

**TOWNSHIP OF CLARK  
COUNTY OF UNION, NEW JERSEY**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY SCHEDULES  
DECEMBER 31, 2009**

**Township of Clark  
County of Union, New Jersey**

**Financial Statements and Supplementary Schedules**

**December 31, 2009**

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Collection of Interest on Delinquent Taxes and Assessments

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Report of Independent Auditor's on Financial Statements  
and Supplementary Schedules

Honorable Mayor and Members  
of the Township Council  
Township of Clark  
County of Union  
Clark, New Jersey

We have audited the accompanying regulatory-basis financial statements of the Township of Clark ("Township"), County of Union, New Jersey, as of December 31, 2009 and 2008 and for the years then ended, listed as financial statement exhibits in the foregoing table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion 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; in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"); and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and the requirements prescribed by the Division require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

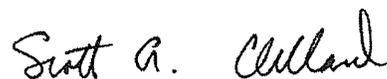
As described in Note 1, these financial statements were prepared in conformity with the accounting practices prescribed by the Division, which practices differ from accounting principles generally accepted in the United States of America. The effects of the differences from accounting principles generally accepted in the United States of America are not reasonably determinable.

In our opinion, because of the effects of the use of prescribed accounting practices that differ from accounting principles generally accepted in the United States of America as described in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2009 and 2008, or the results of its operations and changes in its fund balances for the years then ended.

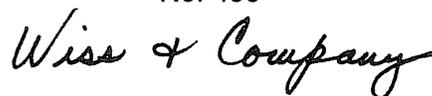
Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Township as of December 31, 2009 and 2008, and the results of its operations and changes in its fund balances for the years then ended, in conformity with the accounting practices prescribed by the Division as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2010 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the regulatory-basis financial statements. The accompanying supplementary schedules and comments section are presented for purposes of additional analysis as required by the Division and are not a required part of the 2009 regulatory-basis financial statements of the Township. Such supplementary information has been subjected to the auditing procedures applied in the audit of the 2009 regulatory-basis financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2009 regulatory-basis financial statements taken as a whole.



Scott A. Clelland  
Registered Municipal Accountant  
No. 455



WISS & COMPANY, LLP

June 24, 2010  
Iselin, New Jersey

Current Fund

Exhibits

Township of Clark  
County of Union, New Jersey  
Current Fund

Balance Sheets

		<b>December 31,</b>	
	<b>Reference</b>	<b>2009</b>	<b>2008</b>
<b>Assets</b>			
Regular fund:			
Cash	1-A	\$ 3,474,465.18	\$ 3,358,621.48
Due from State of NJ	4-A	2,340.40	1,750.00
Receivables with full reserves:			
Delinquent property taxes receivable	3-A	598,551.26	542,372.04
Tax title liens receivable	5-A	14,441.08	13,754.89
Revenue accounts receivable	6-A	23,941.03	23,947.50
Due from Clark Free Public Library	A-2	-	64,835.45
Due from County	1-A	7,831.80	-
Interfunds receivable	2-A	725.31	-
	A	645,490.48	644,909.88
Grant Fund:			
Cash	16-A	191,036.27	179,170.77
Grants receivable	17-A	62,985.51	19,795.00
		254,021.78	198,965.77
		\$ 4,376,317.84	\$ 4,204,247.13

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Current Fund

Balance Sheets

		December 31,	
	Reference	2009	2008
<b>Liabilities, reserves and fund balance</b>			
Liabilities:			
Appropriation reserves	A-3,7-A	\$ 859,004.43	\$ 842,185.27
Encumbrances payable	A-3,7-A	286,579.07	426,972.90
Prepaid taxes	9-A	251,020.61	186,596.25
Tax overpayments	10-A	41,170.60	3,402.55
Accounts payable	14-A	5,065.39	3,755.05
Interfunds payable	2-A	20,485.00	-
Due to State of New Jersey - Marriage Licenses	15-A	-	200.00
Reserves for:			
Feasibility study - sanitary sewer	A	9,208.00	9,208.00
Tax Map	A	4,512.27	4,512.27
State tax appeals	11-A	50,000.00	50,000.00
		1,527,045.37	1,526,832.29
Reserve for receivables	A	645,490.48	644,909.88
Fund balance	A-1	1,949,760.21	1,833,539.19
		2,595,250.69	2,478,449.07
Grant Fund:			
Encumbrances payable	20-A	1,948.00	2,113.98
Reserve for appropriated grants	18-A	239,255.62	192,971.47
Reserve for unappropriated grants	19-A	12,818.16	3,880.32
		254,021.78	198,965.77
		\$ 4,376,317.84	\$ 4,204,247.13

See independent auditor's report and accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statements of Operations and Changes in Fund Balances

	Reference	Year ended December 31,	
		2009	2008
Revenue and other income realized:			
Fund balance utilized	A-2	\$ 1,100,000.00	\$ 1,500,000.00
Miscellaneous revenue anticipated	A-2	3,816,088.28	3,985,355.25
Receipts from delinquent taxes	A-2	553,619.68	428,958.23
Receipts from current taxes	A-2	50,340,614.92	49,356,863.94
Non-budget revenues	A-2	178,531.18	92,582.06
Other credits to income:			
Unexpended balances of appropriation reserves	7-A	816,356.77	521,311.12
Other	1-A	15,405.00	-
Interfunds returned		-	16,084.26
Total revenues and other income		56,820,615.83	55,901,154.86
Expenditures:			
Budget expenditures	A-3	18,089,377.62	18,140,025.59
County taxes	3-A,13-A	9,999,374.71	9,734,905.36
County share of added and omitted taxes	3-A,12-A	18,739.86	51,620.63
Local district school tax	3-A,8-A	27,466,658.00	27,170,208.00
Other expenditures	1-A	23,236.80	-
Senior Citizen Deductions	4-A	4,750.00	-
Refund of Prior Year Revenue	1-A	2,257.82	8,117.26
Total expenditures		55,604,394.81	55,104,876.84
Excess in revenue		1,216,221.02	796,278.02
Fund balance			
Balance, January 1	A	1,833,539.19	2,537,261.17
		3,049,760.21	3,333,539.19
Decreased by			
Utilization as anticipated revenue	A-1	1,100,000.00	1,500,000.00
Balance, December 31	A	\$ 1,949,760.21	\$ 1,833,539.19

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Revenues  
Year ended December 31, 2009

	Reference	Anticipated Budget	Realized	Excess or (Deficit)
Surplus anticipated	A-1	\$ 1,100,000.00	\$ 1,100,000.00	\$ -
<b>Miscellaneous revenues</b>				
Licenses:				
Alcoholic beverages	6-A	29,400.00	29,196.00	(204.00)
Other	6-A	36,500.00	34,977.00	(1,523.00)
Fees and permits	6-A	145,000.00	145,463.06	463.06
Fines and costs:				
Municipal Court	6-A	316,500.00	300,424.28	(16,075.72)
Interest and costs on taxes	6-A	95,950.00	107,107.95	11,157.95
Interest on investments and deposits	6-A	112,200.00	73,353.47	(38,846.53)
Anticipated Swim Pool Utility operating surplus	6-A	100,000.00	100,000.00	-
Consolidated municipal property tax relief aid	6-A	702,691.00	702,691.00	-
Energy receipts tax (P.L. 1977, Chapters 162 and 167)	6-A	1,545,614.00	1,545,614.00	-
Uniform Construction Code	6-A	301,300.00	295,124.00	(6,176.00)
Board of Education - trash removal	6-A	49,269.00	49,269.00	-
Clean Communities Program	17-A	23,346.62	23,346.62	-
Body Armor Grant	17-A	3,880.32	3,880.32	-
H1N1 Grant	17-A	58,172.00	58,172.00	-
Union County Open Space Kids Grant	17-A	56,149.01	56,149.01	-
GDL Enforcement	17-A	2,000.00	2,000.00	-
Uniform fire safety act	6-A	43,015.05	50,682.53	7,667.48
Cable TV Franchise fee	6-A	52,050.57	55,609.21	3,558.64
Cell Tower Rental	6-A	24,000.00	46,539.84	22,539.84
Hotel Tax	6-A	171,000.00	136,488.99	(34,511.01)
Total miscellaneous revenues	A-1	3,868,037.57	3,816,088.28	(51,949.29)
Receipts from delinquent taxes	A-1	539,000.00	553,619.68	14,619.68
Property tax for support of municipal budget appropriations:				
Local tax for municipal purposes	A-2, 3-A	13,432,782.42	13,705,842.35	273,059.93
Non-budget revenues	A-1,A-2	-	178,531.18	178,531.18
	Below	\$ 18,939,819.99	\$ 19,354,081.49	\$ 414,261.50
Budget revenue	A-3	\$ 18,876,600.76		
Special items of revenue	A-3	63,219.23		
	Above	\$ 18,939,819.99		

See independent auditor's report and accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Revenues  
Year ended December 31, 2009

	<u>Reference</u>	<u>2009</u>
Analysis of realized revenues:		
Allocation of current tax collections:		
Revenue from collections	3-A	\$ 50,387,085.26
Less: Reserve for tax appeals paid	11-A	<u>46,470.34</u>
Current Taxes Realized	A-1	50,340,614.92
Allocated to:		
School and county taxes	3-A	<u>37,484,772.57</u>
		12,855,842.35
Add: Reserve for uncollected taxes	A-3	<u>850,000.00</u>
Amount for support of municipal budget appropriations	A-2	<u>\$ 13,705,842.35</u>
Miscellaneous revenue not anticipated:		
Administrative fee senior citizens & veterans		\$ 5,350.00
Rental of Building		14,297.75
Motor vehicle inspection fines		12,739.79
Flu Reimbursement		4,753.60
Scrap Metal		404.20
Sale of municipal property		5,385.00
Prior year reimbursement		7,578.00
Library Reimbursement		64,835.45
Other		<u>63,187.39</u>
Total	A-1,A-2,1-A	<u>\$ 178,531.18</u>

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Expenditures

Year ended December 31, 2009

Appropriations	Appropriations		Expended		
	Budget	Budget after Modification	Paid or Charged	Reserved	Cancelled
<b>Operations within "CAPS"</b>					
General Government:					
Department of administration					
Business administration					
Salaries and wages	\$ 205,000.00	\$ 205,000.00	\$ 197,757.40	\$ 7,242.60	\$ -
Other expenses	70,900.00	70,900.00	56,171.80	14,728.20	-
Mayor's office					
Salaries and wages	59,500.00	59,500.00	59,500.00	-	-
Other expenses	3,900.00	4,900.00	3,992.09	907.91	-
Township council					
Salaries and wages	42,200.00	42,200.00	42,200.00	-	-
Other expenses	24,550.00	20,550.00	16,805.37	3,744.63	-
Township clerk					
Salaries and wages	141,417.00	141,417.00	138,166.51	3,250.49	-
Other expenses	15,550.00	18,550.00	15,814.09	2,735.91	-
Elections					
Salaries and wages	2,500.00	2,500.00	2,500.00	-	-
Other expenses	9,000.00	9,000.00	8,697.26	302.74	-
Department of Revenue and Finance					
Directors office					
Salaries and wages	174,881.00	174,881.00	172,540.50	2,340.50	-
Other expenses	89,500.00	86,500.00	86,297.53	202.47	-
Division of revenue					
Collection of taxes					
Salaries and wages	60,807.00	60,807.00	59,031.97	1,775.03	-
Other expenses	22,800.00	15,800.00	9,677.54	6,122.46	-
Department of Assessment					
Assessment of taxes					
Salaries and wages	94,081.00	94,081.00	91,531.00	2,550.00	-
Other expenses	32,280.00	34,780.00	29,314.78	5,465.22	-
Department of Law					
Salaries and wages	25,306.00	25,306.00	25,306.00	-	-
Other expenses	100,000.00	130,000.00	111,400.18	18,599.82	-
Department of Engineering					
Other expenses	121,000.00	91,000.00	55,395.35	35,604.65	-
Planning Board - Municipal Land Use Law (NJSA 40:550-1)					
Salaries and wages	5,475.00	5,475.00	5,175.00	300.00	-
Other expenses	35,400.00	35,400.00	20,217.48	15,182.52	-
Board of adjustment					
Salaries and wages	5,475.00	5,475.00	5,355.49	119.51	-
Other expenses	6,550.00	6,550.00	4,208.82	2,341.18	-
Group insurance for employees					
Life insurance					
Life insurance	10,500.00	10,500.00	8,139.50	2,360.50	-
Disability insurance					
Disability insurance	40,000.00	37,000.00	28,020.54	8,979.46	-
General liability					
General liability	475,000.00	450,000.00	424,215.00	25,785.00	-
Employee group health					
Employee group health	2,381,000.00	2,341,000.00	2,264,175.83	76,824.17	-
Police					
Salaries and wages	3,873,542.32	3,833,542.32	3,776,375.04	57,167.28	-
Other expenses	243,071.00	376,071.00	321,613.21	54,457.79	-
Emergency management services					
Salaries and wages	6,800.00	6,800.00	6,799.96	0.04	-
Other expenses	10,100.00	10,100.00	10,095.40	4.60	-
First Aid Organization - Contribution	65,000.00	65,000.00	65,000.00	-	-
Department of Public Safety					
Directors office					
Salaries and wages	1,800.00	1,800.00	1,800.00	-	-
Other expenses	600.00	600.00	565.72	34.28	-

