

**COUNTY OF SALEM**

**STATE OF NEW JERSEY**

**REPORT OF AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2011**



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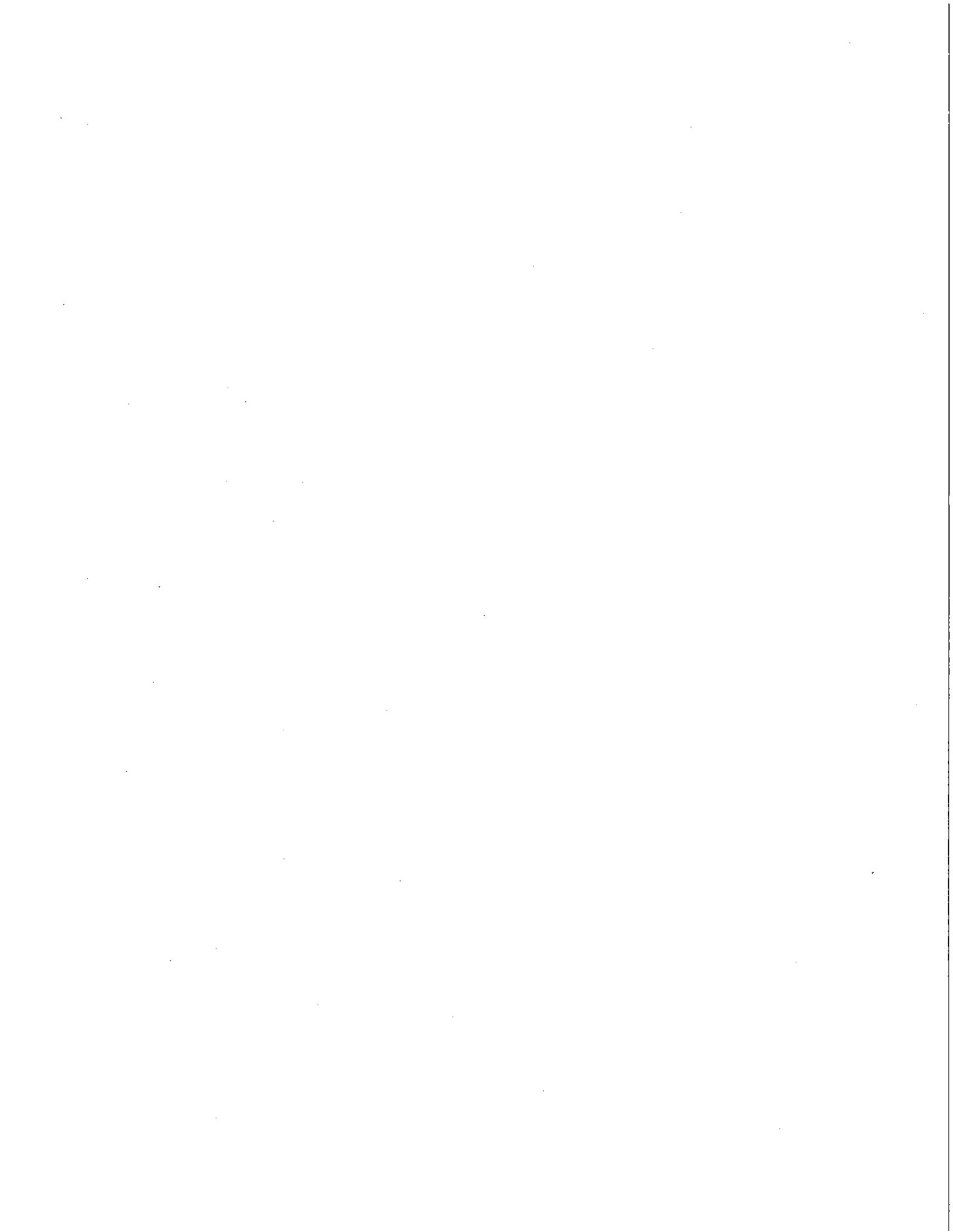
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**COUNTY OF SALEM**  
**PART 1**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**



## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Director and  
Members of the County Board of Chosen Freeholders  
County of Salem  
Salem, New Jersey 08079

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the County of Salem, State of New Jersey as of December 31, 2011 and 2010, and the related statements of operations and changes in fund balance-- regulatory basis for the fiscal years then ended, and the related statement of revenues-- regulatory basis, statement of expenditures-- regulatory basis, and statement of general fixed assets group of accounts for the fiscal year ended December 31, 2011. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements referred to above include the general fixed assets account group, however it was determined that the general fixed asset listing is materially overstated as of December 31, 2011. The actual amount that should be recorded in the general fixed assets account group is not known.

The accounts of the County Board of Social Services are regularly audited by representatives of the Division of Public Welfare, Bureau of Business Services, State Department of Institutions and Agencies and have not been examined as part of this audit. Our audit did not include verification of claims or auditing procedures required to determine that expenditures complied with legal provisions of any agreements for the Hospitalization Self-Insurance Fund, the General Liability Self-Insurance Fund and the Workers' Compensation Self-Insurance Fund. Procedures were limited to the reconciliation of cash. The adequacy of these funds was not determined.

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



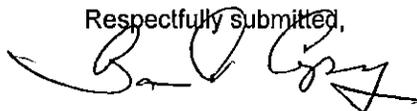
In our opinion, because of the effects on the financial statements of the requirement that the County prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County of Salem, State of New Jersey, as of December 31, 2011 and 2010, or the results of its operations and changes in fund balance for the fiscal years then ended.

Furthermore, in our opinion, except for the effect on the financial statements of the omission described in the third paragraph, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the County of Salem, State of New Jersey, as of December 31, 2011 and 2010, and the results of its operations and changes in fund balance of such funds-- regulatory basis for the fiscal years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, for the fiscal year ended December 31, 2011 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

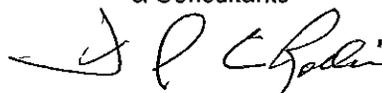
In accordance with Government Auditing Standards, we have also issued our report dated August 8, 2012 on our consideration of the County of Salem, State of New Jersey's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance programs are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are also not a required part of the financial statements. The supplementary financial statements presented for the various funds and the schedules of expenditures of federal awards and state financial assistance programs are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information, directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



David C. Rollison  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
August 8, 2012



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

The Honorable Director and  
Members of the County Board of Chosen Freeholders  
County of Salem  
Salem, New Jersey 08079

We have audited the financial statements (regulatory basis) of the County of Salem, State of New Jersey, as of and for the fiscal year ended December 31, 2011, and have issued our report thereon dated August 8, 2012, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In our report, our opinion was qualified with regard to scope limitations of the Social Services Board, Hospitalization Self-Insurance Fund, General Liability Self-Insurance Fund, and the Workers' Compensation Self-Insurance Fund. Furthermore, our opinion was also qualified because the fixed asset balances as of December 31, 2011 are materially misstated. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control Over Financial Reporting**

Management of the County of Salem is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County'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 County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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

*A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness: finding no. 2011-01.*



A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not consider the finding described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County of Salem's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which are described in the accompanying Schedule of Findings and Questioned Costs as findings no.: 2011-01 and 2011-02.

The County of Salem's responses to the findings identified in our report are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County of Salem's responses and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of the County, others within the County, the Division of Local Government Services, Department of Community Affairs, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



David C. Rollison  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
August 8, 2012



**COUNTY OF SALEM**  
**CURRENT FUND**  
**Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis**  
**As of December 31, 2011 and 2010**

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<b>Regular Fund:</b>			
Cash	SA-1	\$ 14,917,566.13	\$ 18,670,301.21
<b>Receivables and Other Assets with Full Reserves:</b>			
Taxes Receivable	SA-2	144,683.69	100,226.44
Revenue Accounts Receivable	SA-3	810,049.42	1,038,473.93
Due from Federal and State Grant Fund	SA-11	442,398.46	
		<u>1,397,131.57</u>	<u>1,138,700.37</u>
<b>Total Receivables and Other Assets with Full Reserves</b>			
<b>Deferred Charges:</b>			
Special Emergency Authorization	SA-7	3,400,000.00	-
		<u>19,714,697.70</u>	<u>19,809,001.58</u>
<b>Total Regular Fund</b>			
<b>Federal and State Grant Fund:</b>			
Grants Receivable	SA-8	22,017,740.58	23,554,744.82
Due from Current Fund	SA-11		112,805.04
		<u>22,017,740.58</u>	<u>23,667,549.86</u>
<b>Total Federal and State Grant Fund</b>			
		<u>\$ 41,732,438.28</u>	<u>\$ 43,476,551.44</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
<b>Regular Fund:</b>			
Appropriation Reserves	A-3,SA-4	\$ 3,174,053.86	\$ 3,872,643.76
Reserve for Encumbrances	A-3,SA-4	1,245,901.37	1,951,767.89
Due General Capital Fund	SC-3	510,955.20	474,736.45
Due Federal and State Grant Fund	SA-11		112,805.04
Special Emergency Note Payable	SA-1	3,000,000.00	
Reserve for Reconstruction of Various County Roads	SA-4	128,803.35	118,560.65
Reserve for Type 1 School - Debt Payment	A	71,007.87	71,007.87
Reserve for Payment of Debt	SA-1	114,318.66	439.06
Reserve for War Veteran's Cemetery and Park	A	6,099.59	6,099.59
Reserve for Repair and Reconstruction of Roads, Bridges and Railroads	SA-6	1,955,513.26	
Reserve for JACC/CAP	SA-5	130,195.00	127,045.00
		<u>10,336,848.16</u>	<u>6,735,105.31</u>
Reserve for Receivables	A	1,397,131.57	1,138,700.37
Fund Balance	A-1	7,980,717.97	11,935,195.90
		<u>19,714,697.70</u>	<u>19,809,001.58</u>
<b>Total Regular Fund</b>			
<b>Federal and State Grant Fund:</b>			
Due Current Fund	SA-11	442,398.46	
Reserve for Encumbrances	SA-9	4,950,095.31	6,205,075.93
Reserve for Appropriated Grants	SA-9	16,525,961.34	17,298,702.17
Reserve for Unappropriated Grants	SA-10	99,285.47	163,771.76
		<u>22,017,740.58</u>	<u>23,667,549.86</u>
<b>Total Federal and State Grant Fund</b>			
		<u>\$ 41,732,438.28</u>	<u>\$ 43,476,551.44</u>

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

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>REVENUE AND OTHER INCOME REALIZED:</b>		
Fund Balance Realized	\$ 7,788,347.40	\$ 7,836,964.82
Miscellaneous Revenue Anticipated	27,113,932.25	30,849,773.28
Receipts from Current Taxes	50,007,795.56	50,047,770.51
Non-Budget Revenues	898,009.30	1,588,464.53
Other Credits to Income:		
Collection of Added and Omitted Taxes	169,372.48	169,360.64
Unexpended Balance of Appropriation Reserves	2,213,483.94	2,986,867.20
Cancellation of Grants - Appropriated Reserves	507,200.00	3,186,804.90
Reimbursement for Grant Expenditures paid by Current Fund in Prior Years	161,390.00	
Interfunds Returned		1,102,798.30
	<u>88,859,530.93</u>	<u>97,768,804.18</u>
<b>Total Income</b>		
<b>EXPENDITURES:</b>		
Budget Appropriations:		
Operations:		
Salaries and Wages	26,475,385.62	25,532,989.86
Other Expenses	48,910,713.00	50,852,718.92
Capital Improvements	1,207,591.87	2,080,242.70
Debt Service	4,788,138.63	4,814,856.90
Deferred Charges and Statutory Expenditures	5,994,233.88	5,305,339.55
Judgements	100,000.00	400,000.00
Other Debits to Income:		
Interfund Advances	442,398.46	
Cancellation of Grants Receivable	507,200.00	2,285,679.80
	<u>88,425,661.46</u>	<u>91,271,827.73</u>
<b>Total Expenditures</b>		
Excess (Deficit) in Revenues	433,869.47	6,496,976.45
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute Deferred Charges to the Budget of the Succeeding Year	3,400,000.00	
	<u>3,833,869.47</u>	<u>6,496,976.45</u>
<b>Statutory Excess to Fund Balance</b>		
<b>FUND BALANCE:</b>		
Balance January 1	<u>11,935,195.90</u>	<u>13,275,184.27</u>
	15,769,065.37	19,772,160.72
Decreased by:		
Utilized as Revenue	<u>7,788,347.40</u>	<u>7,836,964.82</u>
Balance December 31	<u>\$ 7,980,717.97</u>	<u>\$ 11,935,195.90</u>

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

COUNTY OF SALEM  
CURRENT FUND  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2011

	Anticipated		Realized	Excess or (Deficit)
	Budget 2011	Special N.J.S.A. 40A:4-87		
Surplus Anticipated	\$ 7,788,347.40		\$ 7,788,347.40	
Miscellaneous Revenues:				
Local Revenues:				
County Clerk	395,000.00		395,000.00	
Surrogate	45,000.00		50,294.00	\$ 5,294.00
Sheriff	40,000.00		40,000.00	
Interest on Investments and Deposits	450,000.00		81,444.16	(368,555.84)
Refunds - Public Health Department	20,000.00		34,325.79	14,325.79
Planning Board - Development Review Fees	4,500.00		5,493.80	993.80
Due From Lower Alloways Creek Township	2,215,000.00		2,195,000.00	(20,000.00)
Board of State and Federal Prisoners in County Jail	242,000.00		40,750.78	(201,249.22)
Bail Forfeiture	5,000.00		18,271.00	13,271.00
County Dispatch Service:				
Pennsville Township	37,800.00		37,800.00	
Elmer Borough	1,620.00		1,620.00	
Woodstown Borough	11,000.00		11,000.00	
Inmate Health/Reimbursement to Salem County	2,000.00		4,812.08	2,812.08
State Aid:				
State Aid - County College Bonds (NJSA 18A:64A-22.6)	396,620.00		252,306.63	(144,313.37)
Public Health Priority Funding - 1977	45,000.00		43,692.75	(1,307.25)
Debt Service - State Aid (Type I) - Vocational Education Bonds	83,771.00		218,738.00	134,967.00
Debt Service - State Aid (Type I) - Special Services School District	263,731.00		263,731.00	
State Assumption of Costs of County Social & Welfare Service & Psychiatric Facilities				
Social and Welfare Services (c.66,P.L. 1990):				
Division of Youth and Family Services	1,050,274.00		1,050,274.00	
Supplemental Social Security Income	214,429.00		228,861.00	14,432.00
Psychiatric Facilities (c.73,P.L. 1990):				
Maintenance of Patients in State Institutions for Mental Diseases	1,299,412.00		1,299,412.00	
Maintenance of Patients in State Institutions for Mentally Retarded	2,768,138.00		2,768,138.00	
Division of Developmental Disabilities (DDD)				
Revenue Assessment Program	18,109.00			(18,109.00)
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues Offset with Appropriations				
Area Plan Grant	866,734.00	\$ 34,558.00	901,292.00	
Alcohol and Drug Abuse Services: #03-539-ADA-00-Comprehensive Program	239,761.00		239,761.00	
Alliance to Prevent Alcoholism and Drug Abuse	137,783.00		137,783.00	
Senior Citizen and Disabled Resident Transportation Program	576,100.24		576,100.24	
PASP - Personal Attendant Services	132,847.00		132,847.00	
Local Art Program	43,529.00		43,529.00	
Juvenile Justice Commission State/Community Partnership	204,430.00		204,430.00	
Juvenile Justice Commission Family Court Services	101,878.00		101,878.00	
Juvenile Justice Commission Accountability Block Grant	10,654.00		10,654.00	
Workforce Development Program	4,919.00		4,919.00	
SC Community Traffic Safety Program	12,000.00		12,000.00	
Prosecutor Victim Witness Advocacy	93,316.00		93,316.00	
WIA Dislocated Worker Program (ARRA)	61,708.00		61,708.00	
Mental Health Administration	12,000.00		12,000.00	
National Endowment to The Arts	10,000.00		10,000.00	
Old Salem Courthouse Phase II	250,000.00		250,000.00	
Replacement of Websters Mill Bridge	1,000,000.00		1,000,000.00	
NJDEP - East Lake Road Bridge	788,900.00		788,900.00	
JAG Megan's Law	3,775.00		3,775.00	
Homeland Security Grant	434,393.62		434,393.62	
Wal Veleran's Cemetery & Park	6,099.59		6,099.59	
Cancer Education & Early Detection		123,801.00	123,801.00	
Disability Program Navigator (DPN)		8,759.00	8,759.00	
Cultural & Heritage General Operating Support		13,759.00	13,759.00	
Salem County Driver Safety & Education		34,600.00	34,600.00	
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program		320,894.00	320,894.00	
Co Prosecutor Insurance Fund Reimbursement Program		108,845.00	108,845.00	
Health Dept - Medical Reserve Corp Services		5,000.00	5,000.00	
Emergency Services - Radio Emergency Response Plan (RERP)		426,816.04	426,816.04	
Rail Track Replacement Swedesboro to Salem Port - Phase IV		1,700,000.00	1,700,000.00	
SC Safe Roadways Grant		20,000.00	20,000.00	
HAVA 261 Grant		36,700.00	36,700.00	
Workforce Investment Act - Dislocated Worker		85,590.00	85,590.00	
State Health Insurance Assistance Program (SHIP)		22,000.00	22,000.00	
MIPPA Outreach & Enrollment		40,000.00	40,000.00	
Chronic Disease Self Management (ARRA)		21,000.00	21,000.00	
Drunk Driving Enforcement Fund		3,500.00	3,500.00	
Healthy Communities Initiative		50,000.00	50,000.00	
County Environmental Health Act		157,443.00	157,443.00	
State Highway Project - 2011 County Aid Improvement Program		1,823,000.00	1,823,000.00	
FY11 Cooperative Marketing Grant		14,985.00	14,985.00	
Senior Farmers Market Nutrition - Salem OAA		1,000.00	1,000.00	
Work First New Jersey TANF		364,303.00	364,303.00	

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Revenues -- Regulatory Basis  
 For the Year Ended December 31, 2011

