</u>	<u>Cash</u> <u>Disbursed</u>	<u>Encumbered</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
NJ Department of Transportation:						
2010 Chestnut Street	\$ 150,000.00		\$ 150,000.00			
2011 Orchard Street		\$ 125,000.00	81,115.58			\$ 43,884.42
2011 Safe Corridors		42,322.57	42,322.57			
NJ Department of Environmental Protection						
Community Forestry Management Plan-Green Communities		3,000.00				3,000.00
Local Acadia Lodge No. 20 - Hurricane Irene Relief		500.00				500.00
State Health Services Grant						
2010 - H1N1 Public Health Response	81.71		79.71			2.00
2011 - H1N1 Public Health Response		10,000.00	10,000.00			
	<u>\$ 1,269,536.30</u>	<u>\$ 516,689.80</u>	<u>\$ 1,045,618.31</u>	<u>\$ 37,782.25</u>	<u>\$ 116,070.44</u>	<u>\$ 586,755.10</u>
<u>Ref.</u>				A		A
<u>Balance December 31, 2010:</u>						
Appropriated Reserves	A \$ 1,088,110.73					
Encumbrances Payable	A 181,425.57					
	<u>\$ 1,269,536.30</u>					
			Disbursed from General Capital Fund \$ 42,322.57			
			Disbursed from Current Fund 1,003,295.74			
			<u>\$ 1,045,618.31</u>			

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

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Cash</u> <u>Received</u>	<u>Revenue</u> <u>Realized</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Cooperative Housing Inspection Grant	\$ 3,479.00		\$ 3,479.00	
Body Armor	0.02	\$ 3,311.85		\$ 3,311.87
Recycling Tonnage Grant	0.64	28,724.51	28,724.51	0.64
Bulletproof Vest Program	0.75	1,732.58	1,732.58	0.75
Reserve for Housing Rehabilitation	33,682.00		33,682.00	
Clean Communities Grant		20,547.89	20,547.89	
Municipal Alliance		2,789.91	2,789.91	
Cooperative Housing Inspection Grant	53.00			53.00
2011 State Health Services Grant- H1N1 Public Health Emergency Response		10,000.00	10,000.00	
New Jersey Department of Environmental Protection Community Forestry Management Plan-Green Communities		3,000.00	3,000.00	
Acadia Lodge No. 20 - Hurricane Irene Relief		500.00	500.00	
	<u>\$ 37,215.41</u>	<u>\$ 70,606.74</u>	<u>\$ 104,455.89</u>	<u>\$ 3,366.26</u>
<u>Ref.</u>	A			A

TOWN OF DOVER

COUNTY OF MORRIS

2011

TRUST FUNDS

TOWN OF DOVER  
TRUST FUNDS  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2010	B	\$ 27,112.38	\$ 753,226.22
Increased by Receipts:			
Dog License Fees		10,789.20	
Cat License Fees		2,331.00	
Replacement Tags - Dog Licenses		10.00	
Miscellaneous Revenue- Dog and Cat Penalties		1,700.00	
State Registration Fees		1,558.80	
Interest on Investments:			
Unemployment Insurance			12.39
Other Deposits			234,849.66
Fire Penalty Fees			5,137.50
Forfeited Assets Trust Deposits			10,324.38
Tax Sale Premiums:			
Receipts			84,000.00
Recycling Deposits:			
Receipts			10,127.92
Due from Current Fund			250.00
Recreation			53,020.09
Historic Preservation			1,050.00
Unemployment Insurance Contributions:			
Employer			5,727.61
		<u>16,389.00</u>	<u>404,499.55</u>
		<u>43,501.38</u>	<u>1,157,725.77</u>

TOWN OF DOVER  
TRUST FUNDS  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
<b>Decreased by Disbursements:</b>			
Administrative Expenses		\$ 7,502.80	
State of N.J. - Board of Health		1,589.40	
<b>Due to Current Fund - Animal Control Fund:</b>			
Settlement of Prior Year Interfund		5,659.58	
Forfeited Assets Trust			9,440.52
Accumulated Absences			24,998.00
Other Deposits			244,134.13
Tax Sale Premiums			47,500.00
Unemployment Insurance			4,879.49
Recreation			61,576.07
Recycling Trust Expenses			1,050.00
		<u>14,751.78</u>	<u>393,578.21</u>
 Balance December 31, 2010	 B	 <u>\$ 28,749.60</u>	 <u>\$ 764,147.56</u>



TOWN OF DOVER  
ASSESSMENT TRUST FUND  
ANALYSIS OF CASH  
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

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

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 21,419.80
Increased by:		
Dog License Fees Collected	\$ 10,789.20	
Cat License Fees Collected	2,331.00	
Replacement Tags - Dog Licenses	10.00	
Miscellaneous Revenue- Dog and Cat Penalties	<u>1,700.00</u>	
		<u>14,830.20</u>
		36,250.00
Decreased by:		
Expenditures Under R.S.4:19-15.11	7,502.80	
Statutory Excess Due Current Fund	<u>4,310.60</u>	
		<u>11,813.40</u>
Balance December 31, 2011	B	<u>\$ 24,436.60</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2009	\$ 12,803.80
2010	<u>11,632.80</u>
Maximum Allowable Reserve	<u>\$ 24,436.60</u>

TOWN OF DOVER

COUNTY OF MORRIS

2011

GENERAL CAPITAL FUND

TOWN OF DOVER  
GENERAL CAPITAL FUND  
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 1,652,557.58
Increased by:		
Due Current Fund:		
Interest Earned	\$ 394.96	
Ordinance Refunds	168,869.12	
Bond Anticipation Note Proceeds	1,636,629.00	
Premium on Bonds Anticipation Notes	2,697.62	
	<u>1,808,590.70</u>	<u>3,461,148.28</u>
Decreased by:		
Improvement Authorization Expenditures	911,061.61	
Bond Anticipation Notes Matured	1,636,629.00	
Due to Current Fund:		
Interest Earned	394.96	
Due to Federal and State Grant Fund:		
Appropriated Reserve Expenditures	42,322.57	
	<u>2,590,408.14</u>	<u>870,740.14</u>
Balance December 31, 2011	C	<u>\$ 870,740.14</u>