See independent auditor's report and accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Expenditures

Year ended December 31, 2009

Appropriations	Appropriations		Expended		
	Budget	Budget after Modification	Paid or Charged	Reserved	Cancelled
<b>Operations within "CAPS"</b>					
<b>(continued)</b>					
Fire					
Salaries and wages	\$ 35,500.00	\$ 35,500.00	\$ 32,575.00	\$ 2,925.00	\$ -
Other expenses	160,100.00	165,100.00	161,508.42	3,591.58	-
Fire Hydrant Services	330,400.00	330,400.00	269,309.08	61,090.92	-
Uniform Fire Safety Act					
Fire Official					
Salaries and wages	80,649.00	80,649.00	80,154.04	494.96	-
Other expenses	19,900.00	19,900.00	15,429.94	4,470.06	-
Bureau of roads, road repair and maintenance					
Salaries and wages	896,309.00	876,309.00	852,327.26	23,981.74	-
Other expenses	222,000.00	262,000.00	250,219.48	11,780.52	-
Traffic lights					
Other expenses	1,000.00	1,000.00	-	1,000.00	-
Building and grounds					
Salaries and wages	158,115.00	158,115.00	150,458.85	7,656.15	-
Other expenses	106,000.00	106,000.00	92,082.79	13,917.21	-
Department of shade tree					
Other expenses	10,000.00	10,000.00	9,461.00	539.00	-
Division of health and welfare					
Bureau of health					
Salaries and wages	75,973.00	75,973.00	72,915.70	3,057.30	-
Other expenses	15,000.00	15,000.00	11,648.72	3,351.28	-
Department of Senior Citizens Affairs					
Salaries and wages	85,700.00	65,700.00	57,913.33	7,786.67	-
Other expenses	11,500.00	11,500.00	6,366.30	5,133.70	-
Dog regulation					
Other expenses	9,000.00	9,000.00	9,000.00	-	-
Services of visiting nurses - contractual	3,200.00	3,200.00	2,283.88	916.12	-
Department of recreation					
Salaries and wages	177,750.00	177,750.00	173,423.40	4,326.60	-
Other expenses	22,700.00	22,700.00	21,144.61	1,555.39	-
Celebration of public events, anniversary or holiday					
Other expenses	25,000.00	25,000.00	25,000.00	-	-
Street Lighting	275,000.00	340,000.00	288,751.74	51,248.26	-
Municipal Court					
Salaries and Wages	194,027.00	194,027.00	180,685.00	13,342.00	-
Other expenses	20,000.00	20,000.00	16,322.15	3,677.85	-
Division of Code Enforcement					
Construction Code Official					
Salaries and wages	274,586.00	282,086.00	279,947.37	2,138.63	-
Other expenses	35,000.00	15,000.00	9,542.30	5,457.70	-
Unclassified					
Grass Collection	15,000.00	15,000.00	15,000.00	-	-
Leaf Collection	85,000.00	75,000.00	71,292.00	3,708.00	-
Recycling	120,000.00	120,000.00	117,749.96	2,250.04	-
Clean Up	55,000.00	30,000.00	25,000.00	5,000.00	-
Municipal Services Act	30,000.00	30,000.00	7,318.29	22,681.71	-
Environmental commission					
Other expenses	100.00	100.00	-	100.00	-
Utilities	250,000.00	230,000.00	136,082.20	93,917.80	-
Telephone - all departments	70,000.00	70,000.00	67,796.57	2,203.43	-
Gas - diesel	205,000.00	185,000.00	128,169.62	56,830.38	-
Reserve for compensated absence	5,000.00	5,000.00	5,000.00	-	-
<b>Total operations within "CAPS"</b>	<b>12,534,994.32</b>	<b>12,534,994.32</b>	<b>11,765,735.36</b>	<b>769,258.96</b>	<b>-</b>

See independent auditor's report and accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Expenditures

Year ended December 31, 2009

Appropriations	Appropriations		Expended		
	Budget	Budget after Modification	Paid or Charged	Reserved	Cancelled
<b>Operations within "CAPS"</b>					
<b>(continued)</b>					
<b>Deferred charges and statutory expenditures-municipal within "CAPS"</b>					
STATUTORY EXPENDITURES:					
Contribution to:					
Social security system (O.A.S.I.)	\$ 586,000.00	\$ 586,000.00	\$ 580,343.97	\$ 5,656.03	\$ -
Unemployment Compensation Insurance	1,000.00	1,000.00	1,000.00	-	-
Defined Contribution Retirement Plan	1,000.00	1,000.00	-	1,000.00	-
Total deferred charges and statutory expenditures - municipal within "CAPS"	588,000.00	588,000.00	581,343.97	6,656.03	-
Total general appropriations for municipal purposes within "CAPS"	13,122,994.32	13,122,994.32	12,347,079.33	775,914.99	-
<b>Operations - excluded from "CAPS"</b>					
Maintenance of Free Public Library	934,364.00	934,364.00	934,364.00	-	-
Police and Firemen's Retirement System of NJ	849,871.00	849,871.00	849,870.00	1.00	-
Public employees retirement system	269,005.00	269,005.00	269,004.00	1.00	-
Maintenance of 911					
Salaries and wages	609,233.00	609,233.00	596,729.06	12,503.94	-
Other expenses	99,650.00	99,650.00	39,187.50	60,462.50	-
Length of service award program (L.O.S.A.P.)	28,500.00	28,500.00	28,500.00	-	-
Recycling Tax Appropriation	5,500.00	5,500.00	-	5,500.00	-
Interlocal Municipal Service Agreements					
Trash removal - Clark Board of Ed.	49,269.00	49,269.00	49,269.00	-	-
Public and Private Programs Offset by revenues					
Municipal Alliance Grant:					
Local Share (Match)	4,621.00	4,621.00	-	4,621.00	-
H1N1 Grant	-	58,172.00	58,172.00	-	-
Body Armor Grant	3,880.32	3,880.32	3,880.32	-	-
Union Cty Kids Rec. Trust	62,298.02	62,298.02	62,298.02	-	-
Clean communities	18,299.39	23,346.62	23,346.62	-	-
GDL Enforcement	2,000.00	2,000.00	2,000.00	-	-
Total operations - excluded from "CAPS"	2,936,490.73	2,999,709.96	2,916,620.52	83,089.44	-
<b>Capital improvements excluded from "CAPS"</b>					
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	-	-
Total Capital Improvements Excluded From "CAPS"	100,000.00	100,000.00	100,000.00	-	-
<b>Municipal Debt Service - Excluded from "CAPS"</b>					
Payment of bond principal	980,000.00	980,000.00	980,000.00	-	-
Payment of bond anticipation notes and capital notes	186,000.00	186,000.00	186,000.00	-	-
Interest on bonds	537,694.00	537,694.00	537,694.00	-	-
Interest on notes	159,250.00	159,250.00	158,807.63	-	442.37
Total municipal debt service - excluded from "CAPS"	1,862,944.00	1,862,944.00	1,862,501.63	-	442.37

See independent auditor's report and accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Expenditures

Year ended December 31, 2009

Appropriations	Appropriations		Expended		
	Budget	Budget after Modification	Paid or Charged	Reserved	Cancelled
<b>Operations - excluded from "CAPS"</b>					
(Continued)					
<b>Deferred charges - municipal - excluded from "CAPS"</b>					
DEFERRED CHARGES					
Deferred Charges to Future Taxation Unfunded	\$ 4,171.71	\$ 4,171.71	\$ 4,171.71	\$ -	\$ -
Total deferred charges - municipal - excluded from "CAPS"	4,171.71	4,171.71	4,171.71	-	-
Total general appropriations for municipal purposes excluded from "CAPS"	4,903,606.44	4,966,825.67	4,883,293.86	83,089.44	442.37
Subtotal general appropriations for municipal purposes	18,026,600.76	18,089,819.99	17,230,373.19	859,004.43	442.37
Reserve for uncollected taxes	850,000.00	850,000.00	850,000.00	-	-
Total general appropriations	<u>\$18,876,600.76</u>	<u>\$ 18,939,819.99</u>	<u>\$18,080,373.19</u>	<u>\$ 859,004.43</u>	<u>\$ 442.37</u>
	Below	Below	Below	A	
<b>Analysis of budget after modification</b>					
2009 appropriations	<u>Reference</u>				
Special items of revenue	A-2, Above	\$ 18,876,600.76			
	A-2	<u>63,219.23</u>			
	Above	<u>\$ 18,939,819.99</u>			
<b>Analysis of paid or charged</b>					
Reserve for uncollected taxes	A-2, A-3		\$ 850,000.00		
Reserve for grants	18-A		143,547.95		
Disbursed	1-A		16,800,246.17		
Encumbered	A		<u>286,579.07</u>		
	Above		<u>\$18,080,373.19</u>		

See independent auditor's report and accompanying notes to financial statements.

Trust Fund

Exhibit

Township of Clark  
County of Union, New Jersey  
Trust Fund

Balance Sheets

	<b>Reference</b>	<b>December 31,</b>	
		<b>2009</b>	<b>2008</b>
<b>Assets</b>			
Animal Control Fund:			
Cash	1-B	\$ 8,480.88	\$ 9,442.28
		8,480.88	9,442.28
Other Funds:			
Cash	1-B	2,455,664.76	1,193,323.83
Interfund receivable (current fund)	1-B	20,485.00	-
Funds held in trust	B	493,164.63	327,645.99
		2,969,314.39	1,520,969.82
		\$ 2,977,795.27	\$ 1,530,412.10
<b>Liabilities and reserves</b>			
Animal Control Fund:			
Reserve for expenditures	2-B	\$ 8,480.88	\$ 9,442.28
		8,480.88	9,442.28
Other Funds:			
Reserve for:			
Various trust deposits	3-B	2,476,149.76	1,193,323.83
Length of Service Award Program	B	493,164.63	327,645.99
		2,969,314.39	1,520,969.82
		\$ 2,977,795.27	\$ 1,530,412.10

*See independent auditor's report and accompanying notes to financial statements.*

# General Capital Fund

## Exhibits

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Balance Sheets

	Reference	December 31	
		2009	2008
<b>Assets</b>			
Cash	1-C, 2-C	\$ 493,608.45	\$ 267,090.58
State transportation aid receivable	10-C	200,000.00	200,000.00
Kids Grant Receivable (#08-03C)	11-C	-	15,000.00
Interfunds Receivable	2-C, D	112,357.24	-
Deferred charges to future taxation:			
Funded	3-C	11,878,000.00	12,858,000.00
Unfunded	4-C	8,835,700.00	7,481,871.71
		<u>\$ 21,519,665.69</u>	<u>\$ 20,821,962.29</u>
<b>Liabilities, reserves and fund balance</b>			
General serial bonds	8-C	\$ 11,878,000.00	\$ 12,858,000.00
Bond anticipation notes	7-C	8,485,000.00	6,370,000.00
Improvement authorizations - funded	6-C	106,161.40	143,497.15
Improvement authorizations - unfunded	6-C	840,854.87	1,069,716.94
Encumbrances payable	9-C	43,691.36	151,396.65
Capital improvement fund	5-C	89,420.00	72,420.00
Reserve for Debt Service	2-C	877.51	877.51
Interfunds Payable	2-C, A	725.31	140,100.00
Fund balance	C-1	74,935.24	15,954.04
		<u>\$ 21,519,665.69</u>	<u>\$ 20,821,962.29</u>

*There were bonds and notes authorized but not issued on December 31, 2009 and 2008 in the amounts of \$650,700 and \$ 1,135,739.00, respectively (Schedule 12-C).*

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
 County of Union, New Jersey  
 General Capital Fund

Statement of Fund Balance

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 15,954.04
Increased by:		
Premium on Bond Anticipation Notes	1-C	<u>103,981.20</u>
		119,935.24
Decreased by:		
Appropriated to Finance Improvement Authorizations	6-C	<u>45,000.00</u>
Balance, December 31, 2009	C	<u><u>\$ 74,935.24</u></u>

*See independent auditor's report and accompanying notes to financial statements*

# Swim Pool Utility Fund

## Exhibits

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Fund

Balance Sheets

		<b>December 31</b>	
<b>Reference</b>	<b>2009</b>	<b>2008</b>	
<b>Assets</b>			
Operating Fund:			
Cash	1-D	\$ 17,786.91	\$ 80,454.10
Total Operating Fund		17,786.91	80,454.10
Capital Fund:			
Cash	1-D	4,044.07	84,615.07
Fixed capital authorized and not complete	8-D	450,000.00	-
Fixed capital	3-D	1,081,555.93	1,025,984.93
Total Capital Fund		1,535,600.00	1,110,600.00
		\$ 1,553,386.91	\$ 1,191,054.10
<b>Liabilities, reserves and fund balance</b>			
Operating Fund:			
Liabilities:			
Appropriation reserves	D-3,2-D	\$ 1,541.28	\$ 26,416.92
Encumbrances payable	2-D	-	3,584.62
Security deposit	1-D	-	1,116.34
		1,541.28	31,117.88
Fund balance	D-1	16,245.63	49,336.22
Total Operating Fund		17,786.91	80,454.10
Capital Fund:			
Interfunds payable	5-D	112,357.24	-
Bond anticipation notes payable	6-D	275,000.00	-
Improvement authorizations - unfunded	7-D	37,642.76	-
Reserve for amortization	10-D	1,081,555.93	1,025,984.93
Reserve for deferred amortization	9-D	25,000.00	-
Reserve for capital outlay	4-D	4,044.07	84,615.07
Total Capital Fund		1,535,600.00	1,110,600.00
		\$ 1,553,386.91	\$ 1,191,054.10