	Anticipated		Realized	Excess or (Deficit)
	Budget 2011	Special N.J.S.A. 40A:4-87		
Miscellaneous Revenues (Cont'd):				
Special Items of General Revenue Anticipated with Prior Written Consent of Director of LGS				
Public and Private Revenues Offset with Appropriations (Cont'd)				
Work First New Jersey TANF - Case Management		\$ 66,507.00	\$ 66,507.00	
Work First New Jersey EE/CAVP		12,573.00	12,573.00	
Work First New Jersey TANF - Work Verification		12,573.00	12,573.00	
Work First New Jersey GAVSNAP		198,815.00	198,815.00	
Work First New Jersey GAVSNAP - Case Management		35,086.00	35,086.00	
Workforce Investment Act - Adult		164,697.00	164,697.00	
Workforce Investment Act - Youth		181,729.00	181,729.00	
Workforce Investment Act - Dislocated Worker		163,490.00	163,490.00	
SCIA - Administrative/Economic Development Division		211,175.00	211,175.00	
SCIA - Nursing Home Division Support		112,986.00	112,986.00	
SCIA - Nursing Home Division - Residential Ramp Installation		45,000.00	45,000.00	
Subregional Transportation Planning		38,400.00	38,400.00	
Comprehensive Cancer Control Plan		50,000.00	50,000.00	
Salem County Waste Management Program		45,000.00	45,000.00	
Mannington Township Waste Management Program Chapter		30,000.00	30,000.00	
Public Health Preparedness and Response to Bioterrorism		391,877.00	391,877.00	
Early Intervention - Case Management		39,000.00	39,000.00	
Workforce Development Partnership Program PY 2011-12		3,566.00	3,566.00	
Section 5311 Operating and Non-Operating Grant		230,448.00	230,448.00	
DCJ - Victims Witness Advocacy		19,077.00	19,077.00	
NJDHSS - Right to Know Program		8,789.00	8,789.00	
Veterans Transportation Grant		13,000.00	13,000.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of				
Local Government Services - Other Special Items				
Additional Fees:				
County Clerk	\$ 95,000.00		34,487.49	\$ (60,512.51)
County Surrogate	25,000.00		20,159.69	(4,840.31)
County Sheriff	30,000.00		213,095.23	183,095.23
Salem County Area Office on Aging	58,000.00		58,000.00	
Reserve for JACC/CAP	127,045.00		127,045.00	
Salem County Bus Service - NJ Transit Contract	1,060,000.00		1,241,280.89	181,280.89
County Welfare Office - Social Services	75,000.00		100,994.03	25,994.03
Rent - Agriculture Building	92,925.00		100,668.75	7,743.75
911 Rental Tower Space	2,000.00			(2,000.00)
Bd. Federal Inmates in County Jail	2,500,000.00		3,097,628.81	597,628.81
Gloucester County Alternative Youth Shelter Beds	62,166.00		14,560.00	(47,606.00)
NEXTEL-Communication Tower	33,000.00		36,000.00	3,000.00
Board of Elections	45,000.00		56,992.24	11,992.24
County Dispatch Services:				
Pennsville Township	22,200.00		22,200.00	
Elmer Borough	1,380.00		1,380.00	
Woodstown Borough	7,000.00		7,000.00	
City of Salem	100,000.00		65,000.00	(35,000.00)
Title Section IV-D Reimbursement for State of NJ	120,699.99		137,016.04	16,316.05
SJ Gas Railroad Reimbursement	258,290.60		258,290.60	
<b>Total Miscellaneous Revenues</b>	<b>19,313,936.04</b>	<b>7,490,341.04</b>	<b>27,113,932.25</b>	<b>309,653.17</b>
<b>Amount to Be Raised by Taxation - County Purpose Tax</b>	<b>50,007,795.56</b>		<b>50,007,795.56</b>	
<b>Budget Totals</b>	<b>77,110,081.00</b>	<b>7,490,341.04</b>	<b>84,910,075.21</b>	<b>309,653.17</b>
<b>Miscellaneous Revenue Not Anticipated</b>			<b>898,009.30</b>	<b>898,009.30</b>
	<b>\$ 77,110,081.00</b>	<b>\$ 7,490,341.04</b>	<b>\$ 85,808,084.51</b>	<b>\$ 1,207,662.47</b>
Cash Receipts:				
Revenue Accounts Receivable			\$ 14,505,718.76	
Amount to Be Raised by Taxation			50,007,795.56	
Miscellaneous Revenue Not Anticipated			898,009.30	
Federal and State Grants Receivable			12,481,168.49	
Reserve for JACC/CAP			127,045.00	
Surplus Anticipated			7,788,347.40	
			<b>\$ 85,808,084.51</b>	

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2011

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Analysis of Realized Revenue

Miscellaneous Revenue Not Anticipated:

United Networks/Pres Drug Comm	\$ 1,899.00
Commodities Resale Trust Reimbursements	195,995.00
Dept of Interior/2010 Pilt	10,332.00
STNJ/Reimburse Phone OEM	3,796.59
Legal Settlements	1,750.00
STNJ/2010 Constit Officers Reimb	96,200.00
Election Costs	44,892.95
Road Repairs	985.97
Recycling Refunds	1,570.51
Rent	13,848.83
Improvement Authority Monthly IT Support	8,000.00
Workers Compensation Reimbursements	3,289.43
Paint and Spheres	2,863.35
Scrap Metal	8,237.18
Proceeds from On-line County Auction	6,040.30
State of NJ Unification Reimbursements	162,908.90
Prosecutor Restitution	9,073.50
Jail Telephone Communications/Miscellaneous	163,701.91
Vending Services	3,077.00
Refunds and Reimbursements of Prior Year Expense	67,732.90
Miscellaneous	91,813.98
	<u>91,813.98</u>
	<u>\$ 898,009.30</u>

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

**COUNTY OF SALEM  
CURRENT FUND  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2011**

	Appropriations			Paid or Charged		Unexpended Balance <u>Cancelled</u>
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>General Government</u>						
Administrative and Executive						
Board of Chosen Freeholders						
Salaries and Wages	\$ 175,454.00	\$ 175,454.00	\$ 168,709.80	\$	\$ 6,744.20	
Other Expenses	34,223.00	34,223.00	29,333.43	1,213.60	3,675.97	
Purchase Department and Inventory Control						
Salaries and Wages	94,576.00	94,576.00	91,962.10		2,613.90	
Other Expenses	5,816.00	6,816.00	5,946.03	355.40	514.57	
Clerk of the Board						
Salaries and Wages	157,382.00	158,882.00	151,908.42		6,973.58	
Personnel/HR						
Salaries and Wages	308,187.00	308,187.00	288,079.33		20,107.67	
Screening & Compliance Test for Employees	19,000.00	19,000.00	18,893.60	1.90	104.50	
Other Expenses	25,363.00	25,363.00	22,705.06	498.81	2,159.13	
Public Information Office						
Salaries and Wages	108,445.00	108,445.00	104,247.99		4,197.01	
County Clerk						
Salaries and Wages	416,137.00	432,637.00	413,233.85		19,403.15	
Other Expenses	41,472.00	41,472.00	32,403.66	984.96	8,083.38	
School Board Elections	70,000.00	50,000.00	49,388.63		611.37	
Election Costs	110,000.00	100,000.00	83,005.34	3,694.84	13,299.82	
Grant Management						
Other Expenses	40,000.00	40,000.00	-		40,000.00	
Board of Elections						
Salaries and Wages	218,528.00	224,528.00	211,867.13		12,660.87	
Other Expenses	127,008.00	132,508.00	120,337.45	11,693.92	476.63	
Department of Finance						
County Treasurer's Office						
Salaries and Wages	284,896.00	220,383.62	206,185.68		14,197.94	
Other Expenses	11,624.00	13,624.00	12,342.60	451.96	829.44	
Bond Cost	50,000.00	50,000.00	30,839.77		19,160.23	
County Auditor						
Annual Audit and Other Services	150,000.00	150,000.00	120,255.10		29,744.90	
Information Technology Center						
Salaries and Wages	155,344.00	164,344.00	153,364.90		10,979.10	
Other Expenses	212,200.00	212,200.00	161,247.55	40,270.43	10,682.02	
County Adjuster's Office						
Salaries and Wages	51,100.00	51,100.00	49,112.94		1,987.06	
Other Expenses	71,564.00	46,564.00	5,132.54	15,944.50	25,486.96	

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2011

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>General Government (Cont'd)</u>						
Board of Taxation	\$ 104,012.00	\$ 105,512.00	\$ 100,693.50	\$ 1,080.40	\$ 4,818.50	
Salaries and Wages	13,486.00	13,486.00	11,812.80		592.80	
Other Expenses						
County Counsel	75,000.00	75,000.00	72,986.29	437.83	1,575.88	
County Surrogate						
Salaries and Wages	237,439.00	237,439.00	227,442.59		9,996.41	
Other Expenses	7,320.00	8,820.00	7,167.41	1,232.15	420.44	
Agricultural Development Board						
Other Expenses	16,000.00	16,000.00	16,000.00			
Engineer						
Salaries and Wages	339,810.00	346,810.00	328,475.50		18,334.50	
Other Expenses	400,915.00	375,915.00	277,362.02	78,962.92	19,590.06	
Economic Development Office						
Tourism						
Other Expenses	20,000.00	20,000.00	12,109.50	6,566.16	1,324.34	
Labor Counsel						
Other Expenses	40,000.00	40,000.00	39,999.96		0.04	
Special Counsel	175,000.00	175,000.00	149,313.07	9,178.13	16,508.80	
Cultural and Heritage Commission						
Other Expenses	18,549.00	16,549.00	12,689.92	960.94	2,898.14	
<b>Total General Government</b>	<b>4,385,850.00</b>	<b>4,290,837.62</b>	<b>3,786,555.46</b>	<b>173,528.85</b>	<b>330,753.31</b>	<b>\$ -</b>
<u>Land Use Administration</u>						
County Planning Board (R.S. 40:27-3)						
Salaries and Wages	196,369.00	196,369.00	185,450.32		10,918.68	
Other Expenses	18,700.00	13,700.00	7,998.36	89.42	5,612.22	
Contribution to Soil Conservation District (R.S. 4:24-22(f))	100.00	100.00			100.00	
<b>Total Land Use Administration</b>	<b>215,169.00</b>	<b>210,169.00</b>	<b>193,448.68</b>	<b>89.42</b>	<b>16,630.90</b>	<b>-</b>
<u>Code Enforcement and Administration</u>						
Weights and Measures						
Salaries and Wages	105,335.00	105,335.00	93,791.71		11,543.29	
Other Expenses	800.00	800.00	608.58	75.00	116.42	
<b>Total Code Enforcement</b>	<b>106,135.00</b>	<b>106,135.00</b>	<b>94,400.29</b>	<b>75.00</b>	<b>11,659.71</b>	<b>-</b>

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2011

	Appropriations			Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved		
<u>Insurance</u>							
Workmen's Compensation	\$ 567,824.00	\$ 698,824.00	\$ 698,824.00		\$ 19,487.62		
Other Insurance Premiums	393,000.00	393,000.00	373,512.38				
Self-Insurance AL/GL	275,800.00	275,800.00	275,800.00				
Group Insurance Dental	152,428.00	152,428.00	131,297.13		21,130.87		
Group Insurance Hospitalization	7,667,074.46	7,667,074.46	7,259,197.33		407,877.13		
Contribution to:							
Unemployment Compensation Insurance (NJS 43:21-3 et seq.)	71,500.00	1,500.00	1,500.00				
State Disability Insurance	103,950.00	103,950.00	86,757.47		17,192.53		
<b>Total Insurance</b>	<b>9,231,576.46</b>	<b>9,292,576.46</b>	<b>8,826,888.31</b>	<b>\$ -</b>	<b>465,688.15</b>	<b>\$ -</b>	
<u>Public Safety Functions</u>							
Safety							
"9-1-1"	4,000.00	4,000.00	1,904.64	309.00	1,786.36		
Salaries and Wages	1,678,743.00	1,678,743.00	1,519,800.19		158,942.81		
Other Expenses	51,597.00	51,597.00	36,301.92	10,758.80	4,536.28		
"2-1-1" County Contribution	20,000.00	20,000.00	-		20,000.00		
Department of Emergency Services							
Salaries and Wages	324,729.00	324,729.00	297,767.23		26,961.77		
Other Expenses:							
Fire School	54,716.00	60,216.00	51,110.03	7,191.05	1,914.92		
Operations and Training	2,000.00	2,000.00	1,784.16		215.84		
Miscellaneous Other Expenses	41,593.00	41,593.00	36,868.41	3,275.28	1,449.31		
Aid to Volunteer Rescue and Ambulance Squads (R.S. 40:5-2)	1,000.00	1,000.00	700.00		300.00		
Fire Marshal							
Other Expenses	10,100.00	10,100.00	7,552.00	635.00	1,913.00		
Sheriff's Office							
Salaries and Wages	2,471,626.00	2,471,626.00	2,354,405.40		117,220.60		
Other Expenses	204,800.00	194,800.00	165,648.95	25,125.10	4,025.95		
Jail							
Salaries and Wages	10,320,705.00	10,700,705.00	10,182,327.42		518,377.58		
Other Expenses	1,848,050.00	1,848,050.00	1,522,368.79	324,856.03	825.18		
Bail Forfeitures	5,000.00	5,000.00	200.00		4,800.00		
Alternative Youth Shelter							
Other Expenses:							
Contractual - Ranch Hope	430,658.25	430,658.25	430,658.25				

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2011

	Appropriations			Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved		
<u>Public Safety Functions (Cont'd)</u>							
Prosecutor's Office							
Salaries and Wages	\$ 3,858,574.00	\$ 3,658,574.00	\$ 3,299,548.27	\$	\$ 359,025.73		
Other Expenses	429,000.00	419,000.00	377,688.11	\$ 38,062.57	3,249.32		
County Medical Examiner							
Other Expenses:							
Miscellaneous	175,000.00	175,000.00	132,213.20		42,786.80		
Juvenile Detention and Domestic Relations Court							
Other Expenses	575,000.00	635,000.00	564,891.43	69,444.53	664.04		
<b>Total Public Safety Functions</b>	<b>22,506,891.25</b>	<b>22,732,391.25</b>	<b>20,983,738.40</b>	<b>479,657.36</b>	<b>1,268,995.49</b>	<b>\$</b>	<b>-</b>
<u>Public Works Functions</u>							
Street and Road Maintenance							
Roads and Bridges	1,133,570.00	1,508,570.00	1,406,968.10		101,601.90		
Salaries and Wages	297,646.00	297,646.00	269,805.02	27,812.79	28.19		
Other Expenses Including Snow Removal							
Special Emergency							
Repair and Reconstruction of Roads, Bridges and Railroads							
Repair and Reconstruction of Roads, Bridges and Railroads							
Repair and Reconstruction of Roads, Bridges and Railroads							
Facilities Management							
Salaries and Wages	1,108,166.00	1,131,166.00	1,071,898.17		59,267.83		
Other Expenses	421,200.00	451,200.00	415,957.15	33,028.05	2,214.80		
Alterations & Renovations	150,000.00	150,000.00	111,991.35	38,008.65			
Mosquito Extermination Commission							
(R.S. 26-9-13 et seq)							
Railroad	363,366.00	323,366.00	281,848.89	15,078.49	26,438.62		
Vehicle Maintenance	97,200.00	97,200.00	32,024.35	63,656.25	1,519.40		
	413,600.00	428,600.00	365,705.29	62,739.47	155.24		
<b>Total Public Works Functions</b>	<b>3,984,748.00</b>	<b>7,787,748.00</b>	<b>7,356,198.32</b>	<b>240,323.70</b>	<b>191,225.98</b>	<b>\$</b>	<b>-</b>
<u>Health and Human Services</u>							
War Veterans Burial And Grave Decorations							
Other Expenses	17,400.00	14,400.00	9,874.45	1,218.00	3,307.55		
Office on the Disabled							
Salaries and Wages	298,794.00	233,794.00	174,769.87	8,500.00	50,524.13		
Other Expenses	17,204.00	17,204.00	11,310.34	10.00	5,883.66		
Drug & Alcohol Services	7,000.00	7,000.00	3,097.88		3,902.12		
Salem Area Office on Aging	110,000.00	110,000.00	107,334.05		2,665.95		

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2011

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<b>Health and Human Services (Cont'd)</b>						
Office on Aging Medical Transportation	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00			\$ 127,045.00
JACC / CAP Review	127,045.00	127,045.00	-			
Reappropriated 2007	1,661.69	1,661.69	1,661.69			
Public Health Emergency	2,500.00	2,500.00	-		2,500.00	
Aid to Salem Co. Unit NJ Assoc. of Retarded Citizens (R.S. 40:23-8.11)						
Other Expenses	7,000.00	7,000.00	7,000.00			
County Welfare Board						
Administration	1,985,566.43	1,985,566.43	1,985,566.43			
Services	175,177.17	175,177.17	175,177.17			
Local: Temporary Assistance Needy Family (TANF)	141,598.00	141,598.00	141,598.00			
Assistance to Supplemental Security Income						
Recipients - State Share	214,429.00	214,429.00	214,429.00		16,777.00	
Alcohol Treatment/County Contributions	30,000.00	30,000.00		13,223.00		
County Health Service - Interlocal Agreement (40:8A-1 et seq)						
Salaries and Wages	695,203.00	695,203.00	646,398.40		48,804.60	
Other Expenses:						
Nursing Services	45,475.00	45,475.00	33,279.39	8,389.67	3,805.94	
Administrative	15,450.00	15,450.00	6,398.05	2,974.54	6,077.41	
Environmental	27,100.00	27,100.00	19,879.44	4,666.59	2,553.97	
Cumberland County - Priority Health Funding						
Salaries and Wages	39,537.00	41,037.00	39,205.21		1,831.79	
Commission on Women						
Other Expenses	2,000.00	2,000.00	1,332.50		667.50	
Maintenance of Patients in State Institutions -						
Mental Diseases (N.J.S.A. 30:4-79)						
State Share	1,299,412.00	1,299,412.00	1,299,412.00			
Local Share	518,884.00	518,884.00	518,884.00			
Maintenance of Patients in State Institutions						
for the Mentally Retarded (N.J.S.A. 30:4-79) - State Share	2,768,138.00	2,768,138.00	2,768,138.00			
Mental Health Board (R.S. 30:9A-3)						
Other Expenses	3,000.00	3,000.00	767.15	130.00	2,102.85	
Community Health Law Project	30,000.00	30,000.00	22,019.00	7,981.00		
JACC/CAP 2010	109,320.00	109,320.00	-			109,320.00
JACC/CAP 2009	104,196.69	104,196.69	37,105.73			
JACC/CAP 2008	9,551.98	9,551.98	9,426.98	125.00		67,090.96
New Jersey Division of Youth and Family Services						
State Share	1,050,274.00	1,050,274.00	1,050,274.00			
<b>Total Health and Human Services</b>	<b>9,887,916.96</b>	<b>9,821,416.96</b>	<b>9,319,338.73</b>	<b>47,217.80</b>	<b>151,404.47</b>	<b>303,455.96</b>

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2011

	Appropriations			Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved		
<b>Parks and Recreation</b>							
Parks and Playgrounds							
Other Expenses	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00				
<b>Total Parks and Recreation</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Educational Functions</b>							
Free Library Service to the Aging							
Other Expenses	92,340.00	92,340.00	92,340.00				
Salem 2000							
Other Expenses	100.00	100.00	-			100.00	
Educational Programs for Employees							
Salaries and Wages	7,000.00	7,000.00	6,732.48			267.52	
Salem County Community College							
Reimbursements for Residents Attending	2,615,798.00	2,615,798.00	2,615,798.00				
Out-of-County Two-Year Colleges							
(N.J.S.18A:64A-23)							
County Extension Service - Farm and Home	98,000.00	37,000.00	34,468.74	56.00		2,475.26	
Demonstrations							
Salaries and Wages	199,449.00	200,649.00	192,171.47			8,477.53	
Other Expenses	47,750.00	47,750.00	28,872.41	15,004.18		3,873.41	
Salem County Vocational Tech School							
Office of County Superintendent of Schools	1,792,900.00	1,792,900.00	1,792,900.00				
Salaries and Wages	178,426.00	179,426.00	171,816.80			7,609.20	
Other Expenses	17,496.00	13,496.00	8,691.76	248.16		4,556.08	
County Special Services School District							
Annual Appropriations (N.J.S.A.18A:46-29)	150,000.00	150,000.00	150,000.00				
<b>Total Educational Functions</b>	<b>5,199,259.00</b>	<b>5,136,459.00</b>	<b>5,093,791.66</b>	<b>15,308.34</b>	<b>27,359.00</b>	<b>-</b>	<b>-</b>
<b>Unclassified</b>							
Veteran's Service Bureau							
Salaries and Wages	18,305.00	31,415.00	30,075.67			1,339.33	
Other Expenses	4,000.00	4,000.00	1,786.89	341.03		1,872.08	
Accumulated Leave Compensation							
County Transportation							
Other Expenses	25,000.00	25,000.00	20,000.00			5,000.00	
Community Bus Service							
Salaries and Wages	617,747.00	572,747.00	524,310.06			48,436.94	
Other Expenses	235,400.00	260,400.00	258,322.90	1,443.82		633.28	