TOWN OF DOVER  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH

	Balance Dec. 31, 2010	Receipts		Disbursements			Transfers		Balance/(Deficit) Dec. 31, 2011	
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To		
Fund Balance	\$ 3,493.09		\$ 2,697.62						\$ 6,190.71	
Capital Improvement Fund	40,655.20					\$ 40,655.20				
Downpayments on Improvements	5,237.00					4,444.80			792.20	
Due to Current Fund			394.96		\$ 394.96					
Due to Federal and State Grant Fund					42,322.57				(42,322.57)	
Encumbrances Payable	217,588.90					217,588.90	\$ 98,962.77		98,962.77	
<u>Improvement Authorizations:</u>										
Ord. No.	Improvement Description									
31-99; 11-01;										
20-03	Various General Improvements	235.00							235.00	
26-02	Various General Improvements	3,279.80							3,279.80	
30-04	Various General Improvements	12,282.84							12,282.84	
37-05	Certain General Improvements	15,246.83		\$ 3,196.83			1,950.00		14,000.00	
17-06;										
33-06	Various Improvements	44,756.54	42,540.00						87,296.54	
19-06	Certain General Improvements	27,160.00		12,258.57					14,901.43	
19-07	Various General Improvements	150,266.46		1,757.13		45,301.75	1,757.13		104,964.71	
29-08	Various General Improvements	64,697.36		27,165.00		10,398.00	6,225.00		33,359.36	
14-09	Various General Improvements	538,814.28	\$ 929,879.00	126,329.12	6,213.24	\$ 929,879.00		14,862.46	673,792.62	
16-10	Various General Improvements	528,844.28	706,750.00		469,881.74	706,750.00	19,739.15	206,529.77	245,753.16	
05-11	Acquisition of Police and Fire Equipment				136,300.20			9,500.00	(126,800.20)	
18-11	Various General Improvements			254,288.90			37,259.33	35,600.00	(255,948.23)	
		<u>\$ 1,652,557.58</u>	<u>\$ 1,636,629.00</u>	<u>\$ 171,961.70</u>	<u>\$ 911,061.61</u>	<u>\$ 1,636,629.00</u>	<u>\$ 42,717.53</u>	<u>\$ 375,387.13</u>	<u>\$ 375,387.13</u>	<u>\$ 870,740.14</u>

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

Ord. No.	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Balance Dec. 31, 2011	Analysis of Balance Dec. 31, 2011		Unexpended Improvement Authorizations
					Bond Anticipation Notes	Expenditures	
30-04	Various General Improvements	\$ 449.00		\$ 449.00			\$ 449.00
14-09	Various General Improvements	929,879.00		929,879.00	\$ 929,879.00		
16-10	Various General Improvements	706,750.00		706,750.00	706,750.00		
05-11	Acquisition of Police and Fire Equipment		\$ 180,500.00	180,500.00		\$ 126,800.20	53,699.80
18-11	Various General Improvements		676,400.00	676,400.00		255,948.23	420,451.77
		<u>\$ 1,637,078.00</u>	<u>\$ 856,900.00</u>	<u>\$ 2,493,978.00</u>	<u>\$ 1,636,629.00</u>	<u>\$ 382,748.43</u>	<u>\$ 474,600.57</u>
<u>Ref.</u>		C		C			
			Improvement Authorizations Unfunded				\$ 1,394,146.35
			Less: Unexpended Proceeds of Bond Anticipation Notes Issued:				
			Ordinance: 14-09		\$ 673,792.62		
			Ordinance: 16-10		245,753.16		
							919,545.78
							<u>\$ 474,600.57</u>

TOWN OF DOVER  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2010		2011 Authorizations		Reclassification of Prior Year Expense	Refunded Ordinance	Prior Year Encumbrances Returned	Balance Dec. 31, 2011	
		Date	Amount	Funded	Unfunded	Deferred Charges to Future Taxation Unfunded	Capital Improvement Fund/ Downpayment on Improvements				Paid or Charged	Funded
31-99;		10/26/99										
11-01;		06/12/01										
20-03	Various General Improvements	06/10/03	\$ 1,086,798.08	\$ 235.00							\$ 235.00	
26-02;		09/10/02;										
24-05	Various General Improvements	08/09/05	2,000,500.00	3,279.80							3,279.80	
30-04	Various General Improvements	11/09/04	711,646.80	12,282.84	\$ 449.00						12,282.84	\$ 449.00
37-05	Certain General Improvements	12/13/05	65,654.57	15,246.83				\$ 3,196.83		\$ 1,950.00	14,000.00	
17-06;		07/25/06;										
33-06	Various Improvements	12/12/06	1,435,598.00	44,756.54					\$ 42,540.00		87,296.54	
19-06	Certain General Improvements	07/25/06	63,572.20	27,160.00				12,258.57			14,901.43	
19-07	Various General Improvements	06/26/07	599,900.00	150,266.46				47,058.88		1,757.13	104,964.71	
29-08	Various General Improvements	09/09/08	171,739.51	64,697.36				37,563.00		6,225.00	33,359.36	
14-09	Various General Improvements	08/25/09	978,820.00		538,814.28			6,213.24	\$ (13,735.46)	126,329.12	1,127.00	673,792.62
16-10	Various General Improvements	09/14/10	742,100.00		528,844.28			489,620.89		206,529.77	245,753.16	
05-11	Acquisition of Police and Fire Equipment		190,000.00			\$ 180,500.00	\$ 9,500.00	136,300.20				53,699.80
18-11	Various General Improvements		712,000.00			676,400.00	35,600.00	277,812.77	13,735.46			420,451.77
			<u>\$ 3,179,248.83</u>	<u>\$ 1,068,107.56</u>	<u>\$ 856,900.00</u>	<u>\$ 45,100.00</u>	<u>\$ 1,010,024.38</u>	<u>\$ -</u>	<u>\$ 168,869.12</u>	<u>\$ 217,588.90</u>	<u>\$ 270,319.68</u>	<u>\$ 1,394,146.35</u>
	<u>Ref.</u>		C	C							C	C
							Cash Disbursed	\$ 911,061.61				
							Encumbrances Payable	98,962.77				
								<u>\$1,010,024.38</u>				
						Capital Improvement Fund	\$ 40,655.20					
						Down Payments on Improvements	4,444.80					
							<u>\$ 45,100.00</u>					

TOWN OF DOVER  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 40,655.20
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>\$ 40,655.20</u>

GENERAL CAPITAL FUND  
SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 5,237.00
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>4,444.80</u>
Balance December 31, 2011	C	<u>\$ 792.20</u>



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

Ord. No.	Improvement Description	Date of			Interest Rate	Balance Dec. 31, 2010	Issued	Matured	Balance Dec. 31, 2011
		Issue of Original Note	Issue	Maturity					
14-09	Various General Improvements	12/15/10	12/15/10	03/15/11	0.71%	\$ 929,879.00		\$ 929,879.00	
		12/15/10	03/15/11	03/14/12	2.00%		\$ 929,879.00		\$ 929,879.00
16-10	Various General Improvements	12/15/10	12/15/10	03/15/11	0.71%	706,750.00		706,750.00	
		12/15/10	03/15/11	03/14/12	2.00%		706,750.00		706,750.00
						<u>\$ 1,636,629.00</u>	<u>\$ 1,636,629.00</u>	<u>\$ 1,636,629.00</u>	<u>\$ 1,636,629.00</u>
					<u>Ref.</u>				<u>C</u>
									<u>C</u>