*There were bonds and notes authorized but not issued on December 31, 2009 and 2008 in the amounts of \$150,000 and \$0, respectively (Schedule 11-D).*

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Fund

Statements of Operations and Changes in Fund Balance

	Reference	Year ended December 31	
		2009	2008
Revenue and other income:			
Fund balance utilized	D-2	\$ 40,000.00	\$ 50,000.00
Membership fees	D-2	252,460.00	258,875.00
Miscellaneous revenue	D-2	45,762.49	59,548.25
Other credits to income:			
Unexpended balance of appropriation reserves	2-D	26,416.92	57,055.74
Total revenue and other income		364,639.41	425,478.99
Expenditures:			
Operating	D-3	244,930.00	257,330.00
Capital improvements		-	10,000.00
Deferred charges and statutory expenditures	D-3	12,800.00	12,800.00
Surplus (general budget)	D-3	100,000.00	100,000.00
Total expenditures		357,730.00	380,130.00
Excess in revenue		6,909.41	45,348.99
Fund balance:			
Balance, January 1	D	49,336.22	53,987.23
		56,245.63	99,336.22
Decreased by utilized as anticipated revenue	D-2	40,000.00	50,000.00
Balance, December 31	D	\$ 16,245.63	\$ 49,336.22

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Fund

Statement of Revenues

Year ended December 31, 2009

	<b>Reference</b>	<b>Budget Revenue</b>	<b>Realized</b>	<b>Excess (Deficit)</b>
Fund balance anticipated	D-1	\$ 40,000.00	\$ 40,000.00	\$ -
Membership fees	D-1, 1-D	258,500.00	252,460.00	(6,040.00)
Miscellaneous	D-1, 1-D	59,230.00	45,762.49	(13,467.51)
		<u>\$ 357,730.00</u>	<u>\$ 338,222.49</u>	<u>\$ (19,507.51)</u>
	D-3			

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Fund

Statement of Expenditures

Year ended December 31, 2009

	<u>Appropriations</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating:				
Salaries and wages	\$ 115,930.00	\$ 95,930.00	\$ 95,317.39	\$ 612.61
Other expenses	129,000.00	149,000.00	148,071.33	928.67
Deferred charges and statutory expenditures:				
Social security system (O.A.S.I.)	11,400.00	11,400.00	11,400.00	-
Unemployment compensation insurance	1,400.00	1,400.00	1,400.00	-
Surplus (Current Fund Budget)	100,000.00	100,000.00	100,000.00	-
	<u>\$ 357,730.00</u>	<u>\$ 357,730.00</u>	<u>\$ 356,188.72</u>	<u>\$ 1,541.28</u>
<b>Reference</b>	D-2	D-2	1-D	D

*See independent auditor's report and accompanying notes to financial statements.*

# Sewer Utility Fund

## Exhibits

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Balance Sheets

		<b>December 31</b>	
	<b>Reference</b>	<b>2009</b>	<b>2008</b>
<b>Assets</b>			
Operating Fund:			
Cash	1-E	\$ 1,550,376.00	\$ 197,405.39
Interfunds Receivable		-	140,100.00
Sewer Fees Receivable	2-E	1,072,143.72	192,984.44
Total Operating Fund		2,622,519.72	530,489.83
Capital Fund:			
Cash	1-E	2,788.00	2,788.00
Fixed Capital	E	22,212.00	22,212.00
Total Capital Fund		25,000.00	25,000.00
		\$ 2,647,519.72	\$ 555,489.83
<b>Liabilities, reserves and fund balance</b>			
Operating Fund:			
Liabilities:			
Appropriation reserves	3-E, E-3	\$ 34,495.55	\$ 27,820.79
Sewer Overpayments	4-E	-	213.02
Reserve for Premium at Tax Sale	1-E	-	7,600.00
Reserve for Third Party Liens	E	2,700.57	163.75
		37,196.12	35,797.56
Reserve for Receivables	E	1,072,143.72	192,984.44
Fund balance	E-1	1,513,179.88	301,707.83
Total Operating Fund		2,622,519.72	530,489.83
Capital Fund:			
Reserve for Capital Outlay	5-E	2,788.00	2,788.00
Reserve for Amortization	E	22,212.00	22,212.00
Total Capital Fund		25,000.00	25,000.00
		\$ 2,647,519.72	\$ 555,489.83

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Statements of Operations and Changes in Fund Balances

	Reference	Year ended December 31	
		2009	2008
Revenue and other income:			
Fund Balance Utilized		\$ -	\$ 457,389.00
Sewer Fees	E-2	5,803,813.19	3,078,356.77
Miscellaneous revenue	E-2	107,904.74	51,702.45
Non-budget revenue	E-2	2,435.33	142,601.74
Other credits to income:			
Unexpended balance of appropriation reserves	3-E	25,695.79	25,685.65
Total revenue and other income		5,939,849.05	3,755,735.61
Expenditures:			
Operating	E-3	4,728,273.00	3,472,389.00
Surplus (Current Fund budget)		-	100,000.00
Refund of prior year revenue	1-E	104.00	1,105.93
Total expenditures		4,728,377.00	3,573,494.93
Excess in revenue		1,211,472.05	182,240.68
Fund balance:			
Balance, January 1	E	301,707.83	576,856.15
		1,513,179.88	759,096.83
Decreased by utilized as anticipated revenue		-	457,389.00
Balance, December 31	E	\$ 1,513,179.88	\$ 301,707.83

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
 County of Union, New Jersey  
 Sewer Utility Fund

Statement of Revenues - Operating Fund

Year ended December 31, 2009

	<b>Reference</b>	<b>Budget Revenue</b>	<b>Realized</b>	<b>Excess (Deficit)</b>
Sewer fees	E-1,1-E,2-E	\$ 4,728,273.00	\$ 5,803,813.19	\$ 1,075,540.19
Miscellaneous	E-1,1-E	-	107,904.74	107,904.74
	E-3	<u>\$ 4,728,273.00</u>	5,911,717.93	<u>\$ 1,183,444.93</u>
Non-Budget Revenues	E-1,1-E		<u>2,435.33</u>	
			<u>\$ 5,914,153.26</u>	

*See independent auditor's report and accompanying notes to financial statements.*

Township of Clark  
 County of Union, New Jersey  
 Sewer Utility Fund

Statement of Expenditures - Operating Fund

Year ended December 31, 2009

	<u>Appropriations</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating:				
Salaries and Wages	\$ 240,000.00	\$ 240,000.00	\$ 240,000.00	\$ -
Other expenses:				
Rahway Valley Sewer Authority	4,223,273.00	4,223,273.00	4,223,273.00	-
Miscellaneous	265,000.00	265,000.00	230,504.45	34,495.55
	<u>\$ 4,728,273.00</u>	<u>\$ 4,728,273.00</u>	<u>\$ 4,693,777.45</u>	<u>\$ 34,495.55</u>
<b>Reference</b>	E-2	E-2	1-E	E

See independent auditor's report and accompanying notes to financial statements.

# General Fixed Assets Account Group

## Exhibit

Township of Clark  
County of Union, New Jersey  
General Fixed Assets Account Group

Balance Sheets

	<b>December 31</b>	
	<b>2009</b>	<b>2008</b>
<b>Fixed Assets</b>		
Land	\$ 5,329,000.00	\$ 5,329,000.00
Buildings	6,829,874.00	5,834,162.00
Machinery and equipment	5,875,795.00	5,811,890.00
	\$ 18,034,669.00	\$ 16,975,052.00
 <b>Reserve</b>		
Investment in General Fixed Assets	\$ 18,034,669.00	\$ 16,975,052.00

*See independent auditor's report and accompanying notes to financial statements.*

## Township of Clark

### Notes to Financial Statements

Years ended December 31, 2009 and 2008

#### **1. Summary or Significant Accounting Policies**

##### **Reporting Entity**

The Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") requires the financial statements of the Township of Clark ("Township") to be reported separately.

The Township is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Council consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township do not include the operations of the municipal library or the local school district, inasmuch as their activities are administered by separate boards.

##### **Description of Funds**

The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States (GAAP).

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by 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 financial transactions and accounts of the Township are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record

## Township of Clark

### Notes to Financial Statements (continued)

#### **1. Summary or Significant Accounting Policies (continued)**

the financial position and results of operations of a specific government activity. As required by the Division, the Township accounts for its financial transactions through the following individual funds and account group:

Current Fund – records resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund – records the receipts, custodianship and disbursement of monies in accordance with the purpose for which each reserve was established.

General Capital Fund – records the receipt and disbursement of funds for the acquisition of general infrastructure and other capital facilities, other than those acquired through the Current Fund. General bonds and notes payable are recorded in this fund offset by deferred charges to future taxation.

Swim Pool Utility Operating and Capital Funds – account for the operation and acquisition of capital facilities of the municipally-owned swimming pool.

Sewer Utility Operating and Capital Funds – account for the operation and acquisition of capital facilities of the municipally-owned utility.

General Fixed Assets Account Group – utilized to account for land, buildings, machinery, equipment and vehicles that have been acquired by other governmental funds, other than utility funds.

#### **Basis of Accounting**

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from GAAP applicable to local governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues – are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue

## Township of Clark

### Notes to Financial Statements (continued)

#### **1. Summary or Significant Accounting Policies (continued)**

when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures – are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the encumbrance accounting system. Unexpended or uncommitted appropriations at December 31 are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory appropriation reserve balance. GAAP requires expenditures in the Current Fund to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Appropriation Reserves – unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be cancelled 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. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis. Appropriation reserves are not established under GAAP.

Encumbrances – contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Deferred Charges – the basis of accounting utilized by the Township requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories,

## Township of Clark

### Notes to Financial Statements (continued)

#### 1. Summary or Significant Accounting Policies (continued)

overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for deferred charges on the Current Fund, Swim Pool Utility Fund or Sewer Utility Fund balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

Compensated Absences – expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the Current Fund and the remaining obligations be recorded as a long-term obligation.

Foreclosed Property – is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value at the date of acquisition.

Sale of Municipal Assets – the proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

Interfunds – the advances from the Current Fund are reported as interfund receivables 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. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies – the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. GAAP does not require the establishment of an offsetting reserve.

## Township of Clark

### Notes to Financial Statements (continued)

#### **1. Summary or Significant Accounting Policies (continued)**

Fixed Capital – Swim Pool and Sewer Utility – the property and equipment purchased by the Swim Pool Utility Fund and Sewer Utility Fund are recorded in its capital account at cost and is adjusted for dispositions and abandonments. The amount reported for reserve for amortization of fixed capital acquired on the balance sheet of the Swim Pool Utility and Sewer Utility Capital Funds represent the aggregate charges (capital outlay and debt service) to the operating budget and reserve for capital outlay for the costs of the acquisitions of property and equipment and proceeds from grants-in-aid. The Swim Pool Utility and Sewer Utility do not record depreciation of property and equipment.

GAAP does not require the establishment of a reserve for amortization of fixed capital, whereas it does require the recognition of depreciation of property and equipment by the Swim Pool Utility and Sewer Utility Fund.

Fixed Assets – Current Fund and General Capital Fund – the property and equipment purchased by the Current Fund and the General Capital Fund are recorded as expenditures at the time of purchase and are capitalized in the General Fixed Assets Account Group.

Insurance Claims – Insurance claims incurred are not recorded as a liability but would be recorded as a liability under GAAP (see Note 11).

#### **Regulatory-Basis Financial Statements**

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

#### **Reclassification**

Certain amounts previously reported have been reclassified to conform to the current year presentation.

## Township of Clark

### Notes to Financial Statements (continued)

#### **1. Summary or Significant Accounting Policies (continued)**

##### **Subsequent Events**

The Township has reviewed and evaluated all events and transactions from December 31, 2009 through June 24, 2010, the date that the financial statements were available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at December 31, 2009 have been recognized in the accompanying financial statements.

#### **2. Deposits and Investments**

##### **Deposits**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey that 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:

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

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

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.

Cash and cash equivalents include petty cash, change funds, amounts on deposit and short-term investments with original maturities of three months or less. Investments are stated at cost, which approximates fair value.

As of December 31, 2009 and 2008, cash and cash equivalents of the Township consisted of certificates of deposit and demand deposit accounts. During 2009 and 2008, the Township had no investments.

## Township of Clark

### Notes to Financial Statements (continued)

#### **2. Deposits and Investments (continued)**

The carrying amount of the Township's deposits at December 31, 2009 was \$8,198,251 and the bank balance was \$8,514,473. Of this amount, \$500,000 was covered by federal depository insurance and the remaining \$8,014,472 was covered by a collateral pool maintained by the bank as required by New Jersey Statutes in accordance with the New Jersey Governmental Unit Deposit Protection Act ("GUDPA").

GASB Statement No. 40 requires that the Township disclose whether its deposits are exposed to custodial credit risk (risk that in the event of failure of the counterparty, the Township would not be able to recover the value of its deposit or investment). Deposits are considered to be exposed to custodial credit risk if they are: uncollateralized (securities are not pledged to the depositor), collateralized with the securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the name of the Township.