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2011

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>Unclassified (Cont'd)</u>						
Utilities	\$ 2,315,000.00	\$ 2,315,000.00	\$ 1,926,206.35	\$ 267,916.05	\$ 120,877.60	
City of Salem - in lieu of taxes (Pilot Program)	26,192.80	26,192.80	26,192.80			
Total Unclassified	3,241,644.80	3,234,754.80	2,786,894.87	269,700.90	178,159.23	\$ -
<u>State and Federal Programs Off-Set by Revenues:</u>						
Area Plan Grant	866,734.00	901,292.00	901,292.00			
Alcohol and Drug Abuse Services						
#00-582-ADA-00-Comprehensive Program						
State Share	239,761.00	239,761.00	239,761.00			
Local Share	18,127.00	18,127.00	18,127.00			
Alliance to Prevent Alcohol and Drug Abuse	137,783.00	137,783.00	137,783.00			
Senior Citizen and Disabled Residents						
Transportation Assistance Act	576,100.24	576,100.24	576,100.24			
PASP - Personal Attendant Services	132,847.00	132,847.00	132,847.00			
Co Prosecutor Insurance Fund Reimbursement	108,845.00	108,845.00	108,845.00			
New Jersey State Council Local Arts						
State Share	43,529.00	43,529.00	43,529.00		12,141.00	
Matching Funds for Grants	500,000.00	12,141.00	-			
Juvenile Justice Commission/Community Partners	204,430.00	204,430.00	204,430.00			
Juvenile Justice Commission Family Court Services	101,878.00	101,878.00	101,878.00			
Juvenile Justice Commission Accountability Block Grant						
State Share	10,654.00	10,654.00	10,654.00			
Local Share	1,184.00	1,184.00	1,184.00			
Workforce Development Program	4,919.00	4,919.00	4,919.00			
SCIA - Administrative/Economic Development Division						
SCIA - Nursing Home Division Support	211,175.00	211,175.00	211,175.00			
SCIA - Nursing Home Division - Residential Ramp Installation	112,986.00	112,986.00	112,986.00			
Subregional Transportation Planning	45,000.00	45,000.00	45,000.00			
Comprehensive Cancer Control Plan	48,000.00	48,000.00	48,000.00			
Salem County Waste Management Program	50,000.00	50,000.00	50,000.00			
Manning Township Waste Management Program Chapter	45,000.00	45,000.00	45,000.00			
Early Intervention - Case Management	30,000.00	30,000.00	30,000.00			
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program	54,880.00	54,880.00	54,880.00			
Disability Program Navigator (DPN)	320,894.00	320,894.00	320,894.00			
Salem County Safe Roadways Grant	8,759.00	8,759.00	8,759.00			
SC Community Traffic Safety Program	20,000.00	20,000.00	20,000.00			
Public Health Preparedness & Response to Bioterrorism (HIPER)	12,000.00	12,000.00	12,000.00			
Work First New Jersey - TANF	418,188.00	418,188.00	418,188.00			
		364,303.00	364,303.00			

(Continued)

**COUNTY OF SALEM  
CURRENT FUND  
Statement of Expenditures – Regulatory Basis  
For the Year Ended December 31, 2011**

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>State and Federal Programs Off-Set by Revenues (Cont'd)</u>						
Workforce Investment Act - Adult		\$ 164,697.00	\$ 164,697.00			
Workforce Investment Act - Youth		181,729.00	181,729.00			
Workforce Investment Act - Dislocated Worker		163,490.00	163,490.00			
WIA Dislocated Worker Program (ARRA)		61,708.00	61,708.00			
Work First New Jersey TANF - Work Verification	\$ 61,708.00	12,573.00	12,573.00			
Work First New Jersey TANF - Case Management		66,507.00	66,507.00			
Cancer Education & Early Detection Program		142,134.00	142,134.00			
5311		304,104.00	304,104.00			
Work First New Jersey GAVSNAP		198,815.00	198,815.00			
Work First New Jersey GAVSNAP - Case Management		35,086.00	35,086.00			
Work First New Jersey CAVP & EEI		12,573.00	12,573.00			
NJ Transportation Trust Fund Authority - 2011 County Aid						
Improvement Program		1,823,000.00	1,823,000.00			
Mental Health Administration	12,000.00	12,000.00	12,000.00			
War Veteran's Cemetery & Park	6,099.59	6,099.59	6,099.59			
National Endowment to The Arts	10,000.00	10,000.00	10,000.00			
Old Salem Courthouse Phase II	250,000.00	250,000.00	250,000.00			
Replacement of Websters Mill Bridge	1,000,000.00	1,000,000.00	1,000,000.00			
NUDEP Est Lake Road Bridge	788,900.00	788,900.00	788,900.00			
JAG Megan's Law						
State Share	3,775.00	3,775.00	3,775.00			
Local Share	1,258.00	1,258.00	1,258.00			
Cultural & Heritage General Operating Support		13,759.00	13,759.00			
Salem County Driver Safety & Education		34,600.00	34,600.00			
Health Dept - Medical Reserve Corp Services		5,000.00	5,000.00			
Emergency Services - Radio Emergency Response Plan (RERP)		426,816.04	426,816.04			
Rail Track Replacement Swedesboro to Salem Port - Phase IV		1,888,889.00	1,888,889.00			
HAVA 261 Grant		36,700.00	36,700.00			
Workforce Investment Act - Dislocated Worker		85,590.00	85,590.00			
State Health Insurance Assistance Program (SHIP)		22,000.00	22,000.00			
MIPPA Outreach & Enrollment		40,000.00	40,000.00			
Chronic Disease Self Management (ARRA)		21,000.00	21,000.00			
Healthy Communities Initiative		50,000.00	50,000.00			
Drunk Driving Enforcement Fund		3,500.00	3,500.00			
FY11 Cooperative Marketing Grant		14,985.00	14,985.00			
Senior Farmers Market Nutrition - Salem OAA		1,000.00	1,000.00			
Workforce Development Partnership Program PY 2011-12		3,566.00	3,566.00			
DCJ - Victims Witness Advocacy		19,077.00	19,077.00			
NJDHSS - Right to Know Program		8,789.00	8,789.00			

**COUNTY OF SALEM  
CURRENT FUND**  
Statement of Expenditures – Regulatory Basis  
For the Year Ended December 31, 2011

	Appropriations			Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved		
<u>State and Federal Programs Off-Set by Revenues (Cont'd)</u>							
Veterans Transportation Grant	\$ 434,393.62	\$ 13,000.00	\$ 13,000.00				
Homiland Security Grant		434,393.62	434,393.62				
Prosecutor Victim Witness Advocacy							
State Share	93,316.00	93,316.00	93,316.00				
Local Share	23,329.00	23,329.00	23,329.00				
County Environmental Health Act		312,633.00	312,633.00				
Total State and Federal Programs Off-Set by Revenues	5,534,725.45	13,025,066.49	13,012,925.49	\$ -	\$ 12,141.00	\$ -	
Contingent	50,000.00	50,000.00	22,507.05		27,492.95		
Total Operations Including Contingent	64,345,915.92	75,689,554.58	71,478,687.06	1,225,901.37	2,681,510.19	303,455.96	
Detail:							
Salaries & Wages	26,013,588.00	26,475,385.62	24,800,054.55	8,500.00	1,666,831.07	-	
Other Expenses (Including Contingent)	38,332,327.92	49,214,168.96	46,678,632.51	1,217,401.37	1,014,679.12	303,455.96	
<u>Capital Improvements</u>							
Capital Improvement Fund	1,200,000.00	1,200,000.00	1,200,000.00				
Interest Eamed on N.J. Department of Transportation Grant Funds - (County Aid Improvement Program): Reconstruction of Various County Roads	7,591.87	7,591.87	7,591.87				
Total Capital Improvements	1,207,591.87	1,207,591.87	1,207,591.87	-	-	-	
<u>County Debt Service</u>							
Payment of Bond Principal							
County College Bonds	621,000.00	301,000.00	301,000.00				
Vocational School Bonds	105,000.00	105,000.00	-				105,000.00
Other Bonds	1,395,100.00	1,660,100.00	1,660,100.00				
Payment of Bond Anticipation Notes	25,000.00	25,000.00	25,000.00				
Interest on Bonds							
County College Bonds	172,500.00	65,100.30	65,100.30				
Vocational School Bonds	47,400.00	47,400.00	-				47,400.00
Other Bonds	774,420.00	944,922.08	944,922.08				
Interest on Notes							
Other	11,250.00	11,250.00	11,218.75				31.25
Dam Restoration Program NJAC 7:24A-1 ET SEQ							
Loan Repayments for Principal and Interest	44,500.00	44,500.00	-				44,500.00
Salem County Improvement Authority - County Jail	1,760,798.00	1,760,798.00	1,760,797.50				0.50

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2011

	Appropriations		Paid or Charged		Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	
County Debt Service (Cont'd)					
Salem County Improvement Authority - Additional Rent Payment: County Jail	\$ 20,000.00	\$ 20,000.00		\$ 20,000.00	
Total County Debt Service	4,976,968.00	4,985,070.38	\$ 4,768,138.63	20,000.00	\$ -
Deferred Charges and Statutory Expenditures – County Prior Years' Bills:					
2008 South Jersey Newspapers	51.10	51.10	51.10		
2008 Camden Co. Health Services	717.24	717.24	717.24		
2009 Federici & Akin, PA	20,746.50	20,746.50	2,555.00		18,191.50
2009 W.J. Castle, P.E. & Assoc, P.C.	5,779.83	5,779.83	-		5,779.83
2009 Camden Co. Health Services	18,129.48	18,129.48	18,129.48		
Statutory Expenditures					
Contribution to:					
Public Employees' Retirement System	1,406,464.00	1,406,464.00	1,347,588.55		58,875.45
Police and Firemen's Retirement System	2,339,154.00	2,339,154.00	2,334,154.00		5,000.00
Social Security System (O.A.S.I.)	2,488,563.06	2,227,163.06	1,857,693.84		369,469.22
Total Deferred Charges and Statutory Expenditures - County	6,279,605.21	6,018,205.21	5,560,889.21	-	433,344.67
Judgements	300,000.00	100,000.00	40,801.00		59,199.00
Total General Appropriations	\$ 77,110,081.00	\$ 88,000,422.04	\$ 83,056,107.77	\$ 1,245,901.37	\$ 3,174,053.86
Original Budget		\$ 77,110,081.00			
Appropriated by N.J.S.A. 40A-87					
Total Chapter 159 Additions	\$ 7,978,200.04				
Less: Matching Funds for Grants	(487,859.00)				
Special Emergency Authorizations - 3 Years (N.J.S.A. 40A:4-54)		7,490,341.04			
Reserve for Federal and State Grants Funds - Appropriated		3,400,000.00			
Disbursed by General Capital Fund		\$ 13,012,925.49			
Special Emergency Authorizations - 3 Years (N.J.S.A. 40A:4-54)		36,218.75			
Reimbursements		3,400,000.00			
Disbursed		(1,667,867.89)			
		68,274,831.42			
	\$ 88,000,422.04	\$ 83,056,107.77			\$ 524,359.04

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

**COUNTY OF SALEM**  
**TRUST FUND**  
**Statements of Assets, Liabilities and Reserves--Regulatory Basis**  
**As of December 31, 2011 and 2010**

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<b>Trust Other Funds:</b>			
Cash - Treasurer	SB-1	\$ 5,330,065.31	\$ 5,818,115.66
Mortgages Receivable	SB-2	959,956.63	416,470.51
		<u>6,290,021.94</u>	<u>6,234,586.17</u>
<b>Open Space and Farmland Preservation Trust:</b>			
Cash - Treasurer	SB-1	3,429,695.13	3,096,603.95
Taxes Receivable	SB-5	3,391.15	2,371.67
		<u>3,433,086.28</u>	<u>3,098,975.62</u>
<b>Total Trust Funds</b>		<u>\$ 9,723,108.22</u>	<u>\$ 9,333,561.79</u>
<u>LIABILITIES AND RESERVES</u>			
<b>Trust Other Funds:</b>			
Reserve for Encumbrances	SB-4		\$ 330,179.71
Reserve for:			
911	SB-4	\$ 262.45	262.45
Accumulated Absences Trust	SB-4	1,699,435.42	1,777,068.65
Audio Visual Commission	SB-4	98,523.06	85,855.52
B.F. Goodrich	SB-4	16,327.37	16,285.51
Commodities Resale Program	SB-4	57,051.84	195,460.83
County Auction	SB-4	6,604.56	10,593.22
County Clerk	SB-4	386,814.72	394,468.74
Engineering Escrow	SB-4	16,334.25	16,134.25
Environmental Enforcement	SB-4	550,769.24	535,252.76
Hospitalization	SB-4	8,185.36	220,530.30
Housing Revitalization	SB-4	80,383.93	80,177.75
Motor Vehicle Fines	SB-4	429,583.48	90,189.25
Net Payroll Account	SB-4	3,105.27	1,812.18
Parvin Bequest	SB-4	23,114.18	16,345.22
Payroll Agency	SB-4	251,254.79	220,930.79
Performance Bond - J Dare Development	SB-4	13,090.00	13,090.00
Performance Bond - Woods Laurel Hills	SB-4	3,375.00	3,375.00
Personal Attendant Service (PASP)	SB-4	19,695.22	19,448.61
Prosecutor's Office:			
Asset Maintenance Account	SB-4	13,958.90	14,274.61
Auto Law Enforcement Trust Account	SB-4	5,189.58	4,451.28
County Law Enforcement Trust Account	SB-4	82,739.67	103,832.16
Federal County Law Enforcement Trust Account	SB-4	92,087.92	102,126.51
Municipal Law Enforcement Trust Account	SB-4	55,262.46	44,814.52
Seized Assets Trust Account	SB-4	107,769.61	134,915.34
Revolving Loan	SB-4	948,292.47	490,506.01
Road Opening Deposits	SB-4	49,565.44	49,089.44

(Continued)

**COUNTY OF SALEM**  
**TRUST FUND**  
**Statements of Assets, Liabilities and Reserves--Regulatory Basis**  
**As of December 31, 2011 and 2010**

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Trust Other Funds (Cont'd):			
Reserves (Cont'd):			
SCAPG - Nutrition Program	SB-4	\$ 29,449.03	\$ 867.98
SCAPG - Parvin	SB-4	22,115.76	18,341.59
Sheriff's Trust	SB-4	36,808.95	32,955.69
Self Insurance	SB-4	599,328.00	612,164.69
Surrogate Fees	SB-4	42,020.29	31,361.92
Tax Appeals Filing Fees	SB-4	25,710.56	18,429.38
Unemployment Claims	SB-4	375,487.86	432,857.77
Weights & Measures	SB-4	72,074.55	56,381.25
Worker's Compensation	SB-4	68,250.75	59,755.29
		<u>6,290,021.94</u>	<u>6,234,586.17</u>
Open Space and Farmland Preservation Trust			
Reserve for Open Space and Farmland Preservation	SB-6	<u>3,433,086.28</u>	<u>3,098,975.62</u>
		<u>3,433,086.28</u>	<u>3,098,975.62</u>
		<u>\$ 9,723,108.22</u>	<u>\$ 9,333,561.79</u>

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



**COUNTY OF SALEM**  
**TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION**  
 Statement of Expenditures and Other Charges to Income--Regulatory Basis  
 For the Year Ended December 31, 2011

	Appropriations		Paid or <u>Charged</u>	<u>Reserved</u>	Balance <u>Cancelled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>			
Debt Service:					
Payment of Bond Principal	\$ 424,900.00	\$ 424,900.00	\$ 424,900.00		
Interest on Bonds	366,083.00	366,083.00	366,083.00		
Acquisition of Farmland	51,947.00	51,947.00	51,947.00		
Reserve for Future Use	572,171.50	572,171.50	572,171.50		
	<u>\$ 1,415,101.50</u>	<u>\$ 1,415,101.50</u>	<u>\$ 1,415,101.50</u>	<u>\$ -</u>	<u>\$ -</u>

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

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
**Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis**  
**As of December 31, 2011 and 2010**

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Cash	SC-2	\$ 16,776,040.81	\$ 11,586,391.24
Dam Restoration Loan Receivable	SC-2	1,300,000.00	1,300,000.00
Due from Current Fund	SC-3	510,955.20	474,736.45
Deferred Charges to Future Taxation:			
Funded	SC-4	37,817,000.00	34,063,000.00
Unfunded	SC-5	10,615,000.00	9,150,000.00
		<u>\$ 67,018,996.01</u>	<u>\$ 56,574,127.69</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Overdraft - Bond Funds Held by Trustee	SC-2	\$ 12,490.51	\$ 12,490.51
Serial Bonds Payable	SC-7	36,517,000.00	32,763,000.00
Bond Anticipation Notes Payable	SC-11	475,000.00	500,000.00
Improvement Authorizations:			
Funded	SC-6	14,628,990.64	10,919,037.30
Unfunded	SC-6	10,449,380.00	9,150,000.00
Contracts Payable	SC-8	3,627,161.93	1,625,423.15
Dam Restoration Loan Payable	SC-10	1,300,000.00	1,300,000.00
Reserve for Payment of Debt	SC-2	5,036.20	240.00
Capital Improvement Fund	SC-9	3,936.73	303,936.73
		<u>\$ 67,018,996.01</u>	<u>\$ 56,574,127.69</u>

There were Bonds and Notes authorized, but not issued in the amount of \$10,140,000.00 and \$8,650,000.00 for the years ended December 31, 2011 and 2010, respectively.

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

**COUNTY OF SALEM**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
 Statement of General Fixed Asset Groups of Accounts -- Regulatory Basis  
 For the Year Ending December 31, 2011

	Balance <u>Dec. 31, 2010</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2011</u>
General Fixed Assets:				
Land and Buildings	\$ 21,978,259.65			\$ 21,978,259.65
Equipment and Vehicle	<u>10,752,669.00</u>	\$ 517,678.66	\$ 148,318.00	<u>11,122,029.66</u>
Total General Fixed Assets	<u>\$ 32,730,928.65</u>	<u>\$ 517,678.66</u>	<u>\$ 148,318.00</u>	<u>\$ 33,100,289.31</u>
 Total Investment in General Fixed Assets	 <u>\$ 32,730,928.65</u>	 <u>\$ 517,678.66</u>	 <u>\$ 148,318.00</u>	 <u>\$ 33,100,289.31</u>

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

**COUNTY OF SALEM**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2011**

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

**Description of Financial Reporting Entity** - The County of Salem was incorporated on February 13, 1798. It is located in the southwest corner of New Jersey and covers approximately 350 square miles. The County of Gloucester is on the County's northern side and the County of Cumberland forms the eastern and southeastern border of the County.

The County's geographic makeup consists of State Parks, Fish and Wildlife Management Areas, Government Facilities, and meadows or low-lying areas. Forty-eight percent is devoted to agriculture, thirteen percent is developed for residential use (approximately 9,000 acres), and commercial and industrial use (approximately 6,500 acres). The New Jersey Turnpike travels through the County.

In Salem County there are fifteen political subdivisions, consisting of one city, eleven Countys and three boroughs. The population of the County of Salem according to the official 2010 census is 66,083.

The County government operates under a seven member Board of Chosen Freeholders, elected at-large by the voters of the County. A Freeholder, under old English rule, was a person who owned property outright, free of debt, and therefore was deemed to be a leading citizen, eligible for membership on the governing body. Under present form of government, the property rule as a qualification for holding office has been abolished. Each member is elected to a term of three years. A director and deputy director are selected from their membership at the first meeting of each year. The Freeholders have both administrative and policy-making powers.

**Component Units** - The financial statements of the component units of the County of Salem are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the County, the primary government:

Salem County Improvement Authority  
 199 East Broadway  
 Salem, NJ 08079

Salem Community College  
 460 Hollywood Avenue  
 Carneys Point, NJ 08069

Salem County Vocational-  
 Technical Schools  
 Salem-Woodstown Road  
 Woodstown, New Jersey 08098

Special Services School  
 District of the County of Salem  
 328-B North Broadway  
 Pennsville, New Jersey 08070

Pollution Control Financing Authority  
 94 Market Street  
 Salem, NJ 08079

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

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

**Basis of Accounting, Measurement Focus and Basis of Presentation** - The financial statements of the County of Salem contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

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

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

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

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

**Budgets and Budgetary Accounting** - The County of Salem must adopt an annual budget for its current fund and open space trust fund in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual county budget no later than January 26 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the county. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

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

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

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

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

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

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

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

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

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

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

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

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

**Fund Balance** - Fund Balance included in the current fund represents amounts available for anticipation as revenue in future years budgets, with certain restrictions.