TOWN OF DOVER  
GENERAL CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance Dec. 31, 2010	Matured	Balance Dec. 31, 2011
			Date	Amount				
General Improvement Bonds of 2003	09/01/03	\$ 2,924,000.00	09/01/12	\$ 575,000.00	3.300%	\$ 1,745,000.00	\$ 575,000.00	\$ 1,170,000.00
			09/01/13	595,000.00	3.400%			
General Improvement Bonds of 2007A	10/15/07	2,135,000.00	10/15/2012-15	210,000.00	3.750%	1,915,000.00	200,000.00	1,715,000.00
			10/15/16	220,000.00	3.750%			
			10/15/2017-18	220,000.00	4.000%			
			10/15/19	215,000.00	4.000%			
						<u>\$ 3,660,000.00</u>	<u>\$ 775,000.00</u>	<u>\$ 2,885,000.00</u>
					<u>Ref.</u>	C		C

TOWN OF DOVER  
GENERAL CAPITAL FUND  
SCHEDULE OF MORRIS COUNTY IMPROVEMENT AUTHORITY LEASE PAYABLE

Ord. No.	Improvement Description	Balance Dec. 31, 2010	Matured	Balance Dec. 31, 2011
04-06	Emergency Medical Vehicle and Street Sweeper	\$ 134,388.70	\$ 51,964.53	\$ 82,424.17
	<u>Ref.</u>	C		C

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2011

Payment Number	Due Date	Interest	Principal	Balance of Loan
				\$ 82,424.17
12	1/11/12	\$ 1,858.67	\$ 26,864.38	55,559.79
13	7/11/12	1,252.87	27,470.17	28,089.62
14	1/11/13	633.42	28,089.62	-0-
		<u>\$ 3,744.96</u>	<u>\$ 82,424.17</u>	

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

Ord. No.	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Balance Dec. 31, 2011
30-04	Various General Improvements	\$ 449.00		\$ 449.00
05-11	Acquisition of Police and Fire Equipment		\$ 180,500.00	180,500.00
18-11	Various General Improvements		676,400.00	676,400.00
		<u>\$ 449.00</u>	<u>\$ 856,900.00</u>	<u>\$ 857,349.00</u>

TOWN OF DOVER

COUNTY OF MORRIS

2011

WATER UTILITY FUND

TOWN OF DOVER  
WATER UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2010	D	\$ 453,650.79	\$ 496,329.65
Increased by Receipts:			
Collector		\$ 2,491,078.19	
2011 Appropriation Refunds		22,500.38	
State of New Jersey - Department of Transportation Grants Receivable			\$ 18,117.69
State of New Jersey Infrastructure Trust Loan			52,625.00
2011 Budget Appropriation: Capital Improvement Fund			10,000.00
Miscellaneous Revenue - Treasurer		<u>3,716.90</u>	
		<u>2,517,295.47</u>	<u>80,742.69</u>
		2,970,946.26	577,072.34
Decreased by Disbursements:			
2011 Appropriation Expenditures		2,161,065.56	
2010 Appropriation Reserves		189,997.07	
Due Current Fund:			
Interfund Returned		70,643.71	
Interest on Bonds		132,572.47	
Improvement Authorizations Expenditures			<u>103,929.12</u>
		<u>2,554,278.81</u>	<u>103,929.12</u>
Balance December 31, 2011	D	<u>\$ 416,667.45</u>	<u>\$ 473,143.22</u>

TOWN OF DOVER  
WATER UTILITY OPERATING FUND  
SCHEDULE OF CASH - WATER COLLECTOR  
YEAR ENDED DECEMBER 31, 2011

## Increased by:

Consumer Accounts Receivable	\$ 2,484,611.22
Prepaid Water Rents	1,488.97
Miscellaneous Revenue Anticipated	<u>4,978.00</u>

\$ 2,491,078.19

## Decreased by:

Disbursed to Treasurer	<u>\$ 2,491,078.19</u>
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TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2010	Receipts		Disbursements Improvement Authorizations	Transfers		Balance/ (Deficit) Dec. 31, 2011
		Due From State of New Jersey	Miscellaneous		From	To	
Fund Balance	\$ 0.78						\$ 0.78
Capital Improvement Fund	10,523.48		\$ 10,000.00		\$ 13,750.00		6,773.48
Encumbrances Payable	29,021.40				29,021.40	\$ 25,400.00	25,400.00
Receivable New Jersey Infrastructure Trust Loan	(607,500.00)	\$ 52,625.00					(607,500.00)
Receivable State of New Jersey	(124,851.76)	18,117.69					(124,851.76)
Reserve for Receivables	124,851.76				18,117.69		106,734.07
<u>Ord. No.</u>	<u>General Improvements</u>						
10-01	Various Improvements for the Water Department	(714.28)					(714.28)
18-03	Various Improvements for the Water Department	459,339.46		\$ 27,104.77	25,400.00	25,400.00	432,234.69
29-05	Certain Water Utility Improvements	11,873.20		11,873.20			
24-08	Various Improvements for the Water Department	(4,730.50)		13,157.19		18,117.69	230.00
03-09	Various Improvements for the Water Department	598,516.11			3,621.40		594,894.71
03-11	Various Improvements for the Water Department			51,793.96		13,750.00	
		<u>\$ 496,329.65</u>	<u>\$ 70,742.69</u>	<u>\$ 10,000.00</u>	<u>\$ 103,929.12</u>	<u>\$ 89,910.49</u>	<u>\$ 433,201.69</u>



TOWN OF DOVER  
WATER UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 53,293.94
Increased by:		
Water Rents Levied		<u>2,490,181.71</u>
		2,543,475.65
Decreased by:		
Collections	\$ 2,484,611.22	
Prepaid Rents Applied	<u>2,154.42</u>	
		<u>2,486,765.64</u>
Balance December 31, 2011	D	<u>\$ 56,710.01</u>

TOWN OF DOVER  
WATER UTILITY OPERATING FUND  
SCHEDULE OF INVENTORY

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 68,481.34</u>
Balance December 31, 2011	D	<u><u>\$ 68,481.34</u></u>

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2010	Additions By Ordinance	Balance Dec. 31, 2011
Reservation Land	\$ 20,683.37		\$ 20,683.37
Reservation Structures	16,754.34		16,754.34
Springs and Wells	131,839.04		131,839.04
Collecting Reservoir	60,916.75		60,916.75
Chemical Treatment Plant	14,211.78		14,211.78
Clear Water Basin	250.00		250.00
Pumping Station Structures	89,258.84		89,258.84
Electrical Pumping Power Equipment	120,450.76		120,450.76
Miscellaneous Pumping Equipment	9,054.18		9,054.18
Transmission Mains and Accessories	370,999.29		370,999.29
Storage Reservoir Tank and Standpipe	437,430.51		437,430.51
Distribution Mains and Accessories	654,571.77		654,571.77
Meters, Meter Boxes and Vaults	299,534.67		299,534.67
Fire Hydrants	37,939.22		37,939.22
General Structures	40,710.14		40,710.14
General Equipment	1,439,837.46		1,439,837.46
Office Equipment	8,130.11		8,130.11
Miscellaneous Construction Expenses	36,862.09		36,862.09
Pumping Station Land	2,290.00		2,290.00
Communication Equipment	11,484.61		11,484.61
Transportation Equipment	157,011.79		157,011.79
Water Treatment Equipment	17,735.40		17,735.40
Services	32,036.65		32,036.65
Tools, Shop and Garage Equipment	3,861.10		3,861.10
Power Operated Equipment	13,702.96		13,702.96
Various Improvements to Water System	3,264,820.48	\$ 143,085.84	3,407,906.32
Improvement of Water Supply and Distribution System	130,000.00		130,000.00
	<u>\$ 7,422,377.31</u>	<u>\$ 143,085.84</u>	<u>\$ 7,565,463.15</u>

Ref.