The Township does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the Township's deposits were fully collateralized by funds held by the financial institution, but not in the name of the Township. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

#### **Investments**

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Association or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds and other obligations of the Township or bonds or other obligations of school districts, which are part of the Township or school districts located within the Township.
- d. Bonds or other obligations, having a maturity date of not more than twelve months from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.

## Township of Clark

### Notes to Financial Statements (continued)

#### **2. Deposits and Investments (continued)**

*Custodial Credit Risk:* All of the Township's investments are insured or registered in the Township's name or held by an entity as its agent in the Township's name. The Township does not have a policy for custodial credit risk for its investments.

*Concentration of Credit Risk:* The Township places no limit on the amount the Township may invest in any one issuer.

*Credit Risk:* The Township does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosures be made as to the credit rating of all debt security investments except for obligations of the U.S. Government or investments guaranteed by the U.S. Government.

*Interest Rate Risk:* The Township does not have a policy to limit interest rate risk, however, its practice is typically to invest in investments with short maturities.

#### **3. School Debt**

The Township of Clark Board of Education is a Type II School District. As such, the members of the Board of Education are elected by the citizens of the Township and school appropriations are set by a Board of Education. Bonds and notes authorized by voter referendum to finance capital expenditures are general obligations of the Board of Education and, as such, are reported on the balance sheet of the Board of Education.

#### **4. Long-Term Debt**

The Local Bond Law governs that issuance of bonds to finance general municipal capital expenditures. All bonds issued by the Township are general obligations bonds backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, must be paid off within ten years or retired by the issuance of bonds.

Township of Clark

Notes to Financial Statements (continued)

**4. Long-Term Debt (continued)**

**Summary of Municipal Debt (excluding Type II School Debt)**

The Township's debt is summarized as follows:

	<u>2009</u>	<u>2008</u>
Issued:		
General:		
Bonds and notes	\$ 20,363,000	\$19,228,000
Swim Pool Utility:		
Notes	275,000	-
Total issued	<u>20,638,000</u>	<u>19,228,000</u>
Authorized but not issued:		
General:		
Bonds and notes	650,700	1,135,739
Swim Pool Utility:		
Notes	150,000	-
Net bonds and notes issued and authorized but not issued	<u>\$ 21,438,700</u>	<u>\$20,363,739</u>

**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 0.77%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General debt	\$ 21,013,700	\$ -	\$ 21,013,700
Swim Pool Utility debt	425,000	425,000	-
	<u>\$ 21,438,700</u>	<u>\$ 425,000</u>	<u>\$ 21,013,700</u>

Township of Clark

Notes to Financial Statements (continued)

**4. Long-Term Debt (continued)**

Net debt \$21,013,700 divided by equalized valuation basis per N.J.S. 40A:2-2, as amended, \$2,731,470,202 equals 0.77%.

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

Equalized valuation basis* - December 31, 2009	<u>\$ 2,731,470,202</u>
3 1/2% of equalized valuation basis	\$ 95,601,457
Net debt	<u>21,013,700</u>
Remaining borrowing power	<u>\$ 74,587,757</u>

\* Equalized valuation basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township of the last three (3) preceding years.

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

Calendar Year	General		Total
	Principal	Interest	
2010	\$ 990,000	\$ 492,144	\$ 1,482,144
2011	1,000,000	446,019	1,446,019
2012	1,010,000	399,519	1,409,519
2013	1,071,000	352,181	1,423,181
2014	1,115,000	302,521	1,417,521
2015-2019	6,692,000	742,451	7,434,451
	<u>\$ 11,878,000</u>	<u>\$ 2,734,835</u>	<u>\$ 14,612,835</u>

Interest is recorded on the cash basis for general debt. The interest is paid semi-annually at rates ranging between 3.75% - 4.90%.

Bond anticipation notes were issued in the General Capital Fund and Swim Pool Utility Capital Fund at an interest rate of 2.00% and mature on March 26, 2010 (see schedules 7-C and 6-D).

Township of Clark

Notes to Financial Statements (continued)

**5. Fund Balances Appropriated**

The following fund balances at December 31, 2009 were appropriated in the 2010 budget:

Current Fund	\$ 1,300,000
Swim Pool Utility Operating Fund	16,200

**6. Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also the taxes for the County and local school district. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes collected in advance – Taxes collected in advance are recorded as cash liabilities in the financial statements are as follows:

	<b>Balance December 31</b>	
	<b>2009</b>	<b>2008</b>
Prepaid taxes	\$ 251,021	\$ 186,596

## Township of Clark

### Notes to Financial Statements (continued)

#### **7. Pension Plans**

Substantially, all Township employees participate in the Public Employees' Retirement System or the Police and Firemen's Retirement System. The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost sharing multiple-employer defined benefit plans and as such do not maintain separate records for each municipality in the state and, therefore, the actuarial data for the Township is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, the PERS and PFRS bill the Township annually at an actuarially determined rate for its required contribution. The current rate is 5.5% and 8.5%, respectively, of annual covered payroll. The contribution requirements of plan members and the Township are established and may be amended by the Board of Trustees of the respective plan. The Township's contributions to the plans for the years ended December 31, 2009, 2008 and 2007 were \$1,118,874, \$991,875 and \$606,543, respectively, equal to the required contributions for each year.

#### **Other Post-Retirement Benefits Other Than Pension State Health Benefits Program (SHBP)**

**Plan Description:** The Township contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>.

## Township of Clark

### Notes to Financial Statements (continued)

#### **7. Pension Plans (continued)**

**Plan Coverage:** All active employees, including their dependents, are eligible to participate in the SHBP, upon completion of a sixty day waiting period. Retirees with twenty five years or more of active service with the Township are also eligible to participate in the SHBP.

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

Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Township on a monthly basis. Eligible employees and retirees have the option of choosing from four medical benefit plans (NJ Direct15, NJ Direct10, Aetna, Inc., or CIGNA HealthCare HMO) with rates ranging from \$391 for a single participant to \$1,026 for family coverage.

The Township's contributions to SHBP for post-retirement benefits for the years ended December 31, 2009, 2008, and 2007 were \$554,123, \$545,113, and \$566,136, respectively, which equaled the required contributions for each year.

#### **8. Compensated Absences**

As discussed in Note 1 and in accordance with accounting principles prescribed by the Division, the cash basis of accounting is followed for recording the Township's liability related to unused vacation and sick pay. The Township permits certain employees within limits to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation would approximate \$1,613,869 at December 31, 2009. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

## Township of Clark

### Notes to Financial Statements (continued)

#### **9. Tax Appeals**

There are several tax appeals pending before the State Tax Court of New Jersey requesting a reduction of assessments for the year 2009 and prior. Any reduction in assessed valuation will result in a refund of prior years taxes in the year of settlement, which may be funded from tax revenues, through the establishment of a reserve or by the issuance of refunding bonds per N.J.S. 40A:2-51. The Township has made a provision from tax revenues, in the amount of \$50,000 for these appeals in the event that the tax reductions are granted. In accordance with the National Council on Governmental Accounting Statement 4, *Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences*, the Township charges to current fund operations or a reduction of current tax collections, all state board judgments rendered during the year which will be paid from expendable available resources. The Township's share of the County taxes paid on any successful tax appeal would result in appropriate reductions applied against the County tax levy of the following year.

#### **10. Commitments and Contingencies**

The Township receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes.

Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by the grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2009, the Township estimates that no material liabilities will result from such audits.

The Township is involved in certain legal proceedings, the resolution and impact on the financial statements of which, individually or in the aggregate, in the opinion of management as advised by legal counsel, would not be significant to the accompanying financial statements.

## Township of Clark

### Notes to Financial Statements (continued)

#### **11. Risk Management**

The Township has established a self-insurance program that enables the governing body of the local unit to provide insurance coverage for its exposure to a wide variety of property and liability casualty risks. The Township self-insures for professional liability, general liability and workers' compensation exposures up to \$100,000 per occurrence. The Township participates in a Joint Insurance Fund ("JIF"), which currently serves as administrator of the Township's insurance program. The joint insurance pool is a public utility risk pool currently operating as a common risk management and insurance program for municipalities in New Jersey. The JIF covers all Township claims in excess of \$100,000 per occurrence and is funded by Township budget appropriations to pay for premiums that are assessed annually. The JIF is expected to be self-sustaining through member premiums, of which the Township portion is reported as expenditure in the Township's financial statements. In addition, the Township is not aware of any claims pending that have a demand in excess of these coverages. There have been no settlements which exceeded insurance coverage for each of the past three fiscal years.

#### **12. Deferred Compensation**

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

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

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

The administrators for the Township of Clark Deferred Compensation Plan are MetLife and Lincoln Financial.

As of December 31, 2009 and 2008 the amounts held in trust, amounted to \$2,107,870 and \$1,830,229, respectively.

Township of Clark

Notes to Financial Statements (continued)

**13. Length of Service Award Program (LOSAP)**

The Township has established a LOSAP in accordance with N.J.A.C. 5:30-14. Annually, the Township appropriates funds and makes contributions into the LOSAP on behalf of its active emergency service volunteers that are tax-deferred income benefits.

In accordance with N.J.A.C 5:30-14, the funds held in the LOSAP remain the assets of the Township until they are distributed and as such are subject to the claims of the Township's general creditors.

As of December 31, 2009 and 2008, there was \$493,165 and \$327,646, respectively, held in the LOSAP and is recorded in the Trust Fund of the Township as funds held in trust. The plan is administered by Lincoln Financial Group.

**14. Interfunds**

The composition of interfund balances at December 31, 2009, is as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 725.31	\$ 20,485.00
Other Trust Fund	20,485.00	-
General Capital Fund	112,357.24	725.31
Swim Pool Utility Fund	-	112,357.24
	<u>\$ 133,567.55</u>	<u>\$ 133,567.55</u>

Current Fund  
Schedules

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Cash Receipts and Disbursements

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 3,358,621.48
Increased by receipts:		
Taxes receivable	3-A	50,481,268.29
Revenue accounts receivable	6-A	3,672,540.33
Miscellaneous revenue not anticipated	A-2	178,531.18
State of New Jersey senior citizens and veterans deductions	4-A	267,500.00
Prepaid taxes	9-A	251,020.61
Tax overpayments	10-A	84,531.74
Marriage Licenses - Due State	15-A	1,650.00
Other	A-1	15,405.00
Interfunds	2-A	20,485.00
		<u>58,331,553.63</u>
Decreased by disbursements:		
2009 appropriations	A-3	16,800,246.17
2008 appropriation reserves	7-A	447,736.01
County taxes	13-A	9,999,374.71
County share of added and omitted taxes	12-A	18,739.86
Local district school taxes	8-A	27,466,658.00
Tax overpayments	10-A	46,763.69
Marriage Licenses - Due State	15-A	1,850.00
Refund of Prior Year Revenue	A-1	2,257.82
Reserve for State Tax Appeals	11-A	46,470.34
Accounts Payable	14-A	3,755.05
Other	A-1	23,236.80
		<u>23,236.80</u>
Balance, December 31, 2009	A	<u>\$ 3,474,465.18</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Interfunds

Year ended December 31, 2009

	<u>Reference</u>	<u>Total</u>	<u>General Capital Fund</u>	<u>Trust Other Fund</u>
Balance, December 31, 2008				
Interfunds (payable) / receivable	A	\$ -	\$ -	\$ -
Cash receipts	1-A	20,485.00	-	20,485.00
		(20,485.00)	-	(20,485.00)
Interest Accrued	A	725.31	725.31	-
		725.31	725.31	-
Balance, December 31, 2009	A	<u>\$ (19,759.69)</u>	<u>\$ 725.31</u>	<u>\$ (20,485.00)</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Year ended December 31, 2009

	Balance December 31, 2008	2009 Levy		Added	Collections		State Share of Veteran and Senior Citizens	Cancelled	Transferred to Tax Title Liens	Balance December 31, 2009
		2009 Levy	Added		2008	2009				
2008	\$ 542,372.04	\$ -	\$ 11,275.27	\$ -	\$ 553,619.68	\$ -	\$ 27.63	\$ -	\$ -	\$ -
	542,372.04	-	11,275.27	-	553,619.68	-	27.63	-	-	-
2009	-	51,000,146.13	-	186,596.25	49,927,648.61	272,840.40	13,823.42	686.19	598,551.26	
	\$ 542,372.04	\$ 51,000,146.13	\$ 11,275.27	\$ 186,596.25	\$ 50,481,268.29	\$ 272,840.40	\$ 13,851.05	\$ 686.19	\$ 598,551.26	
Reference	A	Below	Below, 9-A	1-A, Below	4-A, Below	5-A	A			

**Reference**

Collected in 2009	Above	\$ 49,927,648.61
Collected in 2008	Above	186,596.25
Senior citizens and veterans deductions (net)	Above	272,840.40
	A-2	<u>\$ 50,387,085.26</u>

**Analysis of 2009 tax levy**

Tax yield:	
General purpose tax	\$ 50,904,712.27
Added and omitted taxes	<u>95,433.86</u>
(54:4-63.1 et seq.)	<u>\$ 51,000,146.13</u>

**Tax levy:**

Local district school tax (abstract)	A-1,8-A	\$ 27,466,658.00
County tax (abstract)	A-1,13-A	9,999,374.71
Due County for added and omitted taxes (54:4-63.1 et seq.)	A-1,12-A	18,739.86
	A-2	<u>37,484,772.57</u>
Local tax for municipal purposes (abstract)	A-2	13,432,782.42
Additional tax levied	Above	<u>82,591.14</u>
		<u>\$ 51,000,146.13</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Due from State of New Jersey -  
Senior Citizens and Veterans Deductions