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

**County Taxes** - Every municipality is responsible for levying, collecting and remitting county taxes for the County of Salem. Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1 and are due and payable to the County of Salem by February 15, May 15, August 15, and November 15. Operations for every municipality are charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations for every municipality are charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

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

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

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end 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.

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

**Long-Term Debt** - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund.

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

Note 2: **CASH AND CASH EQUIVALENTS**

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

As of December 31, 2011, the County's bank balances of \$40,492,415.92 were exposed to custodial credit risk as follows:

Insured	\$ 250,000.00
Uninsured and Uncollateralized	948,993.10
Uninsured and Collateralized with Securities Held by Pledging Financial Institutions	<u>39,293,422.82</u>
Total	<u>\$ 40,492,415.92</u>

Note 3: **PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

**Comparative Schedule of Tax Rates**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
County Tax Rate	\$ 0.875	\$ 0.862	\$ 0.867	\$ 0.908	\$ 0.919
County Open Space Tax Rate	\$ 0.020	\$ 0.020	\$ 0.020	\$ 0.020	\$ 0.020

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

2011	\$5,731,852.668
2010	5,862,256,364
2009	5,789,362,661
2008	5,408,910,781
2007	4,977,484,104

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2011	\$50,007,795.56	\$50,007,795.56	100.00%
2010	50,047,770.51	50,047,770.51	100.00%
2009	50,144,564.70	50,144,564.70	100.00%
2008	49,058,071.57	49,058,071.57	100.00%
2007	45,672,025.58	45,672,025.58	100.00%

Note 4: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2011	\$ 7,980,717.97	\$5,134,190.01	64.33%
2010	11,935,195.90	7,788,347.40	65.26%
2009	13,275,184.27	7,836,964.82	59.03%
2008	13,451,374.33	6,222,238.81	46.26%
2007	16,869,634.68	8,053,000.00	47.74%

Note 5: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 442,398.46	\$ 510,955.20
Federal and State Grant Fund		442,398.46
General Capital Fund	510,955.20	
	<u>\$ 953,353.66</u>	<u>\$ 953,353.66</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2012, the County expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 6: **PENSION PLANS**

The County of Salem contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several County employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by County</u>
2011	\$601,171.00	\$800,293.00	\$1,401,464.00	\$1,401,464.00
2010	549,592.00	536,247.00	1,085,839.00	1,085,839.00
2009	623,597.00	568,792.00	1,192,389.00	1,192,389.00

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate will be increased to 10% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 6: **PENSION PLANS (CONT'D)**

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

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by County</u>
2011	\$1,344,142.00	\$990,012.00	\$2,334,154.00	\$2,334,154.00
2010	1,144,818.00	741,283.00	1,886,101.00	1,886,101.00
2009	849,918.00	543,154.00	1,393,072.00	1,393,072.00

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the County's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The County's contributions were as follows:

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Paid by County</u>
2011	\$9,230.43	\$9,230.43
2010	2,445.41	2,445.41
2009	1,005.31	1,005.31

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

Note 7: **POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

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

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**Note 7: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN (CONT'D)**

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. The County provides post employment health care benefits, at its cost, to various classes of employees (non union and collective bargaining units) and their spouses or surviving spouses as well as dependents. The health care benefits will be in a form consistent with that provided to all active employees of the County of Salem subject to the requirements as illustrated in Article 33 of the Personnel Agreement regarding retiree benefits. The entitlement at the minimum requires that all qualified County employees be retired through the New Jersey Division of Pensions and Benefits under the Police and Fireman's Retirement System (PFRS) or the Public Employees Retirement System (PERS) and shall meet at least one of the following requirements: Retirement on a disability pension; Retirement with 25 years or more of service credit in a state or locally-administered retirement system and at least 15 years of service with the County of Salem; Retirement at age 62 or older with at least 15 years of service with the County of Salem; or Retirement with 25 years or more of service credit in a state or locally-administered retirement system, provided the retiring employee was on the employment rolls of the County of Salem as of August 1, 1991.

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

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

The State's contribution rate is based on the *annual required contribution (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the County on a monthly basis. The County funds these benefits on a pay-as-you-go basis.

**Note 8: COMPENSATED ABSENCES**

Under the existing policies of the County, upon retirement, employees accruing days will be compensated for one-half of their accumulated sick days up to a maximum of \$15,000 and all of their accumulated vacation days. A maximum of ten vacation days may be carried over at the end of the year unless approval to carryover more is granted.

The County has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2011 the balance of the fund was \$1,699,435.42. It is estimated that, at December 31, 2011, accrued benefits for compensated absences for all employees who have accumulated time are valued at \$1,908,852.69. The total amount of accumulated time for those employees who have meet the retirement requirements either by length of service, age or both are valued at \$600,887.03.

Note 9: **DEFERRED COMPENSATION SALARY ACCOUNT**

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

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

Note 10: **LEASE OBLIGATIONS**

At December 31, 2011, the County had lease agreements in effect for the following:

Capital:

Construction of a Jail

Operating:

Seventeen (17) Photocopy Machines

One (1) Building (office space)

The following is an analysis of capital and operating leases.

Capital Lease – the following capital fixed asset was acquired by capital lease:

	<u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Construction of a Jail	\$12,025,000.00	\$13,245,000.00

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

<u>Year</u>	<u>Amount</u>
2012	\$1,761,075.00
2013	1,762,725.00
2014	1,755,585.00
2015	1,764,252.50
2016	1,759,075.00
2017-2019	5,578,777.50

Operating Leases – Future minimum rental payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2012	\$81,995.04
2013	53,918.04
2014	23,375.96
2015	1,245.41

Rental payments under operating leases for the year 2011 were \$218,917.63.

Note 11: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
<b><u>Issued</u></b>			
General:			
Bonds and Notes	\$64,046,000.00	\$49,808,000.00	\$53,463,000.00
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds and Notes	10,140,000.00	8,650,000.00	7,804,000.00
Total Issued and Authorized but Not Issued	74,186,000.00	58,458,000.00	55,813,000.00
Deductions	27,640,536.20	17,467,000.00	18,954,500.00
Net Debt	\$46,515,463.80	\$40,991,000.00	\$36,858,500.00

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 0.83%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General	\$74,186,000.00	\$27,640,536.20	\$46,515,463.80

Net Debt \$46,515,463.80 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$5,597,212,086.00 equals .83%

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

2% of Equalized Valuation Basis (County)	\$111,944,241.72
Net Debt	46,515,463.80
Remaining Borrowing Power	\$65,428,777.92

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$2,898,000.00	\$1,436,463.00	\$4,334,463.00
2013	2,555,000.00	1,339,566.25	3,894,566.25
2014	2,660,000.00	1,248,075.00	3,908,075.00
2015	2,750,000.00	1,153,668.75	3,903,668.75
2016	2,845,000.00	1,046,397.50	3,891,397.50
2017-21	10,520,000.00	3,761,325.00	14,281,325.00
2022-26	9,405,000.00	1,784,335.00	11,189,335.00
2027-29	2,884,000.00	217,612.50	3,101,612.50

Note 11: **CAPITAL DEBT (CONT'D)****Schedule of Annual General Debt Service for the Principal and Interest for Loans Outstanding**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$31,204.79	\$13,000.00	\$44,204.79
2013	63,348.83	25,060.73	88,409.56
2014	64,622.15	23,787.42	88,409.57
2015	65,921.05	22,488.52	88,409.57
2016	67,246.06	21,163.50	88,409.56
2017-21	357,056.66	84,991.22	442,047.87
2022-26	394,412.67	47,635.19	442,047.87
2027-29	256,187.79	9,040.94	265,228.73

Note 12: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

	<u>Balance</u> <u>Dec. 31, 2011</u>
Current Fund:	
Special Emergency Authorizations	\$3,400,000.00

The Special Emergency Authorizations in the aggregate were funded by a bond ordinance adopted in 2012 therefore an appropriation was not required in the succeeding 2012 Budget. Such bond ordinance was approved on April 4, 2012 which was prior to the introduction of the 2012 County Budget.

Note 13: **CHANGE ORDERS**

During the year 2011, the County amended contracts by approving the following change orders that resulted in the total amount of change orders executed for these projects to exceed the originally awarded contract price by more than 20 percent:

<u>Resolution No.</u>	<u>Project Description</u>
2011-480	Day Care Program
2011-482	Day Care Program
2011-511	Outreach services for seniors
2011-513	Outreach services for seniors
2011-515	Outreach services for seniors
2011-517	Emergency repairs to Oldmans Creek Trestle
2011-566	Day Care Program
2011-568	Day Care Program
2011-631	Half-way house treatment services

Note 13: **CHANGE ORDERS (CONT'D)**

N.J.A.C. 5:30-11.3 (a) 9 and 10 states that the total number of change orders executed for a particular contract shall not cause the originally awarded contract price to be exceeded by more than twenty percent unless otherwise authorized, and that if proposed change orders do exceed that twenty percent limitation, no work shall be performed or purchases made until the procedures of N.J.A.C. 5:30-11.9 have been completed.

N.J.A.C. 5:30-11.9 delineates the required procedures for change orders, which exceed the twenty percent limitation. The County has complied with all provisions of N.J.A.C. 5:30-11.9.

Note 14: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

The County has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the County is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The County is billed quarterly for amounts due to the State. The following is a summary of County contributions, reimbursements to the State for benefits paid and the ending balance of the County's trust fund for the current and previous two years:

<u>Year</u>	<u>County Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	\$1,500.00	\$71,526.29	\$375,487.86
2010	65,000.00	176,409.51	432,857.77
2009	None	77,263.11	521,984.33

Note 15: **OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST**

On November 5, 2002, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of Salem County authorized the establishment of the Salem County Open Space, Recreation, Farmland and Historic Preservation Trust Fund effective January 1, 2005, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. The County proposed to levy a tax not to exceed two cents per one hundred dollars of equalized valuation. Amounts raised by taxation are apportioned by the County Board of Taxation among the municipalities in accordance with N.J.S.A. 54:4-9 and are assessed, levied and collected in the same manner and at the same time as other County taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a Trust Fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Salem County Open Space, Recreation, Farmland and Historic Preservation Trust Fund.

Note 16: **RISK MANAGEMENT**

The County has adopted a plan of self-insurance for workers' compensation, automobile, police professional liability and general liability insurance. Excess liability insurance policies cover individual claims in excess of \$250,000 for automobile, general liability claims, and workers' compensation claims.

At December 31, 2011, the balance of estimated payable for the workers' compensation insurance was \$6,618,230.68, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported. Such liability at this time is not known for the year ended December 31, 2011.

The balance of estimated payable for the general liability/police professional insurance was \$1,782,282.16, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported, at December 31, 2011. Such liability at this time is not known for the year ended December 31, 2011.

Note 16: **RISK MANAGEMENT (CONT'D)**

The balance of estimated payable for the auto liability insurance was \$117,789.89, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported, at December 31, 2011. Such liability at this time is not known for the year ended December 31, 2011.

The estimated payable for workers' compensation, auto liability and general liability insurance do not include any provision for claims incurred but not reported.

Any additional funds required for claims in excess of the amounts reserved and recorded as a liability will be paid and charged to the 2012 or future budgets. At December 31, 2011, the balances of the plans are as follows:

<u>Insurance Plan</u>	<u>Amount</u>
Reserve for Workers' Compensation – Trust Fund	\$68,250.75
Reserve for Self Insurance – Trust Fund	599,328.00
Hospitalization – Trust Fund	8,185.36

Note 17: **SERVICE AGREEMENTS**

**Salem County Improvement Authority – Solid Waste Landfill Division** - In 1984, a service agreement was enacted between the County and the Salem County Utilities Authority. In 2009, the Salem County Utilities Authority was dissolved and all of its rights and obligations were transferred to the Salem County Improvement Authority. Section 301 of the 1984 agreement provides "Charges may and shall at all times be such that the receipts of the Authority shall be sufficient to pay or provide for expenses of operation, repair and maintenance of the system including insurance, renewals and replacements and the cost of all enlargements and alterations of the system not otherwise provided for to pay the principal of and interest on any and all bonds or other obligations of the Authority as the same become due, and to repay to the County any deficiencies advances made by the County to meet any deficits of the Authority by any participant or any other municipality, authority, county, person, partnership, firm, public or private corporation, or from any other cause, and to provide and maintain such reserves or sinking funds for any of the foregoing purpose as may be required by the terms of any contract or other obligation of the Authority."

Section 401 provided "On or before January 15<sup>th</sup> next following the close of each fiscal year, the Authority shall make and deliver to the Board of Chosen Freeholders of the County, a certificate, signed by its Chairman or Vice-Chairman and its Registered Municipal Accountant, stating the receipts and expenses to the Authority for the current fiscal year and the estimated receipts and expenses to the Authority for the current fiscal year, and deficiency advances (if any) payable by the County to the Authority, for or with respect to the preceding and current fiscal year. Such deficiency advances shall be a sum of money equal to the excess (if any) of the expenses of the Authority for a fiscal year over the receipts of the Authority such fiscal year."

Section 402 provides "On or before May 1<sup>st</sup> of each fiscal year, the County will pay to the Authority the deficiency advances (if any) stated in the certificate delivered to the Board of Chosen Freeholders pursuant to Section 401 of this Article."

In 1984, prior year advances to the Authority of \$215,000.00 was repaid to the County of Salem.

Subsequent to 1984 through December 31, 2011 the Authority has not requested any advances resulting from deficiencies or for any other purpose.

Note 17: **SERVICE AGREEMENTS (CONT'D)**

**Salem County Improvement Authority – Nursing Home Division** - On July 16, 2008, a service agreement was enacted between the County and the Salem County Improvement Authority. Section 202 of the agreement provides "Prior to September 1<sup>st</sup> of each subsequent year, the Authority shall prepare and cause to be delivered to the County, the Authority's projected annual budget estimate and projected cash flow budget for their ensuing Fiscal Year with respect to the Nursing Home. These projections shall identify the anticipated periods and amounts of financial assistance that the Authority will need during their Fiscal Year. The County in accordance with preparation of the County's statutory budget, subject to the County's availability of funds, may make a commitment to the Authority to provide such financial support. This commitment to provide financial support shall be in writing and it shall contain the dates in which these financial support amount shall be made into a designated and segregated Authority account."

Subsequent to July 16, 2008 and through December 31, 2011 the Authority has not requested any advances resulting from deficiencies or for any other purpose.

On June 1, 2011 the Salem County Improvement Authority sold the Nursing Home Division effectively ending the above described service agreement. Due to the financial deficit of the Nursing Home at the time of the sale, not all liabilities were able to be liquidated. Thus, the Division of Local Financial Services agreed to allow this service agreement to be in effect until all liabilities are resolved.

Note 18: **LITIGATION**

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

Note 19: **SUBSEQUENT EVENTS**

Subsequent to December 31, the County of Salem authorized additional Bonds and Notes as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:			
Bonds and Notes:			
	Repair Roads, Bridges, Railroads, and Other		
	Public Property damaged by Hurricane Irene	April 4, 2012	\$3,400,000.00
	2012 Capital Improvements of Certain Facilities	April 18, 2012	<u>2,100,000.00</u>
			<u>\$5,500,000.00</u>

On April 4, 2012, the County approved the issuance and sale of up to \$2,100,000.00 of County College Bonds (Chapter 12 Bonds), Series 2012, which were sold on June 26, 2012.

**SUPPLEMENTAL EXHIBITS**



**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**



**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of Current Cash  
 Per N.J.S.A. 40A:5-5--Treasurer  
 For the Year Ended December 31, 2011

Balance December 31, 2010		\$	18,670,301.21
Increased by Receipts:			
County Taxes Receivable	\$	50,177,168.04	
Revenue Accounts Receivable		14,505,718.76	
Miscellaneous Revenue Not Anticipated		898,009.30	
Reserve for JACC/CAP		130,195.00	
Reserve for Payment of Debt		113,879.60	
Federal and State Grants Receivable		13,417,277.58	
Federal and State Grants Unappropriated		29,208.86	
Special Emergency Note Payable		3,000,000.00	
Reimbursements:			
2011 Appropriations		1,667,867.89	
Federal and State Grants Appropriated		13,837.59	
Contra		<u>1,400,612.26</u>	
			<u>85,353,774.88</u>
			104,024,076.09
Decreased by Disbursements:			
2011 Budget Appropriations		68,274,831.42	
2010 Appropriation Reserves		3,475,685.01	
Reserve for Federal and State Grants - Appropriated		14,510,894.53	
Reserve for Repair and Reconstruction of Roads, Bridges and Railroads		1,444,486.74	
Contra		<u>1,400,612.26</u>	
			<u>89,106,509.96</u>
Balance December 31, 2011		\$	<u><u>14,917,566.13</u></u>

**COUNTY OF SALEM**  
**CURRENT FUND**  
**Statement of County Taxes Receivable**  
**For the Year Ended December 31, 2011**

	Balance Dec. 31, 2010	2011 Tax Levy	Added/Omitted County Taxes	Received	Balance Dec. 31, 2011
Alloway Township	\$ 6,897.26	\$ 2,693,324.51	\$ 7,459.97	\$ 2,700,221.77	\$ 7,459.97
Carneys Point Township	23,731.26	6,090,365.72	41,328.53	6,114,096.98	41,328.53
Elmer Borough	1,255.82	983,774.64	1,279.61	985,030.56	1,279.51
Elsinboro Borough	2,614.61	998,212.75	143.24	1,000,970.60	
Lower Alloways Creek Township		2,604,066.99	9,906.31	2,613,973.30	
Mannington Township	5,022.54	1,946,173.78	27,302.84	1,951,196.32	27,302.84
Oldmans Township		2,019,904.39	38,742.49	2,019,904.39	38,742.49
Penns Grove Borough		1,600,378.84	12,071.46	1,612,450.30	
Pennsville Township	30,808.34	11,459,187.13	7,289.38	11,497,284.85	
Pilesgrove Township	6,304.71	4,298,357.06	12,518.77	4,304,661.77	12,518.77
Pittsgrove Township	16,731.25	5,895,134.81	11,384.00	5,911,866.06	11,384.00
Quinton Township	6,860.65	1,861,149.90	9,481.28	1,877,491.83	
Salem City		2,084,656.05	4,667.58	2,084,656.05	4,667.58
Upper Pittsgrove Township		2,853,207.40	20,209.31	2,873,416.71	
Woodstown Borough		2,619,901.59	10,044.96	2,629,946.55	
	<u>\$ 100,226.44</u>	<u>\$ 50,007,795.56</u>	<u>\$ 213,829.73</u>	<u>\$ 50,177,168.04</u>	<u>\$ 144,683.69</u>
		County Taxes		\$ 50,007,795.56	
		County Added and Omitted Taxes		<u>169,372.48</u>	
				<u>\$ 50,177,168.04</u>	

**COUNTY OF SALEM**  
**CURRENT FUND**  
**Statement of Revenue Accounts Receivable**  
**For the Year Ended December 31, 2011**