D

D

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	No.	Ordinance		Balance Dec. 31, 2010	2011 Authorizations	Costs to Fixed Capital	Balance Dec. 31, 2011
		Date	Amount				
Various Improvements for the Water Department	18-03	06/10/03	\$ 2,800,000.00	\$ 2,533,214.16			\$ 2,533,214.16
Certain Water Utility Improvements	29-05	10/25/05	143,085.84	143,085.84		\$ 143,085.84	
Various Improvements for the Water Department	24-08	08/12/08	150,000.00	150,000.00			150,000.00
Various Improvements for the Water Department	03-09	02/24/09	657,000.00	657,000.00			657,000.00
Various Improvements for the Water Department	03-11	03/14/11	275,000.00		\$ 275,000.00		275,000.00
				<u>\$ 3,483,300.00</u>	<u>\$ 275,000.00</u>	<u>\$ 143,085.84</u>	<u>\$ 3,615,214.16</u>
			<u>Ref.</u>	D			D

TOWN OF DOVER  
WATER UTILITY OPERATING FUND  
SCHEDULE OF 2010 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 68,282.78	\$ 68,282.78	\$ 30,726.37	\$ 37,556.41
Other Expenses	218,602.67	218,602.67	158,030.98	60,571.69
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	3,363.41	3,363.41	1,239.72	2,123.69
	<u>\$ 290,248.86</u>	<u>\$ 290,248.86</u>	<u>\$ 189,997.07</u>	<u>\$ 100,251.79</u>

Ref.

Analysis of Balance December 31, 2010:

Unencumbered	D	\$ 213,520.89
Encumbered	D	<u>76,727.97</u>
		<u>\$ 290,248.86</u>

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2010		2011 Authorizations			Balance Dec. 31, 2011		
				Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Revenue	Paid or Charged	Prior Year Encumbrances Returned	Funded	Unfunded
18-03	Various Improvements for the Water Department	06/10/03	\$ 2,800,000.00	\$ 459,339.46				\$ 52,504.77	\$ 25,400.00	\$ 432,234.69	
29-05	Certain Water Utility Improvements	10/25/05	143,085.84	11,873.20				11,873.20			
24-08	Various Improvements for the Water Department	08/12/08	150,000.00		\$ 112,621.26			13,157.19			\$ 99,464.07
03-09	Various Improvements for the Water Department	02/24/09	657,000.00	598,516.11	16,650.00				3,621.40	602,137.51	16,650.00
03-11	Various Improvements for the Water Department	03/14/11	275,000.00			\$ 13,750.00	\$ 261,250.00	51,793.96			223,206.04
				<u>\$ 1,069,728.77</u>	<u>\$ 129,271.26</u>	<u>\$ 13,750.00</u>	<u>\$ 261,250.00</u>	<u>\$ 129,329.12</u>	<u>\$ 29,021.40</u>	<u>\$ 1,034,372.20</u>	<u>\$ 339,320.11</u>
				<u>Ref.</u>	D	D				D	D
								Encumbrances	\$ 25,400.00		
								Cash Disbursements	103,929.12		
									<u>\$ 129,329.12</u>		

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 10,523.48
Increased by:		
Budget Appropriation		<u>10,000.00</u>
		20,523.48
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>13,750.00</u>
Balance December 31, 2011	D	<u>\$ 6,773.48</u>

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

Ord. No.	Improvement Description	Date of Ordinance	Balance Dec. 31, 2010	2011 Authoriations	Funded by New Jersey Infrastructure Trust Loans	Funded by State of New Jersey Department of Transportation Grant	Balance Dec. 31, 2011
18-03	Various Improvements for the Water Department	06/10/03	\$ 16,300.00				\$ 16,300.00
24-08	Various Improvements for the Water Department	08/12/08	32,648.24			\$ 18,117.69	50,765.93
03-09	Various Improvements for the Water Department	02/24/09	48,358.47		\$ 28,262.70		76,621.17
03-11	Various Improvements for the Water Department	03/14/11		\$ 13,750.00			13,750.00
			<u>\$ 97,306.71</u>	<u>\$ 13,750.00</u>	<u>\$ 28,262.70</u>	<u>\$ 18,117.69</u>	<u>\$ 157,437.10</u>
	<u>Ref.</u>		D				D



TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Int. Rate	Balance Dec. 31, 2010	Matured	Balance Dec. 31, 2011
			Date	Amount				
Water Improvements	07/15/99	\$ 1,536,575.00	07/15/2012-13	\$ 85,000.00	4.90%	\$ 826,575.00	\$ 85,000.00	\$ 741,575.00
			07/15/2014	90,000.00	4.90%			
			07/15/2015-18	100,000.00	4.90%			
			07/15/2019	81,575.00	4.90%			
Water Improvements	09/01/03	2,924,000.00	09/01/12-13	130,000.00	3.75%	2,074,000.00	130,000.00	1,944,000.00
			09/01/14	135,000.00	4.00%			
			09/01/15-16	140,000.00	4.00%			
			09/01/17	140,000.00	4.10%			
			09/01/18	140,000.00	4.20%			
			09/01/19	160,000.00	4.30%			
			09/01/20	205,000.00	4.40%			
			09/01/21	205,000.00	4.50%			
			09/01/22	210,000.00	4.60%			
			09/01/23	209,000.00	4.70%			
						<u>2,900,575.00</u>	<u>\$ 215,000.00</u>	<u>\$ 2,685,575.00</u>
					<u>Ref.</u>	D		D

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2011

NOT APPLICABLE

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN

Ord. No.	Improvement Description	Balance Dec. 31, 2010	Matured	Balance Dec. 31, 2011
03-09	Various Improvements for the Water Department	\$ 591,991.53	\$ 28,262.70	\$ 563,728.83
		C		C

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - FUND LOAN AGREEMENT - DECEMBER 31, 2011