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 1,750.00
Increased by:		
Senior citizens and veterans deductions levy per tax duplicate	Below	270,500.00
Senior citizens and veterans deductions allowed by tax collector	Below	<u>3,000.00</u>
		275,250.00
Decreased by:		
Cash received	1-A	267,500.00
Prior year senior citizens deductions disallowed	A-1	\$ 4,750.00
Senior citizens deductions disallowed by tax collector	Below	<u>659.60</u>
		<u>5,409.60</u>
Balance, December 31, 2009	A	<u>\$ 2,340.40</u>
<b>Analysis of realized revenue</b>		
Senior citizens and veterans deductions per tax billing	Above	\$ 270,500.00
Senior citizens and veterans deductions allowed by tax collector - 2009	Above	<u>3,000.00</u>
		273,500.00
Senior citizens and veterans deductions disallowed - 2009 taxes	Above	<u>659.60</u>
	3-A	<u>\$ 272,840.40</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Tax Title Liens

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 13,754.89
Increased by:		
Transferred from 2009 taxes	3-A	<u>686.19</u>
Balance, December 31, 2009	A	<u><u>\$ 14,441.08</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Revenue Accounts Receivable

Year ended December 31, 2009

Reference	Balance December 31, 2008	Accrued in 2009	Collected by Collector	Balance December 31, 2009
Licenses:				
Alcoholic beverages	A-2    \$ -	\$ 29,196.00	\$ 29,196.00	\$ -
Other	A-2    -	34,977.00	34,977.00	-
Fees and permits	A-2    -	145,463.06	145,463.06	-
Fines and costs:				
Municipal court	A-2    23,947.50	300,417.81	300,424.28	23,941.03
Interest and costs on taxes	A-2    -	107,107.95	107,107.95	-
Interest on investments and deposits	A-2    -	73,353.47	73,353.47	-
Anticipated Swim Pool Utility operating surplus	A-2    -	100,000.00	100,000.00	-
Consolidated municipal property tax relief aid	A-2    -	702,691.00	702,691.00	-
Energy receipts tax (P.L. 1977, Chapters 162 and 167)	A-2    -	1,545,614.00	1,545,614.00	-
Uniform construction code	A-2    -	295,124.00	295,124.00	-
Board of education - trash removal	A-2    -	49,269.00	49,269.00	-
Uniform fire safety act	A-2    -	50,682.53	50,682.53	-
Cable tv franchise fee	A-2    -	55,609.21	55,609.21	-
Omnipoint tower rental	A-2    -	46,539.84	46,539.84	-
Hotel tax	A-2    -	136,488.99	136,488.99	-
	<u>\$ 23,947.50</u>	<u>\$ 3,672,533.86</u>	<u>\$ 3,672,540.33</u>	<u>\$ 23,941.03</u>
Reference	A		1-A	A

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of 2008 Appropriation Reserves

Year ended December 31, 2009

	<b>Balance December 31, 2008</b>	<b>Balance After Transfer</b>	<b>Expended</b>	<b>Balance Lapsed</b>
General Government:				
Department of administration				
Business administration				
Salaries and wages	\$ 4,800.62	\$ 800.62	\$ -	\$ 800.62
Other expenses	4,634.02	4,634.02	3,508.47	1,125.55
Mayor's office				
Other expenses	6,460.50	6,460.50	6,460.50	-
Township council				
Other expenses	10,508.22	10,508.22	5,284.95	5,223.27
Township clerk				
Salaries and wages	2,385.65	2,385.65	-	2,385.65
Other expenses	3,479.55	3,479.55	1,133.29	2,346.26
Elections				
Salaries and wages	394.53	394.53	-	394.53
Other expenses	9,000.00	9,000.00	-	9,000.00
Department of revenue and finance				
Directors office				
Salaries and wages	382.37	382.37	-	382.37
Other expenses	9,443.59	9,443.59	43.00	9,400.59
Division of revenue				
Collection of taxes				
Salaries and wages	701.59	701.59	-	701.59
Other expenses	8,738.71	8,738.71	1,648.00	7,090.71
Department of assessment				
Assessments of taxes				
Salaries and wages	3,551.00	3,551.00	-	3,551.00
Other expenses	3,518.81	3,518.81	3,518.81	-
Department of law				
Salaries and wages	10,562.00	10,562.00	-	10,562.00
Other expenses	23,640.41	23,640.41	2,798.08	20,842.33
Department of engineering				
Other expenses	45,019.38	45,019.38	37,762.50	7,256.88
Planning board - municipal land use law (NJSA 40:550-1)				
Salaries and wages	500.00	500.00	-	500.00
Other expenses	20,698.78	20,698.78	15,016.68	5,682.10
Board of adjustment				
Salaries and wages	499.94	499.94	-	499.94
Other expenses	3,286.12	3,286.12	450.00	2,836.12
Code enforcement				
Salaries and wages	2,670.35	2,670.35	-	2,670.35
Other expenses	29,875.61	19,875.61	611.28	19,264.33
Group insurance for employees				
Life insurance	2,375.10	2,375.10	-	2,375.10
Disability benefits	5,334.86	5,334.86	1,406.48	3,928.38
General liability	1,652.82	1,652.82	-	1,652.82
Employee group health	378,996.61	378,996.61	56,987.40	322,009.21

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of 2008 Appropriation Reserves

Year ended December 31, 2009

	<b>Balance December 31, 2008</b>	<b>Balance After Transfer</b>	<b>Expended</b>	<b>Balance Lapsed</b>
Police				
Salaries and wages	\$ 41,739.87	\$ 41,739.87	\$ -	\$ 41,739.87
Other expenses	37,722.10	37,722.10	16,092.45	21,629.65
Emergency management services				
Other expenses	2,454.01	2,454.01	2,396.92	57.09
Department of Public safety				
Directors office				
Other expenses	137.00	137.00	-	137.00
Fire				
Salaries and wages	2,483.29	2,483.29	-	2,483.29
Other expenses	14,700.98	14,700.98	11,569.36	3,131.62
Fire hydrant services	75,888.37	75,888.37	23,294.50	52,593.87
Uniform fire safety act				
Fire official				
Other expenses	5,433.54	5,433.54	1,232.14	4,201.40
Bureau of roads, road repair and maintenance				
Salaries and wages	35,221.04	35,221.04	-	35,221.04
Other expenses	31,888.25	37,888.25	29,830.81	8,057.44
Traffic lights				
Other expenses	9,000.00	9,000.00	-	9,000.00
Buildings and grounds				
Salaries and wages	17,332.87	7,332.87	-	7,332.87
Other expenses	17,879.25	17,879.25	9,462.41	8,416.84
Department of shade tree				
Other expenses	3,894.00	3,894.00	3,720.00	174.00
Division of health and welfare				
Bureau of health				
Salaries and wages	500.00	500.00	-	500.00
Other expenses	5,851.62	5,851.62	1,119.96	4,731.66
Department of senior citizens affairs				
Salaries and wages	18,823.33	8,823.33	-	8,823.33
Other expenses	11,189.19	11,189.19	8,194.81	2,994.38
Services of visiting nurse - contractual	891.94	891.94	544.00	347.94
Department of recreation				
Salaries and wages	10,460.41	10,460.41	-	10,460.41
Other expenses	1,855.89	1,855.89	1,855.89	-
Street lighting	12,497.65	32,497.65	25,378.43	7,119.22

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of 2008 Appropriation Reserves

Year ended December 31, 2009

	<b>Balance December 31, 2008</b>	<b>Balance After Transfer</b>	<b>Expended</b>	<b>Balance Lapsed</b>
Municipal court				
Salaries and wages	\$ 13,278.38	\$ 13,278.38	\$ -	\$ 13,278.38
Other expenses	6,985.52	6,985.52	439.49	6,546.03
Unclassified				
Grass collection	1,400.00	1,400.00	-	1,400.00
Leaf collection	68,958.00	68,958.00	47,353.60	21,604.40
Recycling	5,516.52	5,516.52	5,516.52	-
Clean Up	7,830.64	830.64	706.25	124.39
Municipal services act	25,928.87	33,928.87	33,928.87	-
Environmental commission				
Other expenses	100.00	100.00	-	100.00
Utilities	67,146.41	67,146.41	41,955.63	25,190.78
Telephone - all departments	23,972.01	23,972.01	5,053.52	18,918.49
Gas - diesel	11,900.89	18,900.89	16,842.93	2,057.96
<b>STATUTORY EXPENDITURES:</b>				
Contribution to:				
Social security system (O.A.S.I.)	715.44	715.44	8.12	707.32
Defined Contribution Retirement Plan	5,000.00	5,000.00	-	5,000.00
Police and Firemen's Retirement system	1.00	1.00	-	1.00
Public employees retirement system	1.40	1.40	-	1.40
Maintenance of 911				
Salaries and wages	38,953.94	38,953.94	-	38,953.94
Other expenses	17,687.13	17,687.13	7,908.40	9,778.73
Length of service award program	21,750.00	21,750.00	21,750.00	-
Recycling Tax Appropriation	1,076.28	1,076.28	16.95	1,059.33
	<u>\$ 1,269,158.17</u>	<u>\$ 1,269,158.17</u>	<u>\$ 452,801.40</u>	<u>\$ 816,356.77</u>

<b>Reference</b>	Below	Below	Below	A-1
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Appropriation reserves, Dec. 31, 2008	A	\$ 842,185.27
Encumbrances, Dec. 31, 2008	A	<u>426,972.90</u>
	Above	<u>\$ 1,269,158.17</u>

Cash disbursed	1-A	\$ 447,736.01
Accounts payable	14-A	<u>5,065.39</u>
	Above	<u>\$ 452,801.40</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Local District School Tax

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ -
Increased by tax levy	A-1, 3-A	<u>27,466,658.00</u>
		27,466,658.00
Decreased by:		
Payments	1-A	<u>27,466,658.00</u>
Balance, December 31, 2009	A	<u><u>\$ -</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Prepaid Taxes

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 186,596.25
Increased by Cash Received	1-A	<u>251,020.61</u>
		437,616.86
Decreased by applied to 2009 taxes receivable	3-A	<u>186,596.25</u>
Balance, December 31, 2009	A	<u><u>\$ 251,020.61</u></u>

Schedule 10-A

## Schedule of Tax Overpayments

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 3,402.55
Increased by overpayments received in 2009	1-A	<u>84,531.74</u>
		87,934.29
Decreased by cash disbursed	1-A	<u>46,763.69</u>
Balance, December 31, 2009	A	<u><u>\$ 41,170.60</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Reserve for Tax Appeals

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 50,000.00
Increased by:		
Contested Amount of 2009 Taxes collected which are pending state tax appeal	A-2	<u>46,470.34</u>
		96,470.34
Decreased by:		
Cash paid to Appellants	1-A	<u>46,470.34</u>
Balance, December 31, 2009	A	<u><u>\$ 50,000.00</u></u>

Schedule of Due County for Added and Omitted Taxes

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ -
Increased by county share of 2009 levy:		
Added taxes (R.S. 54:4-61 et. seq.)	A-1, 3-A	<u>18,739.86</u>
		18,739.86
Decreased by payments	1-A	<u>18,739.86</u>
Balance, December 31, 2009	A	<u><u>\$ -</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of County Taxes Payable

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ -
Increased by 2009 levy (including county open space)	A-1, 3-A	<u>9,999,374.71</u> 9,999,374.71
Decreased by payments	1-A	<u>9,999,374.71</u>
Balance, December 31, 2009	A	<u><u>\$ -</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Accounts Payable

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 3,755.05
Increased by liabilities incurred	7-A	<u>5,065.39</u> 8,820.44
Decreased by liabilities paid	1-A	<u>3,755.05</u>
Balance, December 31, 2009	A	<u><u>\$ 5,065.39</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Marriage License Fees Due State

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 200.00
Increased by:		
Cash receipts	1-A	<u>1,650.00</u>
		1,850.00
Decreased by:		
Cash disbursements	1-A	<u>1,850.00</u>
Balance, December 31, 2009	A	<u><u>\$ -</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Cash - Grant Fund

Year ended December 31, 2009

	<u>Reference</u>		
Balance, December 31, 2008	A		\$ 179,170.77
Increased by Receipts:			
Grants Receivable	17-A	\$ 86,352.12	
Grants Unappropriated	19-A	12,818.16	
Matching Funds	18-A	<u>6,149.01</u>	
			<u>105,319.29</u>
			284,490.06
Decreased by Disbursements:			
Encumbrances paid	20-A		<u>93,453.79</u>
Balance, December 31, 2009	A		<u><u>\$ 191,036.27</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Grants Receivable-Grant Fund