	Balance <u>Dec. 31, 2010</u>	<u>Accrued</u>	<u>Collected</u>	Balance <u>Dec. 31, 2011</u>
<b>Miscellaneous Revenues Anticipated:</b>				
<b>Local Revenues:</b>				
County Clerk		\$ 433,702.71	\$ 395,000.00	\$ 38,702.71
Surrogate		50,294.00	50,294.00	
Sheriff		40,000.00	40,000.00	
Interest on Investments and Deposits		81,444.16	81,444.16	
Refunds - Public Health Department		34,325.79	34,325.79	
Planning Board - Development Review Fees		5,493.80	5,493.80	
Due From Lower Alloways Creek Township		2,195,000.00	2,195,000.00	
Board of State and Federal Prisoners in County Jail		40,750.78	40,750.78	
Bail Forfeiture		18,271.00	18,271.00	
<b>County Dispatch Service:</b>				
Pennsville Township		37,800.00	37,800.00	
Elmer Borough		1,620.00	1,620.00	
Woodstown Borough		11,000.00	11,000.00	
Inmate Health/Reimbursement to Salem County		4,812.08	4,812.08	
<b>State Aid:</b>				
State Aid - County College Bonds (NJSA 18A:64A-22.6)		252,306.63	252,306.63	
Public Health Priority Funding - 1977		43,692.75	43,692.75	
Debt Service - State Aid (Type I) - Vocational Education Bonds		218,738.00	218,738.00	
Debt Service - State Aid (Type I) - Special Services School District		263,731.00	263,731.00	
<b>State Assumption of Costs of County Social and Welfare Service and Psychiatric Facilities</b>				
<b>Social and Welfare Services (c.66,P.L. 1990):</b>				
Division of Youth and Family Services		1,050,274.00	1,050,274.00	
Supplemental Social Security Income	\$ 47,629.00	181,232.00	228,861.00	
<b>Psychiatric Facilities (c.73,P.L. 1990):</b>				
Maintenance of Patients in State Institutions for Mental Diseases		1,299,412.00	1,299,412.00	
Maintenance of Patients in State Institutions for Mentally Retarded		2,768,138.00	2,768,138.00	
<b>Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items</b>				
<b>Additional Fees:</b>				
County Clerk		34,487.49	34,487.49	
County Surrogate		20,159.69	20,159.69	
County Sheriff		213,095.23	213,095.23	
Salem County Area Office on Aging		58,000.00	58,000.00	
Reserve for JACC/CAP		127,045.00	127,045.00	
Salem County Home - Medicaid Reimbursement - Peer Grouping	132,175.01			132,175.01
Salem County Bus Service - NJ Transit Contract	269,542.17	1,171,994.27	1,241,280.89	200,255.55
County Welfare Office - Social Services		100,994.03	100,994.03	
Rent - Agriculture Building		100,668.75	100,668.75	
Bd. Federal Inmates in County Jail	414,017.75	3,074,921.21	3,097,628.81	391,310.15
Gloucester County Alternative Youth Shelter Beds	175,110.00	(112,944.00)	14,560.00	47,608.00
NEXTEL-Communication Tower		36,000.00	36,000.00	
Board of Elections		56,992.24	56,992.24	
<b>County Dispatch Services:</b>				
Pennsville Township		22,200.00	22,200.00	
Elmer Borough		1,380.00	1,380.00	
Woodstown Borough		7,000.00	7,000.00	
City of Salem		65,000.00	65,000.00	
Title Section IV-D Reimbursement for State of NJ		137,016.04	137,016.04	
SJ Gas Railroad Reimbursement		258,290.60	258,290.60	
	<u>\$ 1,038,473.93</u>	<u>\$ 14,404,339.25</u>	<u>\$ 14,632,763.76</u>	<u>\$ 810,049.42</u>
<b>Cash Received:</b>				
Miscellaneous Revenues Anticipated			\$ 14,505,718.76	
Reserve for JACC/CAP			127,045.00	
			<u>\$ 14,632,763.76</u>	

COUNTY OF SALEM  
CURRENT FUND  
Statement of 2010 Appropriation Reserves  
For the Year Ended December 31, 2011

	<u>Balance Dec. 31, 2010</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balanced Lapsed to Fund Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>			
<u>General Government</u>					
Administrative and Executive					
Board of Chosen Freeholders					
Salaries and Wages		\$ 6,123.15	\$ 6,721.90	\$ 6,721.90	
Other Expenses	\$ 151.50	2,240.66	2,392.16	2,223.30	\$ 168.86
Purchase Department and Inventory Control					
Salaries and Wages		3,433.20	4,477.50	4,477.50	
Other Expenses	1,392.52	212.88	1,605.40	841.45	763.95
Clerk of the Board					
Salaries and Wages		11,055.64	6,055.64	5,938.23	117.41
Other Expenses	5,816.71	5,041.61	10,858.32	6,685.05	4,173.27
Farmland Preservation					
Salaries and Wages		2,058.87	2,058.87	1,800.40	258.47
Personnel/HR					
Salaries and Wages		19,487.92	19,487.92	11,680.11	7,807.81
Screening & Compliance Test for Employees	1,234.38	2,266.32	3,156.40	350.80	2,805.60
Other Expenses	18,135.20	3,897.79	22,032.99	13,279.37	8,753.62
Archives Management					
Salaries and Wages		5,483.37	5,483.37		5,483.37
Other Expenses	1,264.45	3,792.35	5,056.80		5,056.80
Public Information Office					
Salaries and Wages		2,515.89	4,082.51	4,082.51	
Other Expenses	394.75	368.75	763.50	136.62	626.88
County Clerk					
Salaries and Wages		54,575.45	54,575.45	15,255.96	39,319.49
Other Expenses	13,477.10	24,361.05	37,838.15	5,668.17	32,169.98
School Board Elections	10,608.34	31,825.01	42,433.35		42,433.35
Election Costs	16,272.66	9,560.89	25,833.55		25,833.55
Board of Elections					
Salaries and Wages		6,541.07	7,016.67	7,016.67	
Other Expenses	35,767.53	2,050.08	40,231.41	33,181.41	7,050.00
Shared Services					
Other Expenses	1,500.00	4,500.00	6,000.00		6,000.00
County Treasurer's Office					
Salaries and Wages		14,498.85	14,498.85	10,495.50	4,003.35
Other Expenses	2,438.24	5,497.78	7,936.02	880.22	7,055.80
Bond Cost		556.45	556.45	556.45	
County Auditor					
Annual Audit Fee	11,271.60	5,039.00	16,310.60		16,310.60
Information Technology					
Salaries and Wages		7,176.72	7,176.72	5,755.40	1,421.32
Other Expenses	134,551.23	37.70	134,933.23	92,465.94	42,467.29
County Adjuster's Office					
Salaries and Wages		2,800.98	2,800.98	1,928.01	872.97
Other Expenses	26,407.95	19.75	38,953.19	37,797.70	1,155.49
Board of Taxation					
Salaries and Wages		12,838.27	1,838.27	1,579.20	259.07
Other Expenses	3,265.06	2,804.34	6,069.40	1,526.45	4,542.95
County Counsel					
Other Expenses	7,043.56	1,202.32	8,245.88	7,043.56	1,202.32
County Surrogate					
Salaries and Wages		9,611.85	9,611.85	8,999.25	612.60
Other Expenses	1,761.63	156.82	1,918.45	872.83	1,045.62
Engineer					
Salaries and Wages		11,822.70	12,553.45	12,553.45	
Other Expenses	156,831.58	49,146.18	205,977.76	66,243.39	139,734.37
Economic Development Office					
Other Expenses	5,737.95	104.85	5,842.80	3,741.00	2,101.80

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
**Statement of 2010 Appropriation Reserves**  
**For the Year Ended December 31, 2011**

	<u>Balance Dec. 31, 2010</u>		<u>Balance After</u>	<u>Paid or</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>			
					<u>Fund Balance</u>
<b>General Government</b>					
Economic Development Office (Cont'd)					
Visitor's Center	\$ 2,392.59	\$ 607.41	\$ 3,000.00	\$ 1,660.77	\$ 1,339.23
Tourism					
Other Expenses	62,889.15	584.20	63,473.35	56,171.25	7,302.10
Labor Council					
Salaries and Wages	0.04		0.04		0.04
Special Counsel	26,776.51	5,543.88	79,720.39	57,846.31	21,874.08
Cultural Heritage Commission					
Other Expenses	8,703.70	554.27	9,257.97	5,492.90	3,765.07
<b>Land Use Administration</b>					
County Planning Board (R.S. 40:27-3)					
Salaries and Wages		14,978.98	14,978.98	7,404.91	7,574.07
Other Expenses	5,722.87	12,096.42	12,819.29	431.97	12,387.32
Contrib. to Soil Conserv. District (R.S. 4:24-22(i))	1,125.00	3,375.00	4,500.00		4,500.00
<b>Code Enforcement and Administration</b>					
Weights and Measures					
Salaries and Wages		12,605.77	12,605.77	7,508.52	5,097.25
Other Expenses	188.87	418.91	607.78	(73.00)	680.78
<b>Insurance</b>					
Other Insurance Premiums		31,186.24	31,186.24		31,186.24
Self-Insurance AL/GL		5,825.00	5,825.00	3,690.70	2,134.30
Group Insurance Dental		25,559.96	25,559.96	12,644.82	12,915.14
Group Insurance Hospitalization		100,098.52	100,098.52	54,992.17	45,106.35
Contribution to:					
State Disability Insurance		25,365.58	25,365.58		25,365.58
<b>Public Safety</b>					
Safety	3,215.97	833.06	4,049.03	2,500.31	1,548.72
"9-1-1"					
Salaries and Wages		104,078.66	64,078.66	59,647.08	4,431.58
Other Expenses	54,607.61	0.35	54,607.96	34,795.89	19,812.07
2-1-1 County Contribution	5,000.00		5,000.00		5,000.00
Department of Emergency Services					
Salaries and Wages			9,810.10	9,810.10	
Other Expenses:					
Fire School	17,118.72	9.83	17,128.55	9,172.64	7,955.91
Operations and Training	2,587.94	0.70	2,588.64	1,842.18	746.46
Miscellaneous Other Expenses	9,336.62	75.30	9,411.92	5,769.57	3,642.35
Aid to Volunteer Rescue and Ambulance Squads (R.S. 40:5-2)	512.50	137.50	650.00	650.00	
Fire Marshall					
Other Expenses	3,815.69	304.69	4,120.38	2,176.51	1,943.87
Sheriff's Office					
Salaries and Wages		125,637.07	95,637.07	91,716.45	3,920.62
Other Expenses	54,471.43	3,419.34	57,890.77	57,840.77	50.00
Jail					
Salaries and Wages		342,947.90	396,214.89	396,214.89	
Other Expenses	344,160.66	172,382.72	516,543.38	344,099.45	172,443.93
Bail Forfeitures	1,250.00	3,750.00	5,000.00	200.00	4,800.00
Prosecutor's Office					
Salaries and Wages		235,677.16	195,443.75	136,465.99	58,977.76
Other Expenses	66,512.30	6,828.34	73,340.64	63,224.06	10,116.58
County Medical Examiner					
Other Expenses:					
Miscellaneous	10,062.06	31,638.44	53,405.81	42,329.70	11,076.11
Juvenile Detention and Domestic Relations Court					
Other Expenses	195,502.02	38,506.06	234,008.08	184,000.00	50,008.08

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statement of 2010 Appropriation Reserves  
 For the Year Ended December 31, 2011

	<u>Balance Dec. 31, 2010</u>		<u>Balance After</u>	<u>Paid or</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>			
					<u>Fund Balance</u>
<b><u>Public Works Functions</u></b>					
Street and Road Maintenance					
Roads and Bridges					
Salaries and Wages		\$ 46,997.00	\$ 47,245.94	\$ 47,245.94	
Other Expenses Including Snow Removal	\$ 60,224.30	257,356.03	317,580.33	287,274.32	\$ 30,306.01
Facilities Management					
Salaries and Wages		42,244.19	44,948.17	44,948.17	
Other Expenses	76,737.98	40,740.47	117,478.45	57,854.89	59,623.56
Alterations & Renovations	49,663.19	1,910.58	51,573.77	33,167.00	18,406.77
Mosquito Extermination Commission (R.S. 26:9-13 et seq)					
			56,110.18	56,110.18	
Railroad	57,580.72	56,624.70	114,205.42	58,376.60	55,828.82
Vehicle Maintenance	76,326.51	9,348.44	85,674.95	36,013.17	49,661.78
<b><u>Health and Human Services</u></b>					
War Veterans Burial And Grave Decorations					
Salaries and Wages		213.43	295.50	295.50	
Other Expenses	6,313.38	1,249.62	7,563.00	5,074.62	2,488.38
Office on the Disabled					
Salaries and Wages		23,072.32	23,072.32	7,574.56	15,497.76
Other Expenses	5,679.07	436.47	6,115.54	3,298.85	2,816.69
Drug & Alcohol Services	4,598.88	4,401.12	9,000.00	4,989.27	4,010.73
Salem Area Office on Aging	12,339.49	124.08	12,463.57	3,667.80	8,795.77
Office on Aging Medical Transportation	11,729.88		11,729.88	4,274.77	7,455.11
Public Health Emergency	1,250.00	3,750.00	5,000.00		5,000.00
Aid to Salem County Unit New Jersey Assosication of Retarded Citizens (R.S. 40:23-8.11)					
	2,250.00	6,750.00	9,000.00		9,000.00
Alcohol Treatment/County Contributions	29,704.00	296.00	30,000.00	21,440.00	8,560.00
County Health Service - Interlocal Agreement (40:8A-1 et seq)					
Salaries and Wages		116,930.60	116,930.60	23,902.74	93,027.86
Nursing Services	1,809.47	532.40	2,341.87	1,482.21	859.66
Administration	5,300.92	29,683.96	34,984.88	5,233.75	29,751.13
Environmental	4,761.67	1,861.29	6,622.96	4,485.77	2,137.19
Cumberland County - Priority Health Funding					
Salaries and Wages		2,153.55	2,153.55	1,533.00	620.55
Commission on Women					
Other Expenses	636.50	903.50	1,540.00		1,540.00
Mental Health Board (R.S. 30:9A-3)					
Other Expenses	642.91	1,930.46	2,573.37	2.00	2,571.37
Community Health Law Project	44,367.00		44,367.00	44,367.00	
<b><u>Parks and Recreation</u></b>					
Parks and Playgrounds					
Other Expenses	129.64		129.64		129.64
<b><u>Educational</u></b>					
Free Library Service to the Aging					
Other Expenses		8,900.00	8,900.00		8,900.00
Salem 2000					
Other Expenses	25.00	75.00	100.00		100.00
Educational Programs for Employees					
Salaries and Wages		297.50	297.50	268.10	29.40
Reimbursements for Residents Attending Out-of- County Two Year Colleges (N.J.S.18A:64A-23)					
	18,674.63	16,281.39	38,375.66	33,690.09	4,685.57
County Extension Service - Farm and Home Demonstrations					
Salaries and Wages		8,592.09	8,592.09	7,528.90	1,063.19
Other Expenses	10,635.72	1,781.00	12,416.72	3,548.47	8,868.25
Office of County Superintendent of Schools					
Salaries and Wages		13,633.34	13,633.34	6,675.13	6,958.21
Other Expenses	7,671.13	2,467.39	10,138.52	4,200.65	5,937.87

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of 2010 Appropriation Reserves  
For the Year Ended December 31, 2011

	<u>Balance Dec. 31, 2010</u>		<u>Balance After</u>	<u>Paid or</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>			
<b>Educational (Cont'd)</b>					
Veterans' Service Bureau					
Salaries and Wages		\$ 2,566.24	\$ 2,566.24	\$ 1,195.60	\$ 1,370.64
Other Expenses	\$ 793.13	639.57	1,432.70	338.05	1,094.65
Accumulated Leave Compensation		3,509.34	3,509.34	2,979.20	530.14
County Transportation					
Other Expenses	5,000.00		5,000.00		5,000.00
Community Bus Service					
Salaries and Wages		50,862.42	50,862.42	21,932.77	28,929.65
Other Expenses	1,327.48	15,446.80	16,774.28	8,356.12	8,418.16
Utilities	124,030.41	468,745.81	592,776.22	434,818.23	157,957.99
Contingent	288.69	45,580.83	45,869.52	20,000.00	25,869.52
<b>State and Federal Programs Off-set by Revenues:</b>					
Matching Funds for Grants		368,514.00	243,514.00		243,514.00
Old Salem Court House Phase II			125,000.00	125,000.00	
<b>Capital Improvements</b>					
Interest Earned on N.J. Department of Transportation					
Grant Funds - (County Aid Improvement Program):					
Reconstruction of Various County Roads		10,242.70	10,242.70	10,242.70	-
<b>Statutory Expenditures:</b>					
Contribution to:					
Public Employees Retirement System		60,280.85	60,280.85	234.25	60,046.60
Social Security System (O.A.S.I.)		304,983.51	232,114.40	155,302.63	76,811.77
Judgements		210,000.00	210,000.00	-	210,000.00
<b>TOTAL</b>	<b>\$ 1,951,767.89</b>	<b>\$ 3,872,643.76</b>	<b>\$ 5,824,411.65</b>	<b>\$ 3,610,927.71</b>	<b>\$ 2,213,483.94</b>

Cash Disbursed by Current Fund	\$ 3,475,685.01
Reserve for Federal & State Grants Fund - Appropriated	125,000.00
Reserve for Reconstruction of Various County Roads	<u>10,242.70</u>
	<u>\$ 3,610,927.71</u>

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Reserve for JACC/CAP  
For the Year Ended December 31, 2011

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Balance December 31, 2010	\$	127,045.00
Increased by:		
Receipts		130,195.00
		257,240.00
Decreased by:		
Realized as Revenue in 2011 Budget		127,045.00
Balance December 31, 2011	\$	130,195.00

**CURRENT FUND**  
Statement of Reserve for Repair and Reconstruction of Roads, Bridges and Railroads  
For the Year Ended December 31, 2011

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Increased by:		
Transferred from 2011 Appropriations	\$	3,400,000.00
Decreased by:		
Disbursements		1,444,486.74
Balance December 31, 2011	\$	1,955,513.26

**COUNTY OF SALEM  
CURRENT FUND**

Statement of Deferred Charges  
N.J.S. 40A:4-54 Special Emergency  
For the Year Ended December 31, 2011

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/3 of Net Amount Authorized</u>	<u>Authorized in 2011</u>	<u>Balance Dec. 31, 2011</u>
08/17/11	Repair and Reconstruction of Roads, Bridges and Railroads	\$ 1,000,000.00	\$ 333,333.33	\$ 1,000,000.00	\$ 1,000,000.00
09/02/11	Repair and Reconstruction of Roads, Bridges and Railroads	2,000,000.00	666,666.67	2,000,000.00	2,000,000.00
11/02/11	Repair and Reconstruction of Roads, Bridges and Railroads	400,000.00	133,333.33	400,000.00	400,000.00
				<u>\$ 3,400,000.00</u>	<u>\$ 3,400,000.00</u>