Payment Number	Due Date	Principal	Balance of Loan
			\$ 418,728.83
4	2/1/12	\$ 7,754.23	410,974.60
5	8/1/12	15,508.47	395,466.13
6	2/1/13	7,754.23	387,711.90
7	8/1/13	15,508.47	372,203.43
8	2/1/14	7,754.23	364,449.20
9	8/1/14	15,508.47	348,940.73
10	2/1/15	7,754.23	341,186.50
11	8/1/15	15,508.47	325,678.03
12	2/1/16	7,754.23	317,923.80
13	8/1/16	15,508.47	302,415.33
14	2/1/17	7,754.23	294,661.10
15	8/1/17	15,508.47	279,152.63
16	2/1/18	7,754.23	271,398.40
17	8/1/18	15,508.47	255,889.93
18	2/1/19	7,754.23	248,135.70
19	8/1/19	15,508.47	232,627.23
20	2/1/20	7,754.23	224,873.00
21	8/1/20	15,508.47	209,364.53
22	2/1/21	7,754.23	201,610.30
23	8/1/21	15,508.47	186,101.83
24	2/1/22	7,754.23	178,347.60
25	8/1/22	15,508.47	162,839.13
26	2/1/23	7,754.23	155,084.90
27	8/1/23	15,508.47	139,576.43
28	2/1/24	7,754.23	131,822.20
29	8/1/24	15,508.47	116,313.73
30	2/1/25	7,754.23	108,559.50
31	8/1/25	15,508.47	93,051.03
32	2/1/26	7,754.23	85,296.80
33	8/1/26	15,508.47	69,788.33
34	2/1/27	7,754.23	62,034.10
35	8/1/27	15,508.47	46,525.63
36	2/1/28	7,754.23	38,771.40
37	8/1/28	15,508.47	23,262.93
38	2/1/29	7,754.23	15,508.70
39	8/1/29	15,508.70	0.00
		<u>\$ 418,728.83</u>	

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN  
(Continued)

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - TRUST LOAN AGREEMENT - DECEMBER 31, 2011

Payment Number	Due Date	Interest	Principal	Balance of Loan
				\$ 145,000.00
4	2/1/12	\$ 3,050.00		145,000.00
5	8/1/12	3,050.00	\$ 5,000.00	140,000.00
6	2/1/13	2,925.00		140,000.00
7	8/1/13	2,925.00	5,000.00	135,000.00
8	2/1/14	2,800.00		135,000.00
9	8/1/14	2,800.00	5,000.00	130,000.00
10	2/1/15	2,675.00		130,000.00
11	8/1/15	2,675.00	5,000.00	125,000.00
12	2/1/16	2,550.00		125,000.00
13	8/1/16	2,550.00	5,000.00	120,000.00
14	2/1/17	2,425.00		120,000.00
15	8/1/17	2,425.00	5,000.00	115,000.00
16	2/1/18	2,300.00		115,000.00
17	8/1/18	2,300.00	5,000.00	110,000.00
18	2/1/19	2,175.00		110,000.00
19	8/1/19	2,175.00	10,000.00	100,000.00
20	2/1/20	1,975.00		100,000.00
21	8/1/20	1,975.00	10,000.00	90,000.00
22	2/1/21	1,725.00		90,000.00
23	8/1/21	1,725.00	10,000.00	80,000.00
24	2/1/22	1,575.00		80,000.00
25	8/1/22	1,575.00	10,000.00	70,000.00
26	2/1/23	1,375.00		70,000.00
27	8/1/23	1,375.00	10,000.00	60,000.00
28	2/1/24	1,175.00		60,000.00
29	8/1/24	1,175.00	10,000.00	50,000.00
30	2/1/25	975.00		50,000.00
31	8/1/25	975.00	10,000.00	40,000.00
32	2/1/26	775.00		40,000.00
33	8/1/26	775.00	10,000.00	30,000.00
34	2/1/27	600.00		30,000.00
35	8/1/27	600.00	10,000.00	20,000.00
36	2/1/28	400.00		20,000.00
37	8/1/28	400.00	10,000.00	10,000.00
38	2/1/29	200.00		10,000.00
39	8/1/29	200.00	10,000.00	
			<u>\$ 145,000.00</u>	

TOWN OF DOVER  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Ord. Date	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Funded by State of New Jersey Department of Transportation Grant	Balance Dec. 31, 2011
10-01	05/08/01	Various Improvements for the Water Department	\$ 714.28			\$ 714.28
24-08	08/12/08	Various Improvements for the Water Department	117,351.76		\$ 18,117.69	99,234.07
03-09	02/24/09	Various Improvements for the Water Department	16,650.00			16,650.00
03-11	03/14/11	Various Improvements for the Water Department		\$ 261,250.00		261,250.00
			<u>\$ 134,716.04</u>	<u>\$ 261,250.00</u>	<u>\$ 18,117.69</u>	<u>\$ 377,848.35</u>

TOWN OF DOVER

COUNTY OF MORRIS

2011

PARKING UTILITY FUND

TOWN OF DOVER  
PARKING UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2010	E	\$108,253.01	\$ 43,321.75
Increased by Receipts:			
Parking Meters		\$ 261,167.56	
Parking Decals		11,665.89	
Parking Agreements		68,386.00	
2011 Budget Appropriation:			
Capital Improvement Fund			\$ 10,000.00
Bond Anticipation Notes Issued			821,020.00
Premium on Bond Anticipation Notes			580.38
		<u>341,219.45</u>	<u>831,600.38</u>
		449,472.46	874,922.13
Decreased by Disbursements:			
2011 Appropriation Expenditures		189,960.42	
2010 Appropriation Reserves		20,723.86	
Parking Decals Refunded		99.00	
Bond Anticipation Notes Matured			352,114.00
Improvement Authorization Expenditures			341,256.90
Due to Current Fund:			
Prior Year Fund Balance Anticipated			
as Current Fund Revenue		<u>80,000.00</u>	
		290,783.28	<u>693,370.90</u>
Balance December 31, 2011	E	<u>\$158,689.18</u>	<u>\$ 181,551.23</u>

TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
ANALYSIS OF CASH

	Balance Dec. 31, 2010	Receipts			Disbursements		Transfers		Balance Dec. 31, 2011
		Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Bond Anticipation Notes	Improvement Authorizations	From	To	
Capital Improvement Fund Fund Balance	\$ 39,463.23		\$ 10,000.00	\$ 580.38			\$ 24,680.00		\$ 24,783.23 580.38
Ord. No.		General Improvements							
17-06; 33-06	315.44								315.44
37-08	3,543.08	\$ 352,114.00			\$ 352,114.00	\$ 1,033.00			2,510.08
04-11		468,906.00				340,223.90		\$ 24,680.00	153,362.10
	<u>\$ 43,321.75</u>	<u>\$ 821,020.00</u>	<u>\$ 10,000.00</u>	<u>\$ 580.38</u>	<u>\$ 352,114.00</u>	<u>\$ 341,256.90</u>	<u>\$ 24,680.00</u>	<u>\$ 24,680.00</u>	<u>\$ 181,551.23</u>



TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Parking Authority Facilities	\$ 494,637.93	\$ 494,637.93
Parking Meters	<u>116,177.47</u>	<u>116,177.47</u>
	<u>\$ 610,815.40</u>	<u>\$ 610,815.40</u>
<u>Ref.</u>	E	E

TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Amount</u>	<u>Balance</u>	<u>2011</u> <u>Authorization</u>	<u>Balance</u>
	<u>No.</u>	<u>Date</u>		<u>Dec. 31, 2010</u>		<u>Dec. 31, 2011</u>
Various Improvements	17-06;	07/25/06;	\$ 40,000.00			
	33-06	12/12/06	6,314.00	\$ 46,314.00		\$ 46,314.00
Various Improvements	37-08	12/15/08	370,714.00	370,714.00		370,714.00
Various Improvements	04-11	03/22/11	493,586.00		\$ 493,586.00	493,586.00
				<u>\$ 417,028.00</u>	<u>\$ 493,586.00</u>	<u>\$ 910,614.00</u>
		<u>Ref.</u>		E		E

TOWN OF DOVER  
PARKING UTILITY OPERATING FUND  
SCHEDULE OF 2010 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 1,934.08	\$ 1,934.08		\$ 1,934.08
Other Expenses	23,707.75	23,707.75	\$ 20,723.86	2,983.89
Statutory Expenditures:				
Contribution to:				
Social Security System	138.00	138.00		138.00
	<u>\$ 25,779.83</u>	<u>\$ 25,779.83</u>	<u>\$ 20,723.86</u>	<u>\$ 5,055.97</u>

Ref.

Analysis of Balance December 31, 2010:

Unencumbered	E	\$ 24,507.19
Encumbered	E	1,272.64
		<u>\$ 25,779.83</u>

TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2010		2011 Authorizations		Disbursements Paid or Charged	Balance Dec. 31, 2011	
		Date	Amount	Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Revenue		Funded	Unfunded
17-06; 33-06	Various Improvements	07/25/06; 12/12/06	\$ 40,000.00 6,314.00	\$ 315.44					\$ 315.44	
37-08	Various Improvements	12/15/08	370,714.00		\$ 3,543.08			\$ 1,033.00		\$ 2,510.08
04-11	Various Improvements	3/22/11	493,586.00			\$ 24,680.00	\$ 468,906.00	340,223.90		153,362.10
				\$ 315.44	\$ 3,543.08	\$ 24,680.00	\$ 468,906.00	\$ 341,256.90	\$ 315.44	\$ 155,872.18
		<u>Ref</u>		E	E				E	E

TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 39,463.23
Increased by:		
2011 Budget Appropriation		<u>10,000.00</u>
		49,463.23
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>24,680.00</u>
Balance December 31, 2011	E	<u><u>\$ 24,783.23</u></u>

TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Date of Ordinance	Balance Dec. 31, 2010	2011 Authorization	Balance Dec. 31, 2011
17-06; 33-06	Various Improvements	07/25/06; 12/12/06	\$ 46,314.00		\$ 46,314.00
37-08	Various Improvements	12/15/08	18,600.00		18,600.00
04-11	Various Improvements	03/22/11		\$ 24,680.00	24,680.00
			<u>\$ 64,914.00</u>	<u>\$ 24,680.00</u>	<u>\$ 89,594.00</u>
		<u>Ref.</u>	E		E

TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ordinance Number	Improvement Description	Date of			Interest Rate	Balance Dec. 31, 2010	Issued	Matured	Balance Dec. 31, 2011
		Original Issue	Issue	Maturity					
37-08	Various Improvements	03/17/09	03/15/11	03/14/12	2.00%		\$ 352,114.00		\$ 352,114.00
		03/17/09	03/16/10	03/17/11	1.09%	\$ 352,114.00		\$ 352,114.00	
04-11	Various Improvements	08/09/11	08/09/11	03/14/12	1.15%		468,906.00		468,906.00
						<u>\$ 352,114.00</u>	<u>\$ 821,020.00</u>	<u>\$ 352,114.00</u>	<u>\$ 821,020.00</u>
					<u>Ref.</u>	E			E
						Renewals	\$ 352,114.00	\$ 352,114.00	
						New Notes Issued	468,906.00		
							<u>\$ 821,020.00</u>	<u>\$ 352,114.00</u>	

TOWN OF DOVER  
PARKING UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2011

<u>Ord. No.</u>	<u>Ord. Date</u>	<u>Improvement Description</u>	<u>2011 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>
04-11	03/22/11	Various Improvements	\$ 468,906.00	\$ 468,906.00
			<u>\$ 468,906.00</u>	<u>\$ 468,906.00</u>



TOWN OF DOVER

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2011

TOWN OF DOVER  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2011

Name of Federal Agency or Department/ Pass Thru Agency	Federal Program/ State Program Account #	CFDA Number	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures	
				From	To				
<u>U.S. Department of Housing and Urban Development</u> (Passed Thru NJ Department of Community Affairs)	Small Cities Community Development Block Grant Program:								
	Grant Agreement #10-0599-00 Housing Rehabilitation State #100-022-8020-078-6120	14.228	\$ 200,000.00	01/01/10	12/31/12	\$ 157,781.00	\$ 143,747.00	\$ 176,366.00	
						<u>157,781.00</u>	<u>143,747.00</u>	<u>176,366.00</u>	
	Grant Agreement #10-0599-00 Housing Rehabilitation State #100-022-8020-078-6120	14.228	210,000.00	01/01/11	12/31/12		24,975.00	27,995.00	
							<u>24,975.00</u>	<u>27,995.00</u>	
	Grant Agreement #09-0600-00 Harding Street State #2009-02292-0600-00	14.228	500,000.00	01/31/09	06/30/12	42,801.00	52,991.01	417,073.17	
						<u>42,801.00</u>	<u>52,991.01</u>	<u>417,073.17</u>	
	Grant Agreement #10-0569-00 Segur Street State #2010-02292-0569-00	14.228	500,000.00	01/31/10	06/30/12	386,699.00	395,214.46	397,109.46	
						<u>386,699.00</u>	<u>395,214.46</u>	<u>397,109.46</u>	
	Total U.S. Department of Housing and Urban Development						<u>587,281.00</u>	<u>616,927.47</u>	<u>1,018,543.63</u>

TOWN OF DOVER  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2011

(Continued)