Year ended December 31, 2009

<u>Grant</u>	<b>Balance December 31, 2008</b>	<b>2009 Budget Revenue Realized</b>	<b>2009 Received</b>	<b>Cancelled</b>	<b>Balance December 31, 2009</b>
Body Armor	\$ -	\$ 3,880.32	\$ 3,880.32	\$ -	\$ -
Clean Communities	-	23,346.62	23,346.62	-	-
GDL Enforcement & Education	-	2,000.00	2,000.00	-	-
H1N1 Grant	-	58,172.00	22,250.00	-	35,922.00
Kids Recreation Trust Fund	-	56,149.01	28,074.50	10,125.00	17,949.51
Municipal Alliance Grant	19,795.00	-	10,681.00	-	9,114.00
<b>Total</b>	<b>\$ 19,795.00</b>	<b>\$ 143,547.95</b>	<b>\$ 90,232.44</b>	<b>\$ 10,125.00</b>	<b>\$ 62,985.51</b>
	A	18-A	Below	18-A	A

**Reference**

Cash Received	16-A	\$ 86,352.12
Transferred from Unappropriated	19-A	<u>3,880.32</u>
	Above	<u><u>\$ 90,232.44</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Reserve for Grant Expenditures - Appropriated - Grant Fund

Year ended December 31, 2009

Grant	Balance December 31, 2008	Transferred from 2009 Budget Appropriations		Encumbrance Cancelled	Expended	Cancelled	Balance December 31, 2009
		Budget	Appropriation By 40A:4-87				
Body Armor	\$ 2,865.44	\$ 3,880.32	\$ -	\$ -	\$ 6,745.76	\$ -	\$ -
Bulletproof Vest	16,046.32	-	-	-	6,874.24	-	9,172.08
Clean Communities	33,227.54	18,299.39	5,047.23	-	577.17	-	55,996.99
Drunk Driving Enforcement	6,703.85	-	-	-	910.00	-	5,793.85
GDL Enforcement	-	2,000.00	-	-	2,000.00	-	-
H1N1 Grant	-	-	58,172.00	-	4,662.81	-	53,509.19
Kids Recreation	-	62,298.02	-	-	52,173.02	10,125.00	-
Municipal Alliance	36,136.31	-	-	-	9,390.00	-	26,746.31
Pandemic Influenza Planning	-	-	-	321.00	-	-	321.00
Recycling Tonnage Grant	11,892.01	-	-	-	4,066.81	-	7,825.20
Smoking Grant	720.00	-	-	-	209.00	-	511.00
Union County Downtown	19,865.00	-	-	-	-	-	19,865.00
Union County William Robinson	6,000.00	-	-	-	6,000.00	-	-
Union County Reservoir	59,515.00	-	-	-	-	-	59,515.00
	<u>\$ 192,971.47</u>	<u>\$ 86,477.73</u>	<u>\$ 63,219.23</u>	<u>\$ 321.00</u>	<u>\$ 93,608.81</u>	<u>\$ 10,125.00</u>	<u>\$ 239,255.62</u>

Reference	A	Below	Below	20-A	20-A	17-A	A
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Grants appropriated	A-3, 17-A	\$ 143,547.95					
Matching funds	16-A	<u>6,149.01</u>					
	Above	<u>\$ 149,696.96</u>					

Township of Clark  
 County of Union, New Jersey  
 Current Fund

Schedule of Unappropriated Reserve for Grants - Grant Fund

Year ended December 31, 2009

<u>Grant</u>	<b>Balance December 31, 2008</b>	<b>Transferred To 2009 Budget Appropriations</b>	<b>Cash Received</b>	<b>Balance December 31, 2009</b>
Recycling Tonnage Grant	\$ -	\$ -	\$ 12,818.16	\$ 12,818.16
Body Armor	3,880.32	3,880.32	-	-
	<u>\$ 3,880.32</u>	<u>\$ 3,880.32</u>	<u>\$ 12,818.16</u>	<u>\$ 12,818.16</u>
	A	17-A	16-A	A

Schedule of Encumbrances Payable - Grant Fund

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 2,113.98
Increased by: Encumbrances Incurred	18-A	<u>93,608.81</u>
		95,722.79
Decreased by:		
Encumbrances Paid	16-A	\$ 93,453.79
Encumbrances Cancelled	18-A	<u>321.00</u>
		<u>93,774.79</u>
Balance, December 31, 2009	A	<u>\$ 1,948.00</u>

Trust Fund  
Schedules

Township of Clark  
County of Union, New Jersey  
Trust Fund

Schedule of Trust Fund Cash

Year ended December 31, 2009

	<u>Reference</u>	<u>Animal Control</u>	<u>Other</u>
Balance, December 31, 2008	B	\$ 9,442.28	\$ 1,193,323.83
Increased by receipts:			
Dog license fees	2-B	11,026.00	-
Cat license fees	2-B	2,044.00	-
Due to State of NJ	Below	1,332.00	-
Reserve for:			
Various trust deposits	3-B	-	16,174,504.27
Budget appropriation	2-B	9,000.00	-
Miscellaneous	2-B	1,263.60	-
		<u>34,107.88</u>	<u>17,367,828.10</u>
Decreased by disbursements:			
Expenditures under			
R.S.4:19-15.11	2-B	24,295.00	-
Due to State of NJ	Above	1,332.00	-
Interfunds	B	-	20,485.00
Reserve for:			
Various trust deposits	3-B	-	14,891,678.34
		<u>25,627.00</u>	<u>14,912,163.34</u>
Balance, December 31, 2009	B	<u>\$ 8,480.88</u>	<u>\$ 2,455,664.76</u>

Township of Clark  
County of Union, New Jersey  
Trust Fund

Schedule of Reserve for Animal Control Fund Expenditures

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 9,442.28
Increased by:		
Dog license fees collected	1-B	11,026.00
Cat license fees collected	1-B	2,044.00
Budget appropriation	1-B	9,000.00
Miscellaneous	1-B	<u>1,263.60</u>
		32,775.88
Decreased by:		
Expenditures under R.S. 4:19-15.11	1-B	<u>24,295.00</u>
Balance, December 31, 2009	B	<u><u>\$ 8,480.88</u></u>
License fees collected:		
2007		\$ 7,771.30
2008		<u>10,731.00</u>
		<u><u>\$ 18,502.30</u></u>

Township of Clark  
County of Union, New Jersey  
Other Trust Fund

Schedule of Reserve for Various Trust Deposits

Year ended December 31, 2009

	<b>Balance December 31, 2008</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Balance December 31, 2009</b>
Miscellaneous Trust Funds	\$ 416,259.80	\$ 1,012,501.56	\$ 664,017.98	\$ 764,743.38
Compensated Absences	299,906.07	5.90	299,911.97	-
Forfeited Funds	1,838.79	1,811.54	2,232.31	1,418.02
Housing Trust	1.00	-	-	1.00
Developers Escrow	213,688.23	1,429,501.93	93,299.18	1,549,890.98
Unemployment	126,683.20	2,400.00	30,464.62	98,618.58
Insurance	30,081.14	152,277.99	182,130.37	228.76
Payroll	2,438.39	5,138,889.10	5,138,990.76	2,336.73
Agency	102,427.21	8,437,116.25	8,480,631.15	58,912.31
	<u>\$ 1,193,323.83</u>	<u>\$ 16,174,504.27</u>	<u>\$ 14,891,678.34</u>	<u>\$ 2,476,149.76</u>
<b>Reference</b>	B	1-B	1-B	B

# General Capital Fund

## Schedules

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of General Capital Cash

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 267,090.58
Increased by receipts:		
Budget appropriation - BAN's	7-C	2,370,000.00
Capital improvement fund	5-C	100,000.00
State Aid Receivable	10-C	200,000.00
Kids Grant Receivable - Union County	11-C	15,000.00
Due to Current Fund	C	725.31
Premium on Bond Anticipation Notes	C-1	103,981.20
Sewer Utility - Note Payment	7-C	41,000.00
Budget appropriation - Notes	7-C	186,000.00
Budget appropriation - Deferred charges	4-C	4,171.71
Refunds	6-C	44,193.75
Contributions	4-C	300,000.00
		<u>3,632,162.55</u>
Decreased by disbursements:		
Bond anticipation notes	7-C	255,000.00
Improvement Authorizations	9-C	2,631,096.86
Due to Sewer Utility Operating Fund	C	140,100.00
Due from Swim Pool Capital Fund	C	112,357.24
		<u>4,138,554.10</u>
Balance, December 31, 2009	C	<u>\$ 493,608.45</u>

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of Analysis of General Capital Cash

	Reference	Balance December 31	
		2009	2008
Capital improvement fund	5-C	\$ 89,420.00	\$ 72,420.00
State transportation aid receivable	C	(200,000.00)	(200,000.00)
Kids grant receivable	C	-	(15,000.00)
Encumbrances payable	9-C	43,691.36	151,396.65
Bond Anticipation Notes - Excess funding	7-C	300,000.00	23,867.29
Due to Current Fund	C	725.31	-
Reserve for Debt Service	C	877.51	877.51
Due to Sewer Utility Operating Fund	C	-	140,100.00
Due from Swim Pool Capital Fund	C	(112,357.24)	-
Fund balance	C-1	74,935.24	15,954.04
Improvement Authorizations:			
01-05 Various Public Improvements		25,632.11	25,632.11
03-09 Sewer Pump Stations		16,484.06	16,484.06
03-10 Public Library		10.06	44,531.31
04-04 William Robinson Historic Trust		49,715.67	49,715.67
04-17 Removal of underground storage tanks		20,460.73	20,460.73
06-12B Improvements to Municipal Facilities		198,764.14	304,272.08
07-07A Road Improvements		198,781.32	239,675.39
07-07B Recreation Improvements		57,941.57	115,790.10
08-03A Improvements to Orchard Street		4,734.05	(252,037.57)
08-03B Acquisition of Dump Trucks		-	(202,678.00)
08-03C Improvement to Municipal Facilities		1,946.21	(282,143.79)
08-03D Acquisition of Police Vehicles		-	(9,361.00)
08-14 Acquisition of Telephone System		427.00	7,134.00
09-03 Building damage - flood		7,092.89	-
09-05 Acquisition of Garbage truck		56,840.88	-
09-10 2009 Road Program		(356,833.92)	-
09-21 Thermal Imaging Camera		1,183.50	-
09-22 Improvements to Municipal Building		13,136.00	-
	C	\$ 493,608.45	\$ 267,090.58

Township of Clark  
County of Union, New Jersey  
General Capital Fund

## Schedule of Deferred Charges to Future Taxation-Funded

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 12,858,000.00
Decreased by:		
Bonds paid by budget	8-C	<u>980,000.00</u>
Balance, December 31, 2009	C	<u><u>\$ 11,878,000.00</u></u>



Township of Clark  
County of Union, New Jersey  
General Capital Fund

## Schedule of Capital Improvement Fund

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 72,420.00
Increased by budget appropriation	1-C	<u>100,000.00</u>
		172,420.00
Decreased by appropriated to finance improvement authorizations	6-C	<u>83,000.00</u>
Balance, December 31, 2009	C	<u><u>\$ 89,420.00</u></u>

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of Improvement Authorizations

Year ended December 31, 2009

Ordinance Number	Improvements Authorization	Date	Ordinance Amount	Balance December 31, 2008		2009 Authorizations	Encumbrances Canceled	Refunds	Paid or Charged	Balance December 31, 2009		
				Funded	Unfunded					Funded	Unfunded	
<b>General Improvements</b>												
01-05	Various public improvements	05/21/01	\$ 315,000.00	\$ 25,632.11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,632.11	\$ -	
03-09	Rehabilitation of Various Sanitary Sewer	03/17/03	150,000	16,484.06	-	-	-	-	-	16,484.06	-	
03-10	Renovation of Clark Public Library	03/17/03	1,750,000	44,531.31	-	-	-	44,521.25	-	10.06	-	
04-04	William Robinson Historic Trust	07/19/04	186,000	49,715.67	-	-	-	-	-	49,715.67	-	
04-17	Remove Underground Storage Tanks	10/18/04	250,000	-	20,460.73	-	-	-	-	-	20,460.73	
06-12B	Improvements to Municipal Facilities	06/05/06	820,000	-	304,272.08	-	-	-	105,507.94	-	198,764.14	
07-07A	Road Improvements	04/16/07	600,000	-	239,675.39	-	-	-	40,894.07	-	198,781.32	
07-07B	Recreation Improvements	04/16/07	1,600,000	-	115,790.10	-	44,193.75	-	102,042.28	-	57,941.57	
08-03A	Improvements to Orchard Street	04/09/08	850,000	-	366,962.43	-	29,995.00	-	392,223.38	-	4,734.05	
08-03C	Improvements to Municipal Facilities	04/09/08	350,000	-	22,556.21	-	-	-	19,910.00	-	2,646.21	
08-14	Telephones	11/26/08	70,000	7,134.00	-	-	-	-	6,707.00	-	427.00	
09-03	Building Damage - Flood	03/02/09	1,000,000	-	1,000,000.00	-	-	-	992,907.11	-	7,092.89	
09-05	Acq. Of Garbage Truck	03/02/09	300,000	-	300,000.00	-	-	-	243,159.12	-	56,840.88	
09-10	2009 Road Program	04/20/09	850,000	-	850,000.00	-	-	-	556,833.92	-	293,166.08	
09-21	Thermal Imaging Camera	06/15/09	18,000	-	18,000.00	-	-	-	16,816.50	-	1,183.50	
09-22	Improvements to Municipal Building	09/21/09	45,000	-	45,000.00	-	-	-	31,864.00	-	-	
				\$ 143,497.15	\$ 1,069,716.94	\$ 2,213,000.00	\$ 29,995.00	\$ 44,193.75	\$ 2,553,386.57	\$ 105,161.40	\$ 840,854.87	