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Federal and State Grants Receivable  
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010	Anticipated as Revenue in 2011 Budget	Received	Canceled/ Adjusted by Resolution	Balance Dec. 31, 2011
<b>Federal Grants:</b>					
Area Plan Grant	\$ 513,188.70	\$ 866,734.00	\$ 1,181,935.00		\$ 232,545.70
Public Health Preparedness and Response to Bioterrorism	1,023,988.55		547,940.00		867,905.55
National Endowment to the Arts		10,000.00	10,000.00		
Welfare to Work	43,531.24				43,531.24
Multijurisdictional Narcotics Task Force Grant	87,340.00				87,340.00
Victims of Crime Act - Victim Assistance Grant Program	18,048.00				18,048.00
State of New Jersey - Department of Military and Veterans Affairs - Veterans Transportation Program	7,585.00		7,585.00		13,000.00
US DOT - Rail Track Replacement Swedesboro to Salem Port Phase IV		1,700,000.00			1,700,000.00
US Department of Agriculture - Rural Development	7,100.00				7,100.00
USDA Rural Development - Rural Business Enterprises Grant	99,000.00				99,000.00
WIA Adult	193,546.34		130,418.03		227,825.31
WIA Youth	222,177.17		210,041.88		193,864.29
WIA Dislocated Worker Program	201,682.46		212,065.31		238,697.15
Workforce Investment Act - Cumberland/Salem			16,635.50		
WIA Adult (ARRA)	16,635.50				4,347.08
WIA Youth (ARRA)	4,347.08				0.11
WIA Dislocated Worker Program (ARRA)	95,640.18		157,348.07		41,151.26
Summer Youth Works Program (ARRA)	41,338.57	61,708.00	187.31		7,507.86
Resurfacing of Auburn Road - Pilesgrove Twp.	7,507.86				88,955.00
Small Cities Block Grant	88,955.00		500,000.00		
Small Cities Block Grant - Ranch Hope Sanitary Sewer System	500,000.00		400,207.31		
State Homeland Security Grant Program	626,085.63	434,393.62			
Kings Highway, County Road #820, Phase IV-B in Mannington Twp.	91,972.32				660,271.94
SJTPO - Salem Hancock's Bridge Road, County Road #658	38,577.35				91,972.32
SJTPO - Salem Hancock's Bridge Road, Phase I (CR 658)	1,093,467.00				38,577.35
SJTPO - Salem Hancock's Bridge Road (CR 658) PE	208,600.00				1,093,467.00
New Jersey DOT - Pennsville-Auburn Road Resurfacing, County Road #551	110,269.48				208,600.00
New Jersey DOT - Pennsville-Auburn Road, County Road #551, Phase II	600,000.00				110,269.48
New Jersey DOT - Pennsville-Auburn Road, County Road #551, Phase III	738,080.00				600,000.00
New Jersey DOT - Pecks Corner-Cohansey Rd. Resurfacing, County Rd.#540	164,478.31				738,080.00
NJ DOT - Harmersville- Pecks Corner Rd CR 667, Phase II Project (ARRA)	613,085.00				164,478.31
Salem County Driver Safety and Education		34,600.00	5,572.59		613,085.00
SJTPO - Salem County Roadway Striping Program	256,753.77				29,027.41
SJTPO - Salem County Roadway Striping Program, Phase II	397,660.00		91,831.59		256,753.77
SJTPO - Salem County Safety Projects in Pennsville Township and Upper Pittsgrove Township	36,104.22				305,828.41
SJTPO - Salem County Safety Projects in Penn Grove Township	141,800.00		38,114.20		36,104.22
Federal Aid - Commissioner's Pike, CR #581, Phase II	830,300.00		412,653.48		103,685.80
HAVA Section 261	16,593.50		30,075.25		417,646.52
		36,700.00			23,218.25

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Federal and State Grants Receivable  
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010	Anticipated as Revenue in 2011 Budget	By 40A:4-87	Received	Canceled/ Adjusted by Resolution	Balance Dec. 31, 2011
<b>Federal Grants (Cont'd):</b>						
Chronic Disease Self Management (ARRA)	\$ 674,986.96	\$ 21,000.00				\$ 21,000.00
Homelessness Prevention and Rapid Re-Housing (ARRA)	4,385.66			105,275.66	\$ 500,000.00	69,711.30
Sobriety Checkpoint and Saturation Patrol Project Grant	40,837.76			40,837.76		4,385.66
Wastewater Management Plan (ARRA)	20,862.30		38,400.00	14,400.50		44,861.80
Subregional Transportation Planning Program						
<b>Total Federal Grants</b>	<b>9,876,490.91</b>	<b>\$ 1,372,835.62</b>	<b>2,865,641.00</b>	<b>4,113,124.44</b>	<b>500,000.00</b>	<b>9,501,843.09</b>
<b>State Grants:</b>						
State Aid - Alcoholic Treatment Program						
#05-580-ADA-00	8,522.00					8,522.00
#06-539-ADA-00	5,511.00					5,511.00
#07-539-ADA-00	10,080.00					10,080.00
#08-539-ADA-00	308.00					308.00
#09-539-ADA-00	20,537.00					20,537.00
#10-539-ADA-00	234,456.00			209,707.00		24,749.00
#11-539-ADA-01		239,761.00		42,291.00		197,470.00
New Jersey Department of Health						
#96-259-SCH	9,734.00					9,734.00
#97-136-SCH	453.00					453.00
#98-170-SCH	488.44					488.44
New Jersey Department of Health - Right to Know Project						
Wastewater Management Plan	4,943.50		8,789.00	8,786.00		4,946.50
SCBG - ADA Grant Agreement #08-2115-00 Johnson Building	87,686.56					87,686.56
Short Line Track Rehabilitation	150,000.00					150,000.00
New Jersey Data Exchange	1,350,000.00			1,323,000.00		27,000.00
New Jersey Department of Transportation	293,791.28			146,895.59		146,895.69
1983 Bridge Bond Act - Chestnut Street Bridge #704	12,367.48					12,367.48
Reconstruction of Pennsville - Auburn Road						
Phase I	20,965.11					20,965.11
Phase II	105,295.59					105,295.59
School Based Youth Services Program	5,505.76					5,505.76
New Jersey Department of Transportation - Fiscal Year 1988 - Federal						
Aid Urban System - Substitution Program - Reconstruction of						
Quinton - Elmer Road	1,118.42					1,118.42
New Jersey Department of Transportation						
Reconstruction of Quinton - Alloway Road	3,668.34					3,668.34
N.J. Transit Corp - Section 5311 Grant	145,422.00		230,448.00			375,870.00
County Environmental Health Act (CEHA)	181,467.04		157,443.00	75,847.00		263,063.04
County Environmental Health Act (CEHA) - Cleanup Gates Tire Recycling	226,997.00					226,997.00

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Federal and State Grants Receivable  
 For the Year Ended December 31, 2011

	Balance	Anticipated as Revenue in 2011		Received	Canceled/ Adjusted by Resolution	Balance
	Dec. 31, 2010	Budget	By 40A-4-87			Dec. 31, 2011
<b>State Grants (Cont'd):</b>						
Healthy Communities Initiative						
N.J. Department of Transportation - Capital Transportation Program Fiscal Year 1994-1997	\$ 8,029.67	\$ 576,100.24	\$ 50,000.00	\$ 20,000.00		\$ 30,000.00
N.J. Transit Department of Transportation Pointer-Hawks Bridge Road CR 540 Phase I	1,067,033.00					8,029.67
N.J. Transit Department of Transportation Salem County Short Line Track Rehabilitation	81,000.00			77,072.50		1,067,033.00
Senior Citizen and Disabled Residents Transportation Assistance Act	916,197.48			645,138.48		3,927.50
FTA Small Urban & Rural Area Public Transportation (5311)	376,609.00			92,957.25		847,159.24
Alliance to Prevent Alcoholism & Drug Abuse	188,032.92			172,022.31		283,651.75
N.J. Transportation Trust Fund Authority Act	50,000.00					153,793.61
Reconstruction of Quinton - Elmer Road Section III						50,000.00
N.J. Department of Transportation Salem County Airport Feasibility Study	0.50					0.50
Old Salem Courthouse - Phase II		250,000.00		788,900.00		250,000.00
NJ DEP - East Lake Road Bridge		788,900.00				
Replacement of Websters Mill Bridge		1,000,000.00		750,000.00		250,000.00
SJTPO - Reconstruction of Kelly's Saw Mill Bridge	103,240.80					103,240.80
Recreational Opportunities for Individuals with Disabilities 1996 Recreation Opportunities for Individuals with Disabilities GA#96-0173-00 (Reserve for 1997)	2,500.98					2,500.98
N.J. Department of Health and Senior Services Early Intervention Program 00-265-EIP-00	875.00					875.00
Early Intervention Program 05-161-EIP-00	36,554.00					36,554.00
Early Intervention Program 06-161-EIP-00	20,709.00					20,709.00
Early Intervention Program 07-161-EIP-00	30.00					30.00
EIP COLA Funds	17,385.00					17,385.00
Early Intervention Program - Case Management	9,983.00					9,983.00
Early Intervention Program Additional	52,003.00					52,003.00
Special Child Health and Early Intervention	56,277.00		39,000.00	33,189.00		62,088.00
Mental Health Administration	1,500.00					1,500.00
Juvenile Justice Commission - Family Court Services	39,000.00					39,000.00
Juvenile Justice Commission - State/Community Partnership	12,000.00					12,000.00
Juvenile Justice Commission - Accountability Block Grant (JAIBG)	50,990.50					50,990.50
Juvenile Assistance Grant Program - Megan's Law	145,826.29					145,826.29
Justice Assistance Grant (JAG)	13,218.50					13,218.50
DCJ - Victims Witness Advocacy	87,340.00					87,340.00
Medical Reserve Support	4,544.00					4,544.00
		93,316.00				93,316.00
			136,263.00			136,263.00
			19,077.00			19,077.00
			48,335.00			48,335.00
			5,000.00			5,000.00

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Federal and State Grants Receivable  
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010	Anticipated as Revenue in 2011 Budget	By 40A:4-87	Received	Canceled/ Adjusted by Resolution	Balance Dec. 31, 2011
<b>State Grants (Cont'd):</b>						
State of New Jersey, Division of Alcoholism, Drug Abuse and Addiction Services	\$ 10,718.00					\$ 10,718.00
Division of Highway Traffic Safety - Vehicular Homicide/Serious Injury Unit	142,889.13	\$ 12,000.00				142,889.13
Division of Highway Traffic Safety - Salem Comprehensive Child Passenger Safety Program	19,203.77			8,068.37		11,135.40
Community Traffic Safety Program	14,786.98					26,786.98
Highway Traffic Safety	28,896.49					28,896.49
Salem County Community Traffic Safety Program	2,312.40					2,312.40
Drunk Driving Enforcement Fund		\$ 3,500.00		3,500.00		550.00
Salem County Safe Roadways Grant	450.00		20,000.00	19,900.00		1,585.09
County Mental Health Planning Development & Admin	1,585.09					207,215.39
Prosecutors Insurance Fraud Reimbursement Program	195,600.51		108,845.00	97,230.12		10,885.00
Local Arts Program	10,402.00	43,529.00		43,046.00		112,986.00
SCIA - Nursing Home Division Support			112,986.00			10,000.00
Nursing Home Division - Residential Ramp Installation			45,000.00	45,000.00		46,460.00
MIPPA Outreach and Enrollment	46,460.00		40,000.00	30,000.00		22,000.00
Watershed Project			22,000.00			19,120.00
State Health Insurance Assistance Program (SHIP)	19,120.00					2,225.16
Sobriety Checkpoint and DWI Education	2,225.16					170,441.35
COPS in Shops						4,000.00
NJ Transportation Trust Fund Authority - Local Bridges, Future Needs - Kings Highway, County Road #620	1,100,000.00		1,823,000.00	929,558.65		4,995.00
State Aid Highway Project - 2011 County Aid Improvement Program				1,823,000.00		548,550.61
02 Local History	4,000.00					199,063.00
Emergency Housing Repair Fund	4,995.00					6,469.65
Oldmans Township Economic Development Project	548,550.61					38,634.75
Cancer Education/Early Detection	193,953.00		123,801.00	118,691.00		2,011.12
FY 2000 TANF	6,469.65					22,150.00
FY 2001 TANF	38,634.75					413,490.49
FY 2003 TANF	2,011.12					13,562.57
WIA - TANF	22,150.00					21,790.12
Work First New Jersey TANF	434,920.36		364,303.00	385,732.87		38,827.00
Work First New Jersey TANF - Work Verification	13,305.00		12,573.00	12,315.43		6.00
Work First New Jersey TANF - Work Activities	21,790.12					3,971.51
Work First New Jersey TANF - Case Management	58,296.00		66,507.00	85,976.00		2,719.99
Work First New Jersey Smart Steps	6.00					302.20
FY 2000 General Assistance	3,971.51					2,719.99
FY 2001 General Assistance	2,719.99					302.20
FY 2003 General Assistance	302.20					(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Federal and State Grants Receivable  
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010	Anticipated as Revenue in 2011 Budget	Received	Canceled/ Adjusted by Resolution	Balance Dec. 31, 2011
<b>State Grants (Cont'd):</b>					
Program Year 2003 General Assistance	\$ 1,517.88				\$ 1,517.88
General Assistance/Food Stamps Work Activities	15,085.00				15,085.00
Work First New Jersey GAYS/NAP	160,579.13		152,898.53		7,680.60
Work First New Jersey GAYS/NAP - Work Activities	13,643.32	\$ 198,815.00	90,671.66		121,786.66
Work First New Jersey GAYS/NAP - Case Management	29,901.00	\$ 35,086.00	42,139.00		22,848.00
FY 2000 ABAWD & Food Stamp	3,963.21				3,963.21
FY 2001 ABAWD & Food Stamp	4,414.65				4,414.65
Program Year 2003 ABAWD & Food Stamp	1,360.46				1,360.46
Work First New Jersey CAVP & EEI	61,716.44	12,573.00	1,197.00		73,092.44
Disability Program Navigator (DPN)	4,118.00	8,759.00	9,346.00		3,531.00
Dept. of Law and Public Safety, Div. of State Police - Emergency Services - Radio Emergency Response Plan (RERP)	256,063.14	426,816.04	175,989.90		506,889.28
E - Public Health 1/01-6/01 - LINCS IT Development	398.00				398.00
Salem County Waste Management Program		45,000.00			45,000.00
Mannington Township Waste Management Program Chapter		30,000.00			30,000.00
Diversity Partner Coalition OP-03-45-0203	13,594.83				13,594.83
Dept. of Law and Public Safety, Div. of State Police - Emergency Services - (2)Decontamination Trailers	10.00				10.00
TASE - Tobacco Age-of-Sale Enforcement Program	18,360.00				18,360.00
SCIA - Administrative/Economic Development Division		211,175.00			211,175.00
NJ Division of Travel & Tourism - Cooperative Marketing Grant		14,985.00	11,988.00		2,997.00
Salem County Railroad Realignment & Reconstruction	100,650.00				100,650.00
Workforce Development Program		\$ 4,919.00	4,919.00		17,108.06
Workforce Development Partnership Program	15,028.06		1,486.00		28,447.73
PASP - Personal Attendant Services	17,377.14	132,847.00	121,776.41		11,247.96
Safe Roadways Project Grant	11,247.96				11,247.96
Public Archives & Records Infrastructure Support (PARIS) Grant	463,593.20		5,572.34		458,020.86
Railroad Improvement Project	450,957.15				450,957.15
Railroad Replacement Project Phase IV	1,750,000.00				1,750,000.00
Salem County Railroad Improvements Phase 2	154,897.00				154,897.00
Comprehensive Cancer Control Plan	104,398.00				104,398.00
NJ State Police 911 Coordinator	2,272.73	50,000.00	42,230.00	\$ 7,200.00	2,272.73
CHLP Grant Seminar	3,026.56				3,026.56
WDP NJ Build	380.00				380.00
Historical Commission Grant		13,759.00	13,759.00		29,495.00
Sharing Available Resources Efficiently (SHARE)	29,495.00				29,495.00
Sharing Available Resources Efficiently (SHARE) - COUNT Coordinator	25,592.19		23,016.56		2,575.63
Emergency Management Performance Grant (EMPG)	21,683.48		21,400.00		283.48
Emergency Management Agency Assistance Grant	50,000.00		50,000.00		50,000.00
Election Assistance to Individuals with Disabilities	25,628.61				25,628.61

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Federal and State Grants Receivable  
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010	Anticipated as Revenue in 2011 Budget	By 40A:4-87	Received	Canceled/ Adjusted by Resolution	Balance Dec. 31, 2011
<b>State Grants (Cont'd):</b>						
Seven Steps to Freedom Grant	\$ 1,981.00					\$ 1,981.00
War Veterans Cemetary and Park		\$ 6,099.59				6,099.59
Title V Delinquency Prevention Program	149,997.00		\$ 184,631.00	\$ 287,340.00		47,288.00
NJ Department of Human Services FFY 2010 IV-D	354,398.77					354,398.77
PSFASC Wastewater Management Plan	190,000.00			147,031.40		42,968.60
Senior Farmers' Market Nutrition Program			1,000.00	1,000.00		
Special Child and Adult Health Services	3.00					3.00
<b>Total State Grants</b>	<u>13,678,253.91</u>	<u>3,617,991.83</u>	<u>4,624,700.04</u>	<u>9,397,848.29</u>	<u>\$ 7,200.00</u>	<u>12,515,897.49</u>
<b>Total</b>	<u>\$ 23,554,744.82</u>	<u>\$ 4,990,827.45</u>	<u>\$ 7,490,341.04</u>	<u>\$ 13,510,972.73</u>	<u>\$ 507,200.00</u>	<u>\$ 22,017,740.58</u>
Anticipated in Budget		\$ 4,990,827.45				
Anticipated by 40A:4-87			\$ 7,490,341.04			
Cash Received in Current Fund				\$ 13,417,277.58		
Unappropriated Grants Realized				<u>93,695.15</u>		
Budget as Originally Adopted:						
Anticipated Revenue		\$ 4,990,827.45				
Matching Portion		<u>43,898.00</u>				
Budgeted in Exhibit SA-9		<u>\$ 5,034,725.45</u>				

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserves for Federal and State Grant Funds--Appropriated  
 For the Year Ended December 31, 2011

	Balance	2011 Appropriations		Liquidation of Prior Year Encumbrances	Paid or Charged	Canceled by Resolution	Balance
	Dec. 31, 2010	Budget	By 40A-4-87				Dec. 31, 2011
<b>Federal Grants:</b>							
Area Plan Grant	\$ 237,482.18	\$ 866,734.00	\$ 34,558.00	\$ 217,048.98	\$ 1,149,682.30		\$ 206,140.86
Public Health Preparedness and Response for Bioterrorism	865,550.39		418,188.00	1,118.88	449,989.17		834,888.10
Chronic Disease Self Management (ARRA)			21,000.00		14,724.55		6,275.45
Welfare to Work	101,845.19						101,845.19
Multijurisdictional Narcotics Task Force							
Grant #DE 2-18-05	225,061.77						225,061.77
Grant #DE 2-18-06	91,207.59	10,000.00			10,000.00		91,207.59
National Endowment for the Arts							
Division of Criminal Justice - Victim/Witness	112,570.20						112,570.20
Victims of Crime Act	353,064.89						347,385.14
State of New Jersey - Department of Military and Veterans Transportation Program	9,128.60		13,000.00	1,087.00	14,563.60		8,652.00
Rail Track Replacement Swedesboro to Salem Port - Phase IV	5,609.08				1,888,889.00		5,609.08
USDA Rural Development - Railroad Improvements	99,000.00						99,000.00
USDA Rural Development - Rural Business Enterprises Grant	23,389.07		4,911.00		3,911.00		24,389.07
Cancer Education & Early Detection Program	199,595.70		164,697.00		130,418.03		233,874.67
WIA Adult	242,952.17		181,729.00		210,041.88		214,639.29
WIA Youth	204,216.51		249,080.00		204,158.31		249,138.20
WIA Adult (ARRA)	16,635.50				16,635.50		
WIA Youth (ARRA)	4,347.08						4,347.08
WIA Dislocated Worker (ARRA)	99,640.18	61,708.00			161,348.07		0.11
Summer Youth Works Program (ARRA)	7,141.32				(34,009.94)		41,151.26
Resurfacing of Auburn Rd-Pilesgrove Township	7,507.86						7,507.86
Small Cities Block Grant	106,751.76						106,751.76
State Homeland Security Grant Program	333,581.72	434,393.62		101,673.12	482,150.31		387,498.15
Stormwater Regulation	2,972.63						2,972.63
Kings Highway, County Road #620, Phase IV-B, Mannington Twp	91,972.32						91,972.32
SJTPO - Salem Hancock's Bridge Road, County Road #558	161,390.00				161,390.00		
SJTPO - Salem Hancock's Bridge Road, Phase I (CR 658)	1,093,467.00				818,554.59		274,912.41
SJTPO - Salem Hancock's Bridge Road (CR 658) PE	208,600.00				208,600.00		
New Jersey DOT - Repairing of the Oldmans Creek Trestle	20,950.00						20,950.00
New Jersey DOT - Pennsville Auburn Road Resurfacing,							
County Road #551, Phase I	110,289.48			7,369.10	14,738.20		110,289.48
SJTPO - Pennsville-Auburn Road, County Road #551, Phase II	286,673.85						279,304.75
New Jersey DOT - Pennsville Auburn Road Resurfacing,							
County Road #551, Phase III	569,272.62			34,266.85	34,266.85		569,272.62
County Road #540	164,478.31						164,478.31
Railroad Replacement Project Phase IV	26,450.00			1,723,550.00	1,723,550.00		26,450.00
N.J. Department of Transportation							
Pointer-Hawks Road CR 540 Phase I	1,067,033.00				867,256.95		199,776.05
Harmersville- Pecks Road Cr 667, Phase II (ARRA)	257,480.50			117,353.67	117,353.67		257,480.50
SJTPO - Salem County Roadway Striping Program	256,753.77						256,753.77
SJTPO - Salem County Roadway Striping Program, Phase II	305,326.23			37,541.80	37,039.62		305,828.41