Name of Federal Agency or Department/ Pass Thru Agency	Federal Program/ State Program Account #	CFDA Number	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures
				From	To			
<u>U.S. Department of Justice</u>	Bulletproof Vest Program							
	2009	16.607	\$ 2,266.75	01/01/08	12/31/08		\$ 391.62	\$ 2,266.75
	2010	16.607	2,399.85	01/01/09	12/31/09		1,820.53	1,820.53
	2011	16.607	1,732.58	01/01/11	12/31/11	\$ 1,732.58		
						<u>1,732.58</u>	<u>2,212.15</u>	<u>12,845.36</u>
Total U.S. Department of Justice						<u>1,732.58</u>	<u>2,212.15</u>	<u>12,845.36</u>
<u>Department of Transportation</u> (Passed Thru NJ Department of Transportation)	Safe Corridors							
	State #11-480-078-6320-6010	20.205	42,322.57	01/01/11	12/31/11		42,322.57	42,322.57
							<u>42,322.57</u>	<u>90,322.57</u>
	Chestnut Street Roadway Improvements							
	State #10-480-078-06320-06010	20.205	150,000.00	01/01/09	12/31/11	150,000.00	150,000.00	150,000.00
					<u>150,000.00</u>	<u>150,000.00</u>	<u>150,000.00</u>	
Orchard Street Roadway Improvements								
State #10-480-078-06320-06010	20.205	125,000.00	01/01/11	12/31/11		81,115.58	81,115.58	
						<u>81,115.58</u>	<u>81,115.58</u>	
Total Department of Transportation						<u>150,000.00</u>	<u>273,438.15</u>	<u>441,438.15</u>
Total Federal Awards						<u>\$ 739,013.58</u>	<u>\$ 892,577.77</u>	<u>\$ 1,481,849.14</u>

N/A - Not Applicable/Available

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

TOWN OF DOVER  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED DECEMBER 31, 2011

Name of State Agency or Department	State Program	Program Account #	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures	
				From	To				
<u>Department of Health and Senior Services</u>	State Health Services Grant - H1N1 Public Health Response	N/A	\$ 65,102.00	01/01/09	12/31/11		\$ 79.71	\$ 65,100.00	
		N/A	10,000.00	01/01/11	12/31/11	\$ 10,000.00	10,000.00	10,000.00	
						<u>10,000.00</u>	<u>10,079.71</u>	<u>75,100.00</u>	
	Communicable Disease Services - Hepatitis B Funds - Police/Firefighters	100-046-4781- 241-3890		1,459.00	01/01/05	12/31/12		327.00	327.00
								<u>327.00</u>	<u>327.00</u>
Total Department of Health and Senior Services						<u>10,000.00</u>	<u>10,406.71</u>	<u>75,427.00</u>	
<u>Department of Environmental Protection</u>	Clean Communities Grant	004-178910	20,547.89	01/01/11	12/31/12	20,547.89			
						<u>20,547.89</u>			
	Community Forestry Management Plan-Green Communities	N/A		3,000.00	01/01/11	12/31/11	3,000.00		
							<u>3,000.00</u>		
	Recycling Grant	752-042-4900- 001-6020		10,148.00	01/01/07	12/31/11		3,310.00	10,148.00
							1,583.58	3,350.12	
8,308.00							1,583.58	3,350.12	
			28,724.51	01/01/10	12/31/12	<u>28,724.51</u>	<u>4,893.58</u>	<u>13,498.12</u>	
Total Department of Environmental Protection						<u>52,272.40</u>	<u>4,893.58</u>	<u>620,998.12</u>	

TOWN OF DOVER  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED DECEMBER 31, 2011

(Continued)

Name of State Agency or Department	State Program	State Account #	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures	
				From	To				
<u>Department of Community Affairs</u>	Cooperative Housing Inspection Grant	100-022-8010- 023-6120	\$ 6,555.00	01/01/10	12/31/12		\$ 2,642.40	\$ 2,642.40	
							2,642.40	2,642.40	
	Total Department of Community Affairs						2,642.40	2,642.40	
<u>Department of Treasury</u>									
Passed through the County of Morris	Governor's Council on Alcoholism/Drug Abuse: Municipal Alliance to Prevent Alcoholism/ Drug Abuse Alcoholism and Drug Abuse	100-082-2000- 044-6010	30,661.00	01/01/10	12/31/11	\$ 28,161.00	14,351.99	26,448.86	
							2,789.91	9,754.53	9,754.53
							30,950.91	24,106.52	36,203.39
Total Department of Treasury						30,950.91	24,106.52	36,203.39	
<u>Department of Law and Public Safety</u>									
Drunk Driving Enforcement Fund	100-078-6400- 260-YYYY	15,735.62	01/01/10	12/31/12		6,591.73	12,288.56		
						6,591.73	12,288.56		
Body Armor Replacement Fund	718-066-1020- 001-6120	3,873.00	01/01/08	12/31/11		3,873.00	3,873.00		
						3,311.85	3,311.85		
						3,311.85	3,873.00	3,873.00	
Safe and Secure Communities Program	100-066-1020- 232-6120	50,413.00	01/01/09	12/31/09			50,413.00		
							60,000.00		
							110,413.00		
Total Department of Law and Public Safety						3,311.85	10,464.73	16,161.56	
Total State Awards						\$ 96,535.16	\$ 52,513.94	\$ 751,432.47	

N/A - Not Available

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

TOWN OF DOVER  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2011

A. GENERAL

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

B. BASIS OF ACCOUNTING

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

C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

D. THRESHOLD FOR FEDERAL AND STATE AWARDS

The threshold for distinguishing federal and state Type A and B programs was \$300,000. The Town qualified as a "low-risk" auditee under the provisions of section 530 of the federal circular.

E. NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS

The Town of Dover has the following loans outstanding as of December 31, 2011:

Water Utility Capital Fund:	
NJFIT Loans	<u>\$ 563,728.83</u>

The projects which related to the loans are complete and there were no current year receipts or expenditures on the loans.



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 200 Valley Road, Suite 300  
 Mt. Arlington, NJ 07856  
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 Lawrence Business Park  
 11 Lawrence Road  
 Newton, NJ 07860  
 973-383-6699 | 973-383-6555 Fax

June 18, 2012

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

The Honorable Mayor and Members  
 of the Board of Aldermen  
 Town of Dover  
 Dover, New Jersey

We have audited the financial statements of the Town of Dover, in the County of Morris (the "Town") as of, and for the years ended December 31, 2011 and 2010 and have issued our report thereon dated June 18, 2012, which indicated that the financial statements have been prepared on an other comprehensive basis of accounting. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

The Honorable Mayor and Members  
of the Board of Aldermen  
Town of Dover  
Page 2  
June 18, 2012

Compliance and Other Matters


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

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

Mount Arlington, New Jersey  
June 18, 2012



NISIVOCIA LLP



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





Mount Arlington Corporate Center  
 200 Valley Road, Suite 300  
 Mt. Arlington, NJ 07856  
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 Lawrence Business Park  
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June 18, 2012

Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

The Honorable Mayor and Members  
 of the Board of Aldermen  
 Town of Dover  
 Dover, New Jersey

Compliance

We have audited the compliance of the Town of Dover in the County of Morris (the "Town") with the types of compliance requirements described in the U.S. Office of Management and Budget (the "OMB") *Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2011. The Town's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Town's management. Our responsibility is to express an opinion on the Town's compliance based on our audit.