Reference	C	C	Below	9-C	1-C	9-C	C	C, 4-C
4-C			\$ 1,885,000.00					
5-C			83,000.00					
10-C			200,000.00					
C-1			45,000.00					
Above			<u>\$ 2,213,000.00</u>					

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of Bond Anticipation Notes

Year ended December 31, 2009

Ordinance No.	Description	Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2008		Balance December 31, 2009	
						Increased	Decreased	Increased	Decreased
04-01	Building improvements	06/02/04	03/26/09	03/26/10	2.00%	\$ 748,000.00	\$ 748,000.00	\$ 700,000.00	\$ 700,000.00
04-03A	Road improvements (Meadow road)	06/02/04	03/26/09	03/26/10	2.00%	386,000.00	386,000.00	366,000.00	366,000.00
04-03B	Library improvements	06/02/04	03/26/09	03/26/10	2.00%	187,000.00	187,000.00	177,000.00	177,000.00
04-03C	Public works equipment	06/02/04	03/26/09	03/26/10	2.00%	167,800.00	167,800.00	157,000.00	157,000.00
04-17	Removal of underground storage tanks	04/01/05	03/26/09	03/26/10	2.00%	161,000.00	161,000.00	152,000.00	152,000.00
05-08	Equipment and machinery	04/01/05	03/26/09	03/26/10	2.00%	235,000.00	235,000.00	203,500.00	203,500.00
05-08	Equipment and machinery	10/31/05	03/26/09	03/26/10	2.00%	650,000.00	650,000.00	617,500.00	617,500.00
05-10	Parking lot, roller hockey rink, road improvements	10/31/05	03/26/09	03/26/10	2.00%	504,000.00	504,000.00	476,000.00	476,000.00
06-12	DPW Equipment and Machinery & Imp to Municipal Facilities	03/30/07	03/26/09	03/26/10	2.00%	820,000.00	820,000.00	766,000.00	766,000.00
07-07A	Road Improvements	06/28/07	03/26/09	03/26/10	2.00%	416,000.00	416,000.00	416,000.00	416,000.00
07-07B	Recreation Improvements	06/28/07	03/26/09	03/26/10	2.00%	1,523,800.00	1,523,800.00	1,512,600.00	1,512,600.00
07-07C	Police Dispatch System	06/28/07	03/26/09	03/26/10	2.00%	571,400.00	571,400.00	571,400.00	571,400.00
08-03	Dump Truck/Municipal Facilities	03/26/09	03/26/09	03/26/10	2.00%	-	1,135,000.00	1,135,000.00	1,135,000.00
09-03	Improvements to Municipal Building	03/26/09	03/26/09	03/26/10	2.00%	-	950,000.00	950,000.00	950,000.00
09-05	Garbage Truck	03/26/09	03/26/09	03/26/10	2.00%	-	285,000.00	285,000.00	285,000.00
						\$ 6,370,000.00	\$ 8,485,000.00	\$ 6,370,000.00	\$ 8,485,000.00
						C		C, Below	
						<b>Reference</b>			
						1-C, 12-C			
						1-C			
						1-C, 4-C			
						1-C, 4-C			
						Above			
						\$ 6,115,000.00	\$ 6,115,000.00	\$ 6,115,000.00	\$ 6,115,000.00
						2,370,000.00			
						186,000.00			
						41,000.00			
						28,000.00			
						\$ 8,485,000.00	\$ 6,370,000.00	\$ 6,370,000.00	\$ 6,370,000.00

Renewals

Notes issued for cash  
Notes paid by Current Fund budget  
Notes paid by Sewer Utility budget  
Paid

Bond anticipation notes  
Bond anticipation notes - excess funding

\$ 8,185,000.00  
300,000.00  
\$ 8,485,000.00

Above

4-C  
2-C

Township of Clark  
 County of Union, New Jersey  
 General Capital Fund

Schedule of Bond Anticipation Notes

Year ended December 31, 2009

Ordinance No.	Description	Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2008	Increased	Decreased	Balance December 31, 2009
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Township of Clark  
 County of Union, New Jersey  
 General Capital Fund

Schedule of General Serial Bonds

Year ended December 31, 2009

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2008	Decreased by Serial Bonds Paid	Balance December 31, 2009
			Date	Amount				
General improvement	09/17/97	\$ 7,921,000	09/17/10-11	\$ 800,000	4.88%	\$ 3,996,000.00	\$ 800,000.00	\$ 3,196,000.00
			09/17/12	800,000	4.90%			
			09/17/13	796,000	4.90%			
General improvement	08/15/05	9,042,000	08/15/10	190,000	3.75%	8,862,000.00	180,000.00	8,682,000.00
			08/15/11	200,000	3.75%			
			08/15/12	210,000	3.875%			
			08/15/13	275,000	3.875%			
			08/15/14	1,115,000	3.875%			
			08/15/15	1,150,000	3.875%			
			08/15/16	1,570,000	3.875%			
			08/15/17	1,640,000	3.875%			
			08/15/18	1,710,000	3.875%			
			622,000	3.875%				
						\$ 12,858,000.00	\$ 980,000.00	\$ 11,878,000.00
						C	3-C	C
						<b>Reference</b>		

Township of Clark  
County of Union, New Jersey  
General Capital Fund

## Schedule of Encumbrances Payable

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 151,396.65
Increased by encumbrances charged	6-C	<u>2,553,386.57</u>
		2,704,783.22
Decreased by:		
Disbursements	1-C	2,631,096.86
Encumbrances Canceled	6-C	<u>29,995.00</u>
Balance, December 31, 2009	C	<u><u>\$ 43,691.36</u></u>

Township of Clark  
County of Union, New Jersey  
General Capital Fund

## Schedule of State Aid Receivable

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 200,000.00
Increase by Grants Awarded	6-C	<u>200,000.00</u> 400,000.00
Decreased by receipts	1-C	<u>200,000.00</u>
Balance, December 31, 2009	C, Below	<u><u>\$ 200,000.00</u></u>
<b>Analysis of balance</b>		
D.O.T. grants:		
2009 Road Program (09-10)	Above	<u><u>\$ 200,000.00</u></u>

## Schedule of Kids Grant Receivable

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 15,000.00
Decreased by receipts	1-C	<u>15,000.00</u>
Balance, December 31, 2009	C	<u><u>\$ -</u></u>

Township of Clark  
 County of Union, New Jersey  
 General Capital Fund

Schedule of Bonds and Notes Authorized but not Issued

Year ended December 31, 2009

Ordinance No.	Improvement Description	Balance December 31, 2008	Increased by 2009 Authorizations	Budget Appropriation	Notes Issued	Balance December 31, 2009
08-03A	Improvement to Orchard Street	\$ 619,000.00	-	-	\$ 619,000.00	\$ -
08-03B	Acquisition of Dump Trucks	202,678.00	-	-	202,678.00	-
08-03C	Improvements to Municipal Facilities	304,700.00	-	39.00	303,961.00	700.00
08-03D	Acquisition of Police Vehicle	9,361.00	-	-	9,361.00	-
09-03	Improvements to municipal building	-	950,000.00	-	950,000.00	-
09-05	Acquisition of Garbage Truck	-	285,000.00	-	285,000.00	-
09-10	2009 Road Program	-	650,000.00	-	-	650,000.00
		<u>\$ 1,135,739.00</u>	<u>\$ 1,885,000.00</u>	<u>\$ 39.00</u>	<u>\$ 2,370,000.00</u>	<u>\$ 650,700.00</u>
	<b>Reference</b>		4-C	4-C	7-C	

# Swim Pool Utility Fund

## Schedules

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Operating Fund

Schedule of Cash Receipts and Disbursements

Year ended December 31, 2009

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2008	D	\$ 80,454.10	\$ 84,615.07
Increased by receipts:			
Membership fees	D-2	252,460.00	-
Miscellaneous	D-2	45,762.49	-
Bond anticipation notes issued	6-D	-	275,000.00
Interfunds	5-D	-	112,357.24
		<u>378,676.59</u>	<u>471,972.31</u>
Decreased by disbursements:			
Security deposit	D	1,116.34	-
Budget appropriations	D-3	356,188.72	-
Appropriation reserves	2-D	3,584.62	-
Reserve for capital outlay	4-D	-	55,571.00
Improvement authorizations	7-D	-	412,357.24
		<u>                    </u>	<u>                    </u>
Balance, December 31, 2009	D	<u>\$ 17,786.91</u>	<u>\$ 4,044.07</u>

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Operating Fund

Schedule of 2008 Appropriation Reserves

Year ended December 31, 2009

	<b>Reserved</b>	<b>Budget After Modification</b>	<b>Paid or Charged</b>	<b>Balance Lapsed</b>
Operating:				
Salaries and wages	\$ 18,771.19	\$ 18,771.19	\$ -	\$ 18,771.19
Other expenses	7,645.73	11,230.35	3,584.62	7,645.73
	<u>\$ 26,416.92</u>	<u>\$ 30,001.54</u>	<u>\$ 3,584.62</u>	<u>\$ 26,416.92</u>
<b>Reference</b>	Below	Below	1-D	D-1

Appropriation Reserves	D, Above	\$ 26,416.92
Encumbrance payable	D	<u>3,584.62</u>
	Above	<u>\$ 30,001.54</u>

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Capital Fund

## Schedule of Fixed Capital

Year ended December 31, 2009

	<b>Balance December 31, 2008</b>	<b>Additions</b>	<b>Balance December 31, 2009</b>
		<b>Expended from Reserve for Capital Outlay</b>	
Construction	\$ 600,000.00	\$ -	\$ 600,000.00
Swimming pool improvements	425,984.93	55,571.00	481,555.93
	<u>\$ 1,025,984.93</u>	<u>\$ 55,571.00</u>	<u>\$ 1,081,555.93</u>
<b>Reference</b>	D	4-D, 10-D	D

## Schedule of Reserve for Capital Outlay

Year ended December 31, 2009

	<b>Reference</b>	
Balance, December 31, 2008	D	\$ 84,615.07
Decreased by:		
Appropriated to finance improvement authorizations	7-D, 9-D	25,000.00
Cash disbursed	1-D, 3-D	<u>55,571.00</u>
Balance, December 31, 2009	D	<u>\$ 4,044.07</u>

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Capital Fund

## Schedule of Interfunds

Year ended December 31, 2009

	<u>Reference</u>	<u>General Capital Fund</u>
Balance, December 31, 2008	D	\$ -
Increased by cash receipts	1-D	<u>112,357.24</u>
Balance, December 31, 2009	D	<u>\$ 112,357.24</u>

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Capital Fund

Schedule of Bond Anticipation Notes

Year ended December 31, 2009

Ordinance No.	Description	Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2008	Increased	Balance December 31, 2009
09-04/09-18	Swim Pool Improvements	03/26/09	03/26/09	03/26/10	2.00%	\$ -	\$ 275,000.00	\$ 275,000.00
						\$ -	\$ 275,000.00	\$ 275,000.00
						D	1-D, 11-D	D
						<u>Reference</u>		



Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Capital Fund

## Schedule of Fixed Capital Authorized and not Complete

Year ended December 31, 2009

<b>Ordinance Number</b>	<b>Improvements Authorization</b>	<b>Balance December 31, 2008</b>	<b>2009 Authorizations</b>	<b>Balance December 31, 2009</b>
General Improvements:				
09-01	Swim Pool Improvements	\$ -	\$ 450,000.00	\$ 450,000.00
		<u>\$ -</u>	<u>\$ 450,000.00</u>	<u>\$ 450,000.00</u>
	Reference	D	7-D	D

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Capital Fund

## Schedule of Reserve for Deferred Amortization

Year ended December 31, 2009

<b>Ordinance Number</b>	<b>Improvements Authorization</b>	<b>Date of Ordinance</b>	<b>Balance December 31, 2008</b>	<b>Increased by Reserve for Capital Outlay</b>	<b>Balance December 31, 2009</b>
General Improvements:					
09-01	Swim Pool Improvements		\$ -	\$ 25,000.00	\$ 25,000.00
			<u>\$ -</u>	<u>\$ 25,000.00</u>	<u>\$ 25,000.00</u>
	Reference		D	4-D	D

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Capital Fund

## Schedule of Reserve for Amortization

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	1,025,984.93
Increased by general improvements	3-D	<u>55,571.00</u>
Balance, December 31, 2009	D	<u><u>1,081,555.93</u></u>

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Capital Fund

Schedule of Bonds and Notes Authorized but not Issued

Year ended December 31, 2009

<b>Ordinance No.</b>	<b>Improvement Authorization</b>	<b>Balance December 31, 2008</b>	<b>Increased by 2009 Authorizations</b>	<b>Decreased by Notes Issued</b>	<b>Balance December 31, 2009</b>
09-01	General Improvements: Swim Pool Improvements	\$ -	\$ 425,000.00	\$ 275,000.00	\$ 150,000.00
		\$ -	\$ 425,000.00	\$ 275,000.00	\$ 150,000.00
	Reference	D	7-D	6-D	D

# Sewer Utility Fund

## Schedules

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Schedule of Cash Receipts and Disbursements