(Continued)

**COUNTY OF SALEM  
FEDERAL AND STATE GRANT FUND  
Statement of Reserves for Federal and State Grant Funds--Appropriated  
For the Year Ended December 31, 2011**

	Balance Dec. 31, 2010	2011 Appropriations Budget	2011 Appropriations By ADA 4-87	Liquidation of Prior Year Encumbrances	Paid or Charged	Canceled by Resolution	Balance Dec. 31, 2011
<b>Federal Grants (Cont'd)</b>							
SJTPO - Salem County Safety Projects in Pennsville Township and Upper Pittsgrove Township	\$ 36,104.22						\$ 36,104.22
SJTPO - Salem County Safety Projects in Penn Grove Township	65,685.80						65,685.80
Federal Aid - Commissioner's Pike, CR #581, Phase II	417,646.52						417,646.52
HAVA Section 261	4,853.25	\$ 36,700.00					41,553.25
Homelessness Prevention and Rapid Re-Housing (ARRA)	674,986.96				\$ 105,275.66	\$ 500,000.00	69,711.30
Sobriety Checkpoint and Saturation Patrol Project Grant	2,926.06			324.20	324.20		2,926.06
Subregional Transportation Planning Program	94,711.80	48,000.00		21,644.96	27,329.56		142,711.80
Wastewater Management Plan (ARRA)	5,685.20	34,600.00			6,722.20		27,877.80
Salem County Driver Safety & Education							
FEMA - Emergency Management Grant	6,126.89						6,126.89
<b>Total Federal Grants</b>	<b>9,278,095.17</b>	<b>\$ 1,372,835.62</b>	<b>3,095,352.00</b>	<b>2,287,156.48</b>	<b>8,854,740.95</b>	<b>500,000.00</b>	<b>6,678,698.32</b>
<b>State Grants:</b>							
Alcoholic Treatment Program:							
#05-539-ADA-00	8,128.56						8,128.56
#06-539-ADA-00	5,509.71						5,509.71
#07-539-ADA-00	10,068.97						10,068.97
#08-539-ADA-00	300.94						300.94
#09-539-ADA-00	24,819.98				(5,348.00)		30,167.98
#10-582-ADA-00	24,851.70	257,888.00		82,601.98	79,797.09		27,656.59
#11-582-ADA-00					215,262.00		42,626.00
New Jersey Department of Public Health - Right to Know Project			8,789.00		6,251.06		8,219.32
Wastewater Management Plan	5,681.38				60,368.40		
PSFASC Waterwater Management Plan	6,435.40			53,933.00			
SCBG - ADA Grant Agreement #08-2115-00 Johnson Building	103,500.00			85,385.18			
Short Line Track Rehabilitation	186,000.00				102,925.74		
Occupant Protection Program - "Click It or Ticket 2009"	93,801.00				76,210.00		
New Jersey Data Exchange	146,895.69						
N.J. Department of Environmental Protection							
County Environmental Health Act (CEHA)	114,308.13		312,633.00	43,289.77	228,399.65		241,831.25
CEHA - Cleanup Gates Tire Recycling	226,996.16						226,996.16
Senior Citizen and Disabled Residents Transportation Assistance Act							
FTA Small Urban & Rural Area Public Transportation (5311)	565,558.50	576,100.24		101,682.98	676,184.78		567,158.96
Alliance to Prevent Alcoholism & Drug Abuse	664,594.00	304,104.00		24,000.00	125,354.71		867,343.29
SJTPO - Reconstruction of Kelly's Saw Mill Bridge	28,397.14	137,783.00		108,860.14	151,910.21		121,130.07
Replacement of Websters Mill Bridge	97,240.80						97,240.80
Early Intervention Program 05-161-EIP-00	20,746.39	1,000,000.00			1,000,000.00		-
Early Intervention Program 06-161-EIP-00	1,009.63						20,746.39
Early Intervention Program 07-161-EIP-00	17,385.23						1,009.63
Early Intervention Program 09-161-EIP-00	13,884.37						17,385.23
Early Intervention Program Additional	1,500.00						13,884.37
Early Intervention Program - Case Management	81,938.45	54,880.00			6,182.40		1,500.00
Special Child Health and Early Intervention	39,707.98			51.99	33,560.55		130,636.05

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserves for Federal and State Grant Funds—Appropriated  
 For the Year Ended December 31, 2011

	Balance Dec. 31, 2010	2011 Appropriations Budget	By 40A,4-87	Liquidation of Prior Year Encumbrances	Paid or Charged	Canceled by Resolution	Balance Dec. 31, 2011
<b>State Grants (Cont'd)</b>							
Mental Health Administration	\$ 12,000.00	\$ 12,000.00			\$ 12,000.00		\$ 12,000.00
Juvenile Justice Commission - Family Court Services	8,438.00	101,878.00		39,878.00	105,113.00		45,081.00
Juvenile Justice Commission - State/Community Partnership	40,075.05	204,430.00		27,793.72	189,686.73		82,612.04
Juvenile Justice Commission - Accountability Block Grant (JAIBG)	806.00	11,838.00		3,054.00	11,703.28		3,994.72
Juvenile Assistance Grant Program - Megan's Law	11,841.85						11,841.85
Justice Assistance Grant (JAG)	52,354.97	\$ 136,263.00					188,617.97
Justice Assistance Grant (JAG) - Megan's Law		5,033.00					5,033.00
Community Justice Program	74,414.80						74,414.80
Reflections on Justice Grant	250.00						250.00
Local Law Enforcement Block Grant Program - Megan's Law	13,115.49						13,115.49
Special Child and Adult Health Services:							
Community Justice Grant	8,501.99						8,501.99
Vehicular Homicide/Serious Injury Unit	161,284.32						161,284.32
Division of Highway Traffic Safety - Salem Comprehensive		12,000.00			5,955.97		32,266.12
Child Passenger Safety Program	26,222.09						45,000.00
Salem County Waste Management Program			45,000.00				45,000.00
Mannington Township Waste Management Program Chapter			30,000.00				30,000.00
Community Traffic Safety Program	40,433.03						40,433.03
Drunk Driving Enforcement Fund	967.26	3,500.00			967.26		3,500.00
Salem County Safe Roadways Grant	200.00	20,000.00			19,400.00		800.00
County Mental Health Planning Development & Admin	5,421.94						5,421.94
Prosecutor Insurance Fraud Reimbursement	401,568.27	116,645.00	108,845.00		42,000.42		468,412.85
Prosecutor Victim and Witness Advocacy	3,240.34		19,077.00		67,098.12		52,787.22
Prosecutor Victim and Witness Advocacy					1,695.00		17,382.00
Dept. of Veterans Affairs - War Veterans Cemetery & Park Grant		6,099.59					6,099.59
Local Arts Program	99,220.11	43,529.00			42,233.25		100,515.86
NJ Dept. of Health & Senior Services							
State Health Insurance Assistance Program (SHIP)		22,000.00			11,182.19		10,817.81
MIPPA Outreach & Enrollment		40,000.00			21,137.70		18,862.30
Healthy Communities Initiative		50,000.00			13,216.25		36,783.75
Watershed Project	48,460.00						46,460.00
Body Armor Fund (Sheriff)	16,445.38				6,244.70		12,200.68
Body Armor Fund (Prosecutor)	3,180.42				3,144.15		36.27
Sobriety Checkpoint and DWI Education	19,120.00						19,120.00
COPS in Shops	7,395.80						7,395.80
Medical Reserve Support	10,498.05		5,000.00		7,856.27		7,641.78
Project Lifesaver	29.60						29.60
State Aid Highway Projects:							
2002 County Aid Improvement Program				115,240.46	115,240.46		
2005 County Aid Improvement Program	28,205.50			552.05	28,757.55		
2006 County Aid Improvement Program	37,292.11				37,292.11		
2008 County Aid Improvement Program	1,042.72			269,077.93	270,120.65		
2009 County Aid Improvement Program	569,222.94			164,112.32	733,335.26		
2010 County Aid Improvement Program				2,582,000.00	2,582,000.00		
2011 County Aid Improvement Program		1,823,000.00			686,296.86		1,134,703.14

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
**Statement of Reserves for Federal and State Grant Funds--Appropriated**  
**For the Year Ended December 31, 2011**

	Balance Dec. 31, 2010	2011 Appropriations Budget	Liquidation of Prior Year Encumbrances	Paid or Charged	Canceled by Resolution	Balance Dec. 31, 2011
<b>State Grants (Cont'd)</b>						
Local Bridges, Future Needs - Kings Highway, CR #620	\$ 73,501.35		\$ 19,976.40	\$ (2,143.60)		\$ 95,621.35
Local History	4,000.00					4,000.00
New Jersey History	5,121.20					5,121.20
Oldmans Township Economic Development Project	558,284.72					558,284.72
NJ Div. of Travel & Tourism: Cooperative Marketing Grant		\$ 14,985.00				14,985.00
Cancer Education/Early Detection	181,225.98	137,223.00	2,382.12	119,875.31		200,935.79
FY 2002/2003 TANF	49,532.91					49,532.91
Work First New Jersey TANF	105,260.40					105,260.40
Work First New Jersey TANF - Work Verification	13,305.00	12,573.00		12,315.43		13,562.57
Work First New Jersey TANF - Work Activities	387,389.33	364,303.00		447,204.29		304,488.04
Work First New Jersey TANF - Case Management	74,918.00	66,507.00		102,598.00		38,827.00
Work First New Jersey TANF - Smart Steps	6.00			6.00		6.00
FY 2002/2003 General Assistance	12,374.84					12,374.84
Work First New Jersey GA/SNAP	163,598.13	198,815.00		198,907.02		163,506.11
Work First New Jersey GA/SNAP - Work Activities	28,728.32					28,728.32
Work First New Jersey GA/SNAP - Case Management	41,628.00	35,086.00		53,866.00		22,848.00
Work First New Jersey CAVP & EEI	54,663.44	12,573.00		(5,856.00)		73,092.44
FY 2002/2003 ABAWD & Food Stamp	8,369.40			9,346.00		8,369.40
Disability Program Navigator	4,118.00	8,759.00				3,531.00
Dept. of Law and Public Safety, Div. of State Police - Emergency Services - RERP	288,930.64	426,816.04	2,758.50	182,219.77		516,285.41
Diversity Partner Coalition OP-03-45-02-03	6,357.94					6,357.94
Division of State Police - (2) Decontamination Trailers	10.00					10.00
TASE - Tobacco Age Sale Enforcement	22,150.03					22,150.03
State Homeland Security Grant Program - Explosive Detecting Canine Initiative	117.28					117.28
Salem County Railroad Realignment & Reconstruction	100,650.00					100,650.00
Workforce Development Partnership Program	6,377.25	\$ 4,919.00		6,405.00		8,457.25
PASP - Personal Attendant Services	81,202.83	132,847.00	24,284.00	130,615.78		107,718.05
PASP - Personal Attendant Services - Supplemental Funding	28.92					28.92
Old Salem Courthouse Phase II		250,000.00		375,000.00		-
Safe Roadways Project Grant	12,478.20					12,478.20
Public Archives & Records Infrastructure Support (PARIS) Grant	442,704.36					442,704.36
Railroad Improvement Project	288,915.00		85,880.17	788,900.00		384,795.17
NJDEP - East Lake Road Bridge						
Salem County Railroad Improvements Phase 2	1,898.80					1,898.80
Comprehensive Cancer Control Plan	62,419.29	50,000.00	23,844.00	23,974.84	\$ 7,200.00	105,088.45
Enhanced 911 - General Assistance and Equipment Grant	3,448.74					3,448.74
NJ State Police - 911 Coordinator	3,505.72		1,825.87	1,142.87		4,188.72
OETS - Enhanced 911	79.39		25,669.37	25,669.37		79.39
Office of Emergency Telecommunications Services (OETS)	6,450.47					6,450.47
CHLP Grant for Seminar	3,026.56					3,026.56
NJ Sex Offender Internet Registry	1,033.17					1,033.17
WDP NJ Build	380.00					380.00
County Disaster Liaison	2,500.00					2,500.00
Historical Commission Grant	500.30	13,759.00	1,924.70	15,663.70		500.30

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
**Statement of Reserves for Federal and State Grant Funds—Appropriated**  
**For the Year Ended December 31, 2011**

	Balance Dec. 31, 2010	2011 Appropriations Budget	By 40A.4-87	Liquidation of Prior Year Encumbrances	Paid or Charged	Canceled by Resolution	Balance Dec. 31, 2011
<b>State Grants (Cont'd)</b>							
Sharing Available Resources Efficiently (SHARE)	\$ 1,737.00			\$ 27,370.00	\$ 27,370.00		\$ 1,737.00
Sharing Available Resources Efficiently - Municipal Court	52,344.19			312.30	5,799.02		46,857.47
Sharing Available Resources Efficiently - COUNT Coordinator	94,290.60				4,586.00		89,704.60
Emergency Management Performance Grant (EMPG)	25,628.61						25,628.61
Election Assistance to Individuals with Disabilities	17,811.00				17,761.71		49.29
Seven Steps to Freedom Grant	149,997.00	\$ 184,631.00			207,566.19		127,031.81
Title V Delinquency Prevention Program	354,398.77						354,398.77
NJ Department of Human Services FFY 2010 IV-D	23.04						23.04
K-9 Unit Program	1,190.56			198.50	1,198.50		1.50
Senior Farmers' Market Nutrition Program			1,000.00				1,000.00
WDP Staff & Fringe							1,190.56
Salem Co. Imp Authority - Admin/Economic Development Plan			211,175.00				211,175.00
Salem Co. Imp Authority - Nursing Home Division Support			112,986.00				112,986.00
Salem Co. Imp Authority - Nursing Home - Residential Ramp Installation			45,000.00		42,145.17		2,854.83
State Planning Act of 1985 Cross - Acceptance II	27,076.10						27,076.10
Reserve for Terrorism: Exercise	1,669.74						1,669.74
Right to Farm Activities Grant	14,527.15						14,527.15
Emergency Services Grant	213.69						213.69
<b>Total State Grants</b>	<b>8,020,607.00</b>	<b>\$ 3,661,869.83</b>	<b>5,007,848.04</b>	<b>3,917,919.45</b>	<b>10,753,801.30</b>	<b>\$ 7,200.00</b>	<b>9,847,263.02</b>
<b>Total</b>	<b>\$ 17,288,702.17</b>	<b>\$ 5,034,725.45</b>	<b>\$ 8,103,200.04</b>	<b>\$ 6,205,075.93</b>	<b>\$ 19,608,542.25</b>	<b>\$ 507,200.00</b>	<b>\$ 16,525,961.34</b>
Budget Appropriation		\$ 5,534,725.45	\$ 7,490,341.04				
Appropriation by 40A.4-87							
Less:							
Matching Funds For Grants		(500,000.00)					
Add:							
Matching Funds For Grants - Detailed Below			612,869.00				
Reserve for Encumbrances					\$ 4,950,095.31		
Cash Disbursed by Current Fund					14,510,894.53		
Reimbursement for Grant Expenditures paid by Current Fund in Prior Years					161,390.00		
Reimbursements					(13,837.59)		
		<b>\$ 5,034,725.45</b>	<b>\$ 8,103,200.04</b>		<b>\$ 19,608,542.25</b>		
<b>Detail of Matching Funds for Grants:</b>							
County Environmental Health Act (CEHA)		\$ 155,190.00					
FTA Small Urban & Rural Area Public Transportation (5311)		73,656.00					
Old Salem Courthouse Phase II		125,000.00					
Public Health Preparedness and Response for Bioterrorism		26,311.00					
Subregional Transportation Planning Program		9,600.00					
Rail Track Replacement Swedesboro to Salem Port - Phase IV		188,889.00					
Early Intervention Program - Case Management		15,880.00					
Cancer Education/Early Detection		18,333.00					
		<b>\$ 612,859.00</b>					

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserves for Federal and State Grant Funds--Unappropriated  
 For the Year Ended December 31, 2011

<u>Grant</u>	<u>Balance</u> Dec. 31, 2010	<u>Received</u>	<u>2011 Budget</u> <u>Revenue</u> <u>Realized</u>	<u>Balance</u> Dec. 31, 2011
Senior Citizen and Disabled Resident Transportation Program - Additional Funds	\$ 9,864.40		\$ 9,864.40	9,864.40
Subregional Transportation Planning Program - FY 2006	32,639.40		32,639.40	32,639.40
Local Arts - FY 2011	37,000.00	\$	37,000.00	
NJ Historical Commission Grant	11,695.15	\$ 12,189.85	11,695.15	12,189.85
Body Armor - Sheriff		14,814.86	14,814.86	14,814.86
Body Armor - Prosecutor		2,204.15	2,204.15	2,204.15
Nursing Home Division - Residential Ramp Installation	45,000.00		45,000.00	
Farmland Preservation Program	27,572.81			27,572.81
	<u>\$ 163,771.76</u>	<u>\$ 29,208.86</u>	<u>\$ 93,695.15</u>	<u>\$ 99,285.47</u>

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Due (to) / from Current Fund  
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 112,805.04
Increased by:		
Grant Fund Expenditures Paid by Current Fund	\$ 14,510,894.53	
Reimbursement for Grant Expenditures paid by Current Fund in Prior Years	161,390.00	
Cancelation of Grant Appropriated Reserves	<u>507,200.00</u>	
		<u>15,179,484.53</u>
		(15,066,679.49)
Decreased by:		
Receipts Deposited in Current Fund:		
Federal and State Grants Receivable	13,417,277.58	
Federal and State Grants Unappropriated	29,208.86	
Reimbursements - Federal and State Grants Appropriated	13,837.59	
Cancelation of Grants Receivable	507,200.00	
Grant Matching Funds	<u>656,757.00</u>	
		<u>14,624,281.03</u>
Balance December 31, 2011		<u><u>\$ (442,398.46)</u></u>

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**



COUNTY OF SALEM  
TRUST FUND

Statement of Trust Cash

Per N.J.S.40A:5-5—Treasurer

For the Year Ended December 31, 2011

	<u>Trust Other Fund</u>	<u>Open Space and Farmland Preservation</u>
Balance December 31, 2010	\$ 5,818,115.66	\$ 3,096,603.95
Increased by Receipts:		
Mortgage Accounts Receivable	\$ 185,325.05	
Open Space Tax Levy		\$ 1,144,343.00
Added & Omitted Taxes		4,003.36
Due Current Fund - Interest Earned on Deposits	4,098.70	
Interest Earned on Investments	10,247.83	
Reserve for Trust Funds	<u>37,085,117.91</u>	<u>1,210,275.64</u>
	<u>37,284,789.49</u>	<u>2,358,622.00</u>
Decreased by Disbursements:		
Principal and Interests on Open Space Debt	43,102,905.15	5,455,225.95
Due Current Fund - Interest Earned on Deposits		790,980.56
Reserve for Trust Funds	4,098.70	
	<u>37,768,741.14</u>	<u>1,234,550.26</u>
	<u>37,772,839.84</u>	<u>2,025,530.82</u>
Balance December 31, 2011	<u>\$ 5,330,065.31</u>	<u>\$ 3,429,695.13</u>

**COUNTY OF SALEM**  
**TRUST OTHER FUND**  
Statement of Mortgage Receivables  
For the Year Ended December 31, 2011

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Balance December 31, 2010		\$ 416,470.51
Increased by:		
Loan Adjustment	\$ 10,236.17	
Loan Adjustment Prior Year	89,575.00	
Loan Issuance from Capital Ordinance 04-04	340,000.00	
Loan Issuance	<u>289,000.00</u>	
		<u>728,811.17</u>
		1,145,281.68
Decreased by:		
Receipts		<u>185,325.05</u>
Balance December 31, 2011		<u><u>\$ 959,956.63</u></u>