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

In our opinion, the Town complied, in all material respects, with the requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2011.

The Honorable Mayor and Members  
of the Board of Aldermen  
Town of Dover  
Page 2  
June 18, 2012

### Internal Control Over Compliance

The management of the Town is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Town's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

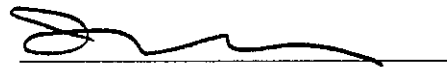
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

Mount Arlington, New Jersey  
June 18, 2012

  
NISIVOC CIA LLP

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

TOWN OF DOVER  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2011

Summary of Auditors' Results:

- An unqualified report was issued on the Town's financial statements for 2011 prepared on another comprehensive basis of accounting.
- The audit did not disclose any material weaknesses or significant deficiencies in the internal controls of the Town.
- The audit did not disclose any noncompliance that is material to the financial statements of the Town.
- The audit did not disclose any material weaknesses or significant deficiencies in the internal controls of the Town's major federal program.
- An unqualified report was issued on the Town's compliance for its major federal program.
- The audit did not disclose any audit findings which are required to be reported under Federal OMB Circular A-133 and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*.
- The Town's major federal programs for the year ended December 31, 2011 consisted of the following award:

		Amount Expended
Small Cities Community Development		
Block Grant Programs	CFDA #14.228	\$ 616,927.47
- The threshold for determining Federal Type A and B programs was \$300,000.00.
- The Town did not qualify as a low-risk auditee under the provisions of Section 530 of the Federal Circular.
- The Town was not subject to the single audit provisions of New Jersey Circular's OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* for 2011 as grant expenditures were less than the single audit threshold of \$500,000 identified in the circular.

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

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

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings for federal awards as defined in Federal OMB Circular A-133.

Findings and Questioned Costs for State Awards:

- Not Applicable – Grant expenditures were below the single audit threshold.

TOWN OF DOVER  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2011

There were no prior year findings.

TOWN OF DOVER

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2011

TOWN OF DOVER  
COMMENTS AND RECOMMENDATIONS

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

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

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

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

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L.1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S.A. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.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 therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective January 1, 2011 and thereafter the bid threshold in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$17,500, and with a qualified purchasing agent the threshold may be up to \$36,000.

The governing body of the Town of Dover 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 violation of the statute, the Town Attorney's opinion should be sought before a commitment is made.

TOWN OF DOVER  
COMMENTS AND RECOMMENDATIONS  
(Continued)

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

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

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

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or sewer transmission fees on or before the date when they would become delinquent.

On January 1, 2011, the governing body adopted a resolution authorizing interest to be charged on delinquent taxes and delinquent sewer transmission fees as follows:

8% per year on sums up to \$1,500.00 and 18% per year on the portion of tax and sewer transmission delinquencies in excess of \$1,500.00 to be calculated from the date the tax and sewer transmission fees were payable until the date of actual payment.

In addition, the governing body adopted a resolution authorizing penalties to be charged on delinquent taxes as follows:

"WHEREAS, Chapter 75 "Laws of 1991" authorizes the Governing Body to fix a 6% penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00, and who fails to pay said delinquency prior to year end closing, and

"WHEREAS, said penalty is to be calculated with interest included in the total delinquency."

It appears from tests of the Collectors' records that interest was collected in accordance with the foregoing resolutions.

Verification of Delinquent Taxes and Other Charges

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

<u>Type</u>	<u>Number Mailed</u>
Payment of 2011 and 2012 Taxes	20
Delinquent Taxes	20
Payment of 2011 Water Rents	10
Payment of 2011 Sewer Rents	10
Delinquent Water Rents	10
Delinquent Sewer Rents	10
Tax Title Liens	3

TOWN OF DOVER  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 6, 2011 and all eligible properties were included.

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

<u>Year</u>	<u>Number of Liens</u>
2011	26
2010	26
2009	26

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

Municipal Court

The Town of Dover is the host of a joint municipal court. The joint municipal court serves the Town of Dover, Borough of Rockaway, Township of Mine Hill, Mt. Arlington Borough and the Borough of Wharton. A summary of the transactions of the Municipal Court for the year 2011 is as follows:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Cash</u> <u>Received</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
State of New Jersey	\$ 30,279.46	\$ 425,818.03	\$ 428,145.89	\$ 27,951.60
County	21,195.75	326,843.03	325,883.26	22,155.52
Municipality	64,912.29	1,002,737.47	1,002,555.85	65,093.91
Municipality - POAA	276.00	3,792.00	3,748.00	320.00
Conditional Discharge	220.00	4,526.00	3,965.00	781.00
Fish and Game		75.00	75.00	
Weights and Measures	3,350.00	62,550.00	58,400.00	7,500.00
Restitution	944.00	4,934.00	5,463.00	415.00
Local Park Commission		25.00	25.00	
Miscellaneous		16.73	16.73	
Bail Account	20,328.00	226,372.20	235,700.20	11,000.00
	<u>\$ 141,505.50</u>	<u>\$ 2,057,689.46</u>	<u>\$ 2,063,977.93</u>	<u>\$ 135,217.03</u>

There were tickets found while testing the municipal court which were assigned but have not been issued in over six months.

It is recommended that all tickets assigned be recalled and reissued to officers if they have not been issued in a six month period.

Management's Response

The Town will implement the process of recalling and reassigning all tickets which have been issued but not written within six months after issuance.



TOWN OF DOVER  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Town Library

Our review of the records of the Town Library revealed the following:

1. Overall, there appears to be an inadequate control over incoming receipts. Prenumbered receipts are only issued for collections over \$1.
2. The petty cash fund is not maintained at the authorized fund amount or closed out at year end.
3. A reconciliation of the bank account for the library was not performed on a monthly basis during the year.

It is recommended that:

1. Prenumbered receipts are issued for all collections; or, a cash register is obtained and utilized for all receipts.
2. The excess in the petty cash fund be turned over to the fines and fees account. The petty cash fund is closed out at year end.
3. Bank reconciliations are performed on a monthly basis.

Management's Response

1. Consideration will be given to issuing prenumbered receipts for all collections in 2012.
2. The excess in the petty cash fund will be turned over to the fines and fees account in 2012 and the petty cash fund will be closed out at year end in the future.
3. Reconciliations will be performed on a monthly basis.

TOWN OF DOVER  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Corrective Action Plan

The Town has initiated a corrective action plan to resolve comments and recommendations from the 2010 audit report. Corrective action on the recommendations is in the process of being implemented.

TOWN OF DOVER  
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. Library:
  - a. Prenumbered receipts are issued for all collections; or, a cash register is obtained and utilized for all receipts.
  - b. The excess in the petty cash fund be turned over to the fines and fees account. The petty cash fund is closed out at year end.
  - c. Bank reconciliations are performed on a monthly basis.
  
2. Municipal Court:
  - a. All tickets assigned be recalled and reissued to officers if they have not been issued in a six month period.