Year ended December 31, 2009

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2008	E	\$ 197,405.39	\$ 2,788.00
Increased by receipts:			
Sewer Fees	E-2,2-E	5,803,813.19	-
Miscellaneous	E-2	107,904.74	-
Non-Budget Revenues	E-2	2,435.33	-
Reserve for Premium at Tax Sale	E	168,100.00	-
Reserve for Third Party Liens	E	50,836.47	-
Interfund - General Capital Fund	C	140,100.00	-
		<u>6,470,595.12</u>	<u>2,788.00</u>
Decreased by disbursements:			
Budget Appropriations	E-3	4,693,777.45	-
Appropriation Reserves	3-E	2,125.00	-
Refund of Prior Year Revenue	E-1	104.00	-
Reserve for Premium at Tax Sale	E	175,700.00	-
Reserve for Third Party Liens	E	48,299.65	-
Sewer Overpayments Returned	4-E	213.02	-
Balance, December 31, 2009	E	<u>\$ 1,550,376.00</u>	<u>\$ 2,788.00</u>

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

## Schedule of Consumer Accounts Receivable

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	E	\$ 192,984.44
Increased by:		
Sewer Rents Levied		<u>6,682,972.47</u>
		6,875,956.91
Decreased by:		
Collections	E-2,1-E	<u>5,803,813.19</u>
Balance, December 31, 2009	E	<u><u>\$ 1,072,143.72</u></u>

Township of Clark  
 County of Union, New Jersey  
 Sewer Utility Fund

Schedule of 2008 Appropriation Reserves

Year ended December 31, 2009

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Balance After</u></b> <b><u>Transfers and</u></b> <b><u>Encumbrances</u></b>	<b><u>Paid or</u></b> <b><u>Charged</u></b>	<b><u>Balance</u></b> <b><u>Lapsed</u></b>
Operating:				
Miscellaneous	\$ 27,820.79	\$ 27,820.79	\$ 2,125.00	\$ 25,695.79
	<u>\$ 27,820.79</u>	<u>\$ 27,820.79</u>	<u>\$ 2,125.00</u>	<u>\$ 25,695.79</u>
	E	E	1-E	E-1

Schedule 4-E

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Schedule of Sewer Fee Overpayments

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	E	\$ 213.02
Decreased by cash disbursements	1-E	<u>213.02</u>
Balance, December 31, 2009	E	<u><u>\$ -</u></u>

Schedule 5-E

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Schedule of Reserve for Capital Outlay

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2009 and 2008	E	<u><u>\$ 2,788.00</u></u>

Township of Clark  
County of Union, New Jersey  
Schedule of Expenditures of Federal Awards

Year ended December 31, 2009

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Grant Award Amount	Grant Period		Cash Receipts	2009 Expenditures	Cumulative Expenditures December 31, 2009
			From	To			
U.S. Department of Housing and Urban Development Pass through the County of Union:							
Community Development Block Grant	14.218	\$ 19,753	9/1/2008	8/31/2009	\$ 15,405	\$ 15,405	\$ 19,753
Community Development Block Grant	14.218	19,753	9/1/2009	8/31/2010	-	7,832	7,832
U.S. Department of Transportation: National Highway Traffic Safety Administration							
State and Community Highway Safety	20.600	2,000	1/1/2009	12/31/2009	2,000	2,000	2,000
Total expenditures of federal awards					\$ 17,405	\$ 25,237	\$ 29,585

See accompanying notes to schedules of expenditures of federal and state awards.

Township of Clark  
County of Union, New Jersey  
Schedule of Expenditures of State Awards  
Year ended December 31, 2009

State Grantor and Program Title	State Account Number	Grant Award Amount	Grant Period	2009		Cumulative Expenditures December 31, 2009
				Receipts	Expenditures	
Department of Law and Public Safety:						
Drunk Driving Enforcement	Not available	3,638	1/1/07 - 12/31/09	\$ -	\$ 910	\$ 3,540
Bullet Proof Vest	Not available	17,273	1/1/08 - 12/31/09	-	6,874	8,101
Body Armor Replacement Fund	Not available	4,516	1/1/08 - 12/31/09	-	2,865	4,516
Body Armor Replacement Fund	Not available	3,880	1/1/09 - 12/31/09	3,880	3,880	3,880
				3,880	14,529	20,037
Department of Health:						
Municipal Alliance	01A-18	41,977	1/1/07 - completion	10,681	9,390	15,231
H1N1 Grant	Not available	58,172	1/1/09 - 12/31/09	22,250	4,663	4,663
Smoking Grant	Not available	720	1/1/08 - 12/31/08	-	209	209
				32,931	14,262	20,103
Department of Environmental Protection:						
Clean Communities Program	4900-765-042004-6020	17,304	1/1/07 - 12/31/09	-	577	2,851
Clean Communities Program	4900-765-042004-6020	23,347	1/1/09 - 12/31/09	23,347	-	-
				23,347	577	2,851
Department of Transportation:						
Orchard Street	Not available	200,000	1/1/08 - 12/31/08	200,000	-	200,000
2009 Road Program	Not available	200,000	1/1/09 - 12/31/09	-	200,000	200,000
				200,000	200,000	400,000
Total expenditures of state awards				\$ 260,158	\$ 229,368	\$ 442,991

See accompanying notes to schedules of expenditures of federal and state awards.

## Township of Clark

### Notes to Schedule of Expenditures of Federal and State Awards

Year ended December 31, 2009

#### **1. General**

The accompanying schedule of expenditures of federal and state awards presents the activity of all federal and state awards programs of the Township of Clark (Township). All federal financial awards received directly from federal agencies, as well as expenditures of federal awards passed through other government agencies, are included on the schedule of expenditures of federal awards. All restricted state financial assistance received directly from state agencies, as well as restricted state financial assistance passed through other government agencies, are included on the schedule of expenditures of state awards.

#### **2. Basis of Accounting**

The accompanying schedules of expenditures of federal and state awards is presented on the modified accrual basis of accounting. This basis of accounting is described in Note 1 to the Township's regulatory-basis financial statements. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

#### **3. 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.

#### **4. Relationship to Financial Statements – Regulatory Basis**

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements. These amounts are reported in either the Current Fund or the General Capital Fund.

#### **5. Other**

Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.



Report of Independent Auditor's 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*

Honorable Mayor and Members  
of the Township Council  
Township of Clark  
County of Union  
Clark, New Jersey

We have audited the regulatory-basis financial statements of the Township of Clark ("Township"), County of Union, New Jersey as of and for the year ended December 31, 2009, and have issued our report thereon dated June 24, 2010, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division; 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 Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

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

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

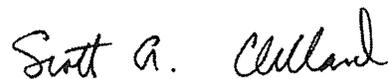
We noted certain matters involving internal control over financial reporting that we have reported to management in the comments and recommendations section of this report.

#### Compliance and Other Matters

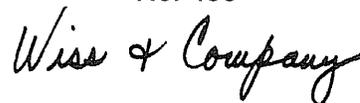
As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

We noted certain matters of noncompliance that we have reported to management in the accompanying comments and recommendations section of this report.

This report is intended solely for the information and use of the Township's management and Council, others within the entity, and for filing with the Division and is not intended to be and should not be used by anyone other than these specified parties.



Scott A. Clelland  
Registered Municipal Accountant  
No. 455



WISS & COMPANY, LLP

June 24, 2010  
Iselin, New Jersey

## Comments Section

Township of Clark  
County of Union, New Jersey

Comments

Years ended December 31, 2009 and 2008

An audit of the financial accounts and transactions of the Township of Clark, County of Union, New Jersey ("Township") for the year ended December 31, 2009 and 2008, has recently been completed. The results of the audit are herewith set forth.

**Scope of Audit**

The audit covered the financial transactions of the Tax Collector and Treasurer, the activities of the Mayor and Township Council and the records of the various outside departments.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed.

Revenues and receipts tested were verified as to source and amount insofar as the records permitted.

Our audit was made in accordance with auditing standards generally accepted in the United States and in compliance with the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"). Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

N.J.S. 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 [40A:11-3], 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."

Township of Clark  
County of Union, New Jersey

Comments (continued)

If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$29,000. 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.

The system of records did not provide for an accumulation of payments by categories of materials or supplies, or related work or labor. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

The examination of expenditures revealed individual payments, contracts or agreements in excess of \$29,000 "for the performance of any work or the furnishing of labor materials and supplies or the hiring of teams or vehicles," other than where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-5.

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

The governing body, on April 21, 1980 adopted a resolution pursuant to the provisions of R.S. 54:4-67, fixing the rate of delinquent taxes or assessments at 8% per annum on the first \$1,500 and a rate of 18% per annum on any amount in excess of \$1,500. On June 17, 1991, this was amended to add an additional penalty of 6% on delinquent taxes in excess of \$10,000. The Township adopts an annual resolution setting these interest rates.

**Collection of Taxes and Other Charges**

Test verification of taxes and sewer utility billings was made in accordance with regulations issued by the Division.

Alternate procedures for non-replies were performed as follows:

- (1) Mechanical accuracy testing of tax or sewer calculation and verification of the assessed valuation.

Township of Clark  
County of Union, New Jersey

Comments (continued)

**Comparative Schedule of Tax Rate Information**

	<b>2009</b>	<b>2008</b>	<b>2007</b>
Tax rate	\$7.00	\$6.85	\$6.65
Apportionment of tax rate:			
Municipal	\$1.85	\$1.77	\$1.70
County	1.37	1.34	1.22
Local school	3.78	3.74	3.73
Assessed valuations	\$727,002,459	\$726,295,445	\$719,004,044

**Comparison of Tax Levies and Collections**

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.

<b>Year</b>	<b>Tax Levy</b>	<b>Cash Collections</b>	<b>Percent of Collections</b>
2009	\$ 51,000,146	\$ 50,387,085	98.80%
2008	49,965,859	49,406,864	98.89
2007	48,267,387	47,795,614	99.02

**Delinquent Taxes and Tax Title Liens**

The delinquent taxes contained in the following tabulation are inclusive in each case, of delinquent taxes of the current year's levy. This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last three years.

<b>Year</b>	<b>Amount of Tax Title Liens</b>	<b>Amount of Delinquent Taxes</b>	<b>Total Delinquent</b>	<b>Percentage of Tax Levy</b>
2009	\$ 14,441	\$ 598,551	\$ 612,992	1.20%
2008	13,755	542,372	556,127	1.11
2007	13,084	429,809	442,893	0.92

Township of Clark  
County of Union, New Jersey

Comments (continued)

**Tax Title Liens**

The last tax sale was held on November 23, 2009 and was complete.

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

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

<u>Year</u>	<u>Number of Liens</u>
2009	10
2008	10
2007	10

**Property Acquired by Tax Title Lien Liquidation**

No properties have been acquired in 2009 by foreclosure or deed, as a result of liquidation of tax title liens.

**Equalized Valuations – Real Property**

<u>Year</u>	<u>Amount</u>
2009	\$ 2,618,319,640
2008	2,802,694,595
2007	2,773,396,372

**Comparative Schedule of Fund Balances**

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2009	\$ 1,949,760	\$ 1,300,000
	2008	1,833,539	1,100,000
	2007	2,537,261	1,500,000
Swim Pool Utility Operating Fund	2009	16,246	16,200
	2008	49,336	40,000
	2007	53,987	50,000
Sewer Utility Operating Fund	2009	1,513,180	-
	2008	301,708	-
	2007	576,856	457,389

Township of Clark  
County of Union, New Jersey

Comments (continued)

**Officials in Office and Surety Bonds**

Name	Title	Amount of Bond
Sal Bonaccorso	Mayor	*
Angel Albanese	Council President	*
Alvin Barr	Council Vice-President	*
Sheila Whiting	Councilwoman	*
Brian Toal	Councilman	*
Richard Kazanowski	Councilman	*
Frank Mazzarella	Councilman	*
Patrick O'Connor	Councilman	*
John Laezza	Business Administrator/Chief Financial Officer	\$25,000
Terance O'Neill	Chief Financial Officer/Treasurer	*
John De Simone	Director of Public Safety	*
Edith Merkel	Township Clerk	*
Thomas J. Grady	Tax Collector	**
Ralph Bernardo	Director of Recreation	*
Joseph J. Triarsi	Municipal Attorney	*
Mike Ross	Tax Assessor	*
Nancy Raymond	Health Officer	*
Richard O'Connor	Township Engineer	*
Andrew Rosinski	Plumbing Inspector	*
Lorraine Disko	Court Administrator	***
Antonio Inacio	Judge	\$50,000
Michael Khoda	Construction Official	*
Dennis Connell	Chief of Police	*

\* Covered by \$50,000 Public Employees Blanket Bond-New Jersey Municipal Self Insurer's Joint Insurance Fund.

\*\* Covered by \$1,000,000 Statutory Bond-Municipal Excess Liability Joint Insurance Fund.

\*\*\* Covered by \$50,000 Municipal Court Blanket Bond- New Jersey Municipal Self Insurer's Joint Insurance Fund.

## Comments and Recommendations

Township of Clark

Comments and Recommendations

Year ended December 31, 2009

*Ticket Control Log – Municipal Court\**

We noted in our review of monthly management reports, there were tickets that were distributed to police officers that were over six months old, but remained unissued.

We suggest that these tickets be returned and purged from the system before new tickets are assigned. In the event that the unissued tickets cannot be produced, we suggest that the assigned officer sign a statement that these tickets are in fact unissued and void so that they may be purged from the system.

*Tickets Not Assigned – Municipal Court*

We noted that there are a significant amount of tickets that were issued, but not assigned.

We suggest that all tickets be assigned to an appropriate individual before being issued.

\* Repeat of a prior year comment and recommendation