## Exhibit SB-3

**TRUST OTHER FUND**  
Statement of Due Current Fund  
For the Year Ended December 31, 2011

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Increased by:		
Interest Earned on Deposits:		
Custodian Trust	\$ 3,100.66	
Net Payroll Account	257.04	
Payroll Agency	<u>741.00</u>	
		<u>\$ 4,098.70</u>
Decreased by:		
Disbursed to Current Fund:		
Custodian Trust	3,100.66	
Net Payroll Account	257.04	
Payroll Agency	<u>741.00</u>	
		<u><u>\$ 4,098.70</u></u>



**COUNTY OF SALEM**  
**TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION**  
**Statement of Taxes Receivable**  
**For the Year Ended December 31, 2011**

Balance December 31, 2010		\$ 2,371.67
Increased by:		
2011 Tax Levy:		
Open Space	\$ 1,144,343.00	
Added and Omitted	<u>5,022.84</u>	
		<u>1,149,365.84</u>
		1,151,737.51
Decreased by:		
Received:		
Open Space	1,144,343.00	
Added and Omitted	<u>4,003.36</u>	
		<u>1,148,346.36</u>
Balance December 31, 2011		<u><u>\$ 3,391.15</u></u>

**COUNTY OF SALEM**  
**TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION**  
**Statement of Reserve for Future Use**  
**For the Year Ended December 31, 2011**

Balance December 31, 2010		\$ 3,098,975.62
Increased by:		
2011 Tax Levy	\$ 1,144,343.00	
2011 Added and Omitted Tax Levy	5,022.84	
Settlement Receipts	1,201,004.11	
Interest on Deposits	<u>9,271.53</u>	
		<u>2,359,641.48</u>
		5,458,617.10
Decreased by:		
Reserve Disbursements	1,234,550.26	
Principal and Interests on Open Space Debt	<u>790,980.56</u>	
		<u>2,025,530.82</u>
Balance December 31, 2011		<u><u>\$ 3,433,086.28</u></u>
<u>Analysis of Balance:</u>		
Cash		\$ 3,429,695.13
Taxes Receivable		<u>3,391.15</u>
Reserve for Future Use		<u><u>\$ 3,433,086.28</u></u>



**SUPPLEMENTAL EXHIBITS**  
**GENERAL CAPITAL FUND**



**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash Per N.J.S. 40A:5-5 - Treasurer  
For the Year Ended December 31, 2011

Balance December 31, 2010		\$ 11,573,900.73
Increased by:		
Proceeds from Issuance of General Obligation Bonds	\$ 6,300,000.00	
Improvement Authorization Reimbursements	150,574.20	
2011 Budget Appropriation:		
Capital Improvement Fund	1,200,000.00	
Bond Anticipation Notes Payable	475,000.00	
Reserve for Payment of Debt	4,796.20	
Reserve for Interest Earned for County Aid Improvement	7,591.87	
Interest Earned on Deposits - Due Current Fund	38,429.62	
Contra	<u>4,718,198.68</u>	
		<u>12,894,590.57</u>
		24,468,491.30
Decreased by:		
Improvement Authorizations	2,437,093.95	
Bond Anticipation Notes Payable	475,000.00	
Interest Earned on Deposits - Due Current Fund	38,429.62	
Due from Current Fund	36,218.75	
Contra	<u>4,718,198.68</u>	
		<u>7,704,941.00</u>
Balance December 31, 2011		<u><u>\$ 16,763,550.30</u></u>
Analysis of Balance:		
Cash - Treasurer		\$ 16,776,040.81
Overdraft - Bond Funds Held by Trustee		<u>(12,490.51)</u>
		<u><u>\$ 16,763,550.30</u></u>

COUNTY OF SALEM  
GENERAL CAPITAL FUND  
Analysis of General Capital Cash  
For the Year Ended December 31, 2011

Ordinance Number	Description	Balance (Deficit)		Budget Appropriation		Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2011
		Dec. 31, 2010	Dec. 31, 2011			Bonds	Notes	Miscellaneous	Improvement Authorizations	Notes	Miscellaneous	
	Capital Improvement Fund	\$ 303,938.73	\$ 303,938.73	\$ 1,200,000.00								\$ 3,896.73
	Duelform Current Fund	(474,736.45)	(474,736.45)									(510,955.20)
	Contracts Payable	1,625,423.15	1,625,423.15									3,827,161.93
	Dam Restoration Loan Receivable	(1,300,000.00)	(1,300,000.00)									(1,300,000.00)
	Reserve for Payment of Debt	240.00	240.00									5,036.20
	Improvement Authorizations:											
	Ordinance											
96-01	Construction of an Addition to the Salem Community College	10,630.24	10,630.24									10,630.24
96-01	Acquisition of Various Pieces of Equipment and Construction of Various Capital Improvements	228,183.78	228,183.78						\$ 56,142.50		85,668.50	170,784.78
97-01	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment and Interests in Real Property	5,458.50	5,458.50						597.50			4,861.00
98-01	Reconstruction of Various County Roads, Alterations and Improvements to County Buildings, ADA Compliance for Various Buildings	2,772.45	2,772.45									2,772.45
98-01	Renovation of Salem County Emergency Operations Center	880.50	880.50									880.50
98-02	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment	23,954.55	23,954.55						508.39		166,355.50	22,486.16
04-02	Reserve for Interest Earned for Local Bridge Fund Grant	166,353.50	166,353.50									
04-03	Acquisition of Easement and/or Development Rights to Various Parcels of Real Property	703,301.73	703,301.73						18,000.00		100,000.00	685,301.73
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	650,000.00	650,000.00			\$ 475,000.00						309,999.00
05-03	Reconstruction of Various County Roads	307,487.75	307,487.75						5,420.00		12,580.00	307,487.75
05-05	Reserve for Reconstruction of Various County Roads	18,200.48	18,200.48						3,048.39		19,238.16	200.48
07-03	Disaster Recovery	646,949.75	646,949.75						12,243.26		12,243.26	646,949.75
07-04	Reserve for Interest Earned for County Aid Improvement Program											
07-04	Program Reconstruction of Various County Roads	21,932.50	21,932.50						236,031.93		236,031.93	
07-05	Dam Rehabilitation and Restoration	500,000.00	500,000.00						21,932.50			1,477.50
07-06	Alterations, Improvements and Relocation of County Offices	10,232.24	10,232.24						488,522.50			0.00
07-07	Construction of Improvements to the Camp Kamey Dam Structure and Spillway	1,140,729.00	1,140,729.00						10,232.24		45,564.75	1,140,729.00
07-08	Purchasing Vehicles and Equipment for the Mosquito Extermination Commission	31.80	31.80									31.80
07-09	Alterations, Improvements and Relocation of County Buildings and Offices	25,800.00	25,800.00								3,500.00	3,925.00
07-10	Old Court House Restoration Project	5,539.30	5,539.30						18,375.00			347.09
07-11	Bathometric Study for Axis Mill Pond								5,192.21			780.00
07-15	Reconstruction of Various County Roads - Engineer	861,627.46	861,627.46					100.00	1,850.00		2,300.00	863,777.46
07-15	Information Technology Purchase of Equipment	1,210.71	1,210.71						68,053.31		57,000.00	1,210.71
07-15	Repairs to Mosquito Extermination Equipment	16.90	16.90									16.90
08-03	Reserve for Interest Earned for County Aid Improvement Program											
08-03	Program Reconstruction of Various County Roads	323,593.99	323,593.99								80,804.87	323,448.98
08-04	Reserve for Interest Earned for Local Bridge Fund Grant	7,024.00	7,024.00						7,024.00			
08-04	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	955,906.22	955,906.22								1,500.00	955,906.22
08-04	Alterations, Improvements & Relocation of County Offices and Buildings	7,143.50	7,143.50						2,574.15			4,569.35
08-04	Information Technology Purchase of Equipment	282.18	282.18									282.18
08-05	Acquisition of Various Pieces of Equipment and Construction of Various Improvements	2,447,620.99	2,447,620.99						286,792.50		362,163.16	2,095,320.54
08-07	Construction of Truck Wash Facility	29,856.44	29,856.44									29,856.44
09-02	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	1,250,273.58	1,250,273.58								930,810.02	474,376.94
09-02	Traffic Counter	2,205.00	2,205.00						107,307.52			2,205.00
10-02	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	787,792.36	787,792.36						295,498.60		373,761.32	610,826.56
10-03	Purchase of Equipment for Road Department	26,995.30	26,995.30						56,004.70		60,463.50	26,995.30
10-04	Upgrades of Smoke Evacuation System											
10-06	Acquisition of Various Pieces of Equipment and Construction of Various Improvements	450,000.00	450,000.00						60,463.50		60,463.50	
11-01	Improvements to Various County Buildings										780,805.57	5,490,657.15
11-01	Acquisition of Dump Truck								603,537.28			175,000.00
11-02	Reconstruction & Maintenance of Various County Roads, Bridges and Dams										175,000.00	125,000.00
11-03	Interest Earned for County Aid Improvement Grant								481,832.90		367,233.96	371,407.35
11-04	Repair and Reconstruction of Roads, Bridges and Railroads Damaged by Floods											7,591.87
		\$ 11,573,900.73	\$ 11,573,900.73	\$ 1,200,000.00	\$ 475,000.00	\$ 201,391.89	\$ 475,000.00	\$ 74,648.37	\$ 2,437,093.95	\$ 7,572,585.08	\$ 7,572,585.08	\$ 16,763,650.30
		\$ 11,566,391.24	\$ 11,566,391.24									\$ 16,776,040.81
		(12,450.51)	(12,450.51)									(12,450.51)
		\$ 11,573,900.73	\$ 11,573,900.73									\$ 16,763,650.30

Cash - Treasurer  
Cash (Overdraft) - Trustee

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of Due from Current Fund  
For the Year Ended December 31, 2011

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Balance December 31, 2010		\$ 474,736.45
Increased by:		
Disbursed to Current Fund:		
Interest Earned on Deposits	\$ 38,429.62	
Current Fund Expenditures Paid by General Capital Fund	36,218.75	
		74,648.37
		549,384.82
Decreased by:		
Interest Earned on Deposits		38,429.62
Balance December 31, 2011		\$ 510,955.20

**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Funded  
For the Year Ended December 31, 2011

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Balance December 31, 2010		\$ 34,063,000.00
Increased by:		
Issuance of Governmental Obligation Bonds, Series 2011		6,300,000.00
		40,363,000.00
Decreased by:		
Payment of Bond Principal:		
2011 Budget Appropriations	\$ 1,961,100.00	
State of New Jersey	160,000.00	
		2,546,000.00
Balance December 31, 2011		\$ 37,817,000.00



COUNTY OF SALEM  
GENERAL CAPITAL FUND  
Statement of Improvement of Authorizations  
For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Liquidation of Prior Year Contracts Payable	Paid or Charged	Canceled by Resolution	Balance Dec. 31, 2011	
				Funded	Unfunded					Funded	Unfunded
90-01	Construction of an Addition to the Salem County Community College	03-07-90	\$ 3,125,000.00	\$ 10,630.24						\$ 10,630.24	
96-01	Acquisition of Various Pieces of Equipment and Construction of Various Capital Improvements	07-17-96	2,500,000.00	228,183.78		\$ 86,412.00	\$ 143,811.00			170,784.78	
97-01	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment and Interests in Real Property	07-16-97	4,450,000.00	5,458.50			597.50			4,861.00	
98-01	Reconstruction of Various County Roads, Alterations and Improvements to County Buildings, ADA Compliance for Various Buildings	08-19-98	592,488.28	2,772.45						2,772.45	
99-01	Renovation of Salem County Emergency Operations Center	02-03-99	810,000.00	880.50						880.50	
99-02	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment	12-01-99	5,180,000.00	22,984.55			508.39			22,486.16	
04-02	Reserve for Interest Earned for Local Bridge Fund Grant	06-16-04	237,306.97	166,353.50			166,353.50				
04-03	Acquisition of Easement and/or Development Rights to Various Parcels of Real Property	08-18-04	9,000,000.00	703,301.73		100,000.00	118,000.00			685,301.73	
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	08-16-04	3,000,000.00	150,000.00	\$ 2,850,000.00		340,620.00				\$ 2,659,380.00
04-05	Reconstruction of Various County Roads	12-15-04	600,000.00	307,487.75			18,000.00			307,487.75	
05-03	Reconstruction of Various County Roads	11-02-05	500,000.00	18,200.48			22,286.55			200.48	
06-05	Reserve for Reconstruction of Various County Roads	11-15-06	1,400,000.00	646,948.75			12,243.26			646,948.75	
07-03	Disaster Recovery	05-16-07	500,000.00								
07-04	Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads	05-16-07	402,792.88	21,932.50		236,031.93	236,031.93				
07-04	Reserve for Interest Earned for Local Bridge Fund Grant	05-16-07	31,478.81				21,932.50				
07-05	Dam Rehabilitation and Restoration	07-18-07	500,000.00	500,000.00			88,522.50	\$ 410,000.00		1,477.50	
07-06	Alterations, Improvements and Relocation of County Offices	07-18-07	205,000.00	10,232.24			10,232.24				
07-07	Construction of Improvements to the Camp Kamey Dam Structure and Spillway	07-18-07	1,300,000.00	1,140,729.00		45,564.75	45,564.75			1,140,729.00	
07-08	Purchasing Vehicles and Equipment for the Mosquito Extermination Commission	08-15-07	120,500.00	31.80						31.80	
07-09	Alterations, Improvements and Relocation of County Buildings and Offices	08-15-07									
07-10	Old Court House Restoration Project	09-19-07	100,000.00	25,800.00			21,875.00			3,925.00	
07-11	Bathymetric Study for Avis Mill Pond	09-19-07	187,000.00	5,539.30			5,192.21			347.09	
07-15	Reconstruction of Various County Roads - Engineer	09-19-07	37,000.00				1,550.00			750.00	
07-15	Information Technology Purchase of Equipment	12-05-07	1,320,000.00	661,627.46		2,300.00	1,550.00				
07-15	Repairs to Mosquito Extermination Equipment	12-05-07	109,600.00	1,210.71		48,319.37	126,053.31			583,893.52	
07-15	Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads	12-05-07	71,017.00	16.90						1,210.71	
08-03	Program Reconstruction of Various County Roads	05-21-08	404,253.85	323,593.59		80,660.26	80,804.87			323,448.98	
08-03	Reserve for Interest Earned for Local Bridge Fund Grant	05-21-08	7,024.00	7,024.00			7,024.00				
08-04	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	05-21-08	2,389,000.00	955,906.22						955,906.22	
08-04	Alterations, Improvements & Relocation of County Offices and Buildings	05-21-08	125,000.00	7,143.50		1,500.00	4,074.15			4,569.35	
08-04	Information Technology Purchase of Equipment and	05-21-08	41,000.00	292.18						292.18	
08-06	Acquisition of Various Pieces of Equipment and Construction of Various Improvements	08-20-08	9,854,000.00	2,447,620.99		237,655.21	648,955.66			2,036,320.54	
08-07	Construction of Truck Wash Facility	12-17-08	500,000.00	29,858.44						29,858.44	
08-02	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	10-07-09	2,982,000.00	1,250,273.58		282,220.30	1,038,117.54			474,376.34	

(Continued)

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
 Statement of Improvement of Authorizations  
 For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Liquidation of Prior Year Contracts Payable	Paid or Charged	Canceled by Resolution	Balance Dec. 31, 2011	
				Funded	Unfunded					Funded	Unfunded
09-02	Traffic Counter	10-07-09	\$ 18,000.00	\$ 2,205.00						\$ 2,205.00	
10-02	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	05-19-10	1,700,000.00	787,792.36		\$ 373,761.32	\$ 550,927.12			610,626.56	
10-03	Purchase of Equipment for Road Department	07-21-10	83,000.00	26,995.30		56,004.70	60,463.50			26,995.30	
10-04	Upgrades of Smoke Evacuation System	08-18-10	69,900.00			60,463.50					
10-08	Acquisition of Various Pieces of Equipment and Construction of Various Improvements	11-17-10	6,750,000.00	450,000.00	\$ 6,300,000.00		1,259,342.85			5,490,657.15	
11-01	Improvements to Various County Buildings	04-06-11	175,000.00		\$ 175,000.00					175,000.00	
11-01	Acquisition of Dump Truck	04-06-11	125,000.00		125,000.00					125,000.00	
11-02	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	05-04-11	1,200,000.00		1,200,000.00		828,592.65			371,407.35	
11-03	Interest Earned for County Aid Improvement Grant	05-04-11	7,591.87		7,591.87					7,591.87	
11-04	Repair and Reconstruction of Roads, Bridges and Railroads Damaged by Floods	12-07-11	8,200,000.00		8,200,000.00					410,000.00	\$ 7,790,000.00
				\$ 10,919,037.30	\$ 9,150,000.00	\$ 9,707,591.87	\$ 1,625,423.15	\$ 5,913,681.68	\$ 410,000.00	\$ 14,628,990.64	\$ 10,449,380.00
Capital Improvement Fund Reserves					\$ 1,910,000.00	7,591.87			\$ 410,000.00		
Deferred Charges to Future Taxation-Unfunded					7,790,000.00						
Cash Disbursements Reimbursements							\$ 2,437,093.95				
Contracts Payable							(150,574.20)				
							3,627,161.93				
					\$ 9,707,591.87				\$ 410,000.00		

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
 Statement of Serial Bonds  
 For the Year Ended December 31, 2011

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2011	Interest Rate	Balance Dec. 31, 2010	Issued	Paid by Budget Appropriation	Balance Dec. 31, 2011
County College Bonds, Series 1997	10-1-97	\$ 1,394,000.00	\$ 128,000.00	4.850%	\$ 254,000.00		\$ 126,000.00	\$ 128,000.00
General Obligation Refunding Bonds	4-15-04	5,565,000.00	680,000.00	3.750%				
			300,000.00	5.000%				
			315,000.00	4.000%				
			330,000.00	4.000%				
General Obligation Bonds, Series 2005	10-1-05	8,300,000.00	325,000.00	4.000%	2,805,000.00		655,000.00	1,950,000.00
			345,000.00	3.850%				
			360,000.00	3.850%				
			375,000.00	3.850%				
			390,000.00	3.850%				
			410,000.00	3.850%				
			430,000.00	3.850%				
			450,000.00	3.850%				
			470,000.00	3.850%				
			490,000.00	3.850%				
			515,000.00	3.850%				
			535,000.00	3.850%				
			555,000.00	3.850%				
County College Bonds, Series 2006	7/15/06	1,800,000.00	580,000.00	3.875%	6,815,000.00		330,000.00	6,485,000.00
			185,000.00					
			195,000.00					
			205,000.00					
			215,000.00					
General Obligation Refunding Bonds, Series 2007	3/29/07	3,100,000.00	225,000.00	4.750%	1,200,000.00		175,000.00	1,025,000.00
			270,000.00	3.500%				
			280,000.00	4.000%				
			295,000.00	3.750%				
			305,000.00	5.000%				
			315,000.00	5.000%				
		330,000.00	5.000%					
		355,000.00	5.000%					
		365,000.00	5.000%		2,775,000.00		260,000.00	2,515,000.00

(Continued)

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
 Statement of Serial Bonds  
 For the Year Ended December 31, 2011

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2011		Interest Rate	Balance Dec. 31, 2010	Issued	Paid by Budget Appropriation	Balance Dec. 31, 2011
			Date	Amount					
Vocational School Refunding Bonds, Series 2007	3/29/07	\$ 1,185,000.00	07-15-2012	\$ 110,000.00	3.500%				
			07-15-2013	105,000.00	4.000%				
			07-15-2014	115,000.00	3.750%				
			07-15-2015	110,000.00	5.000%				
			07-15-2016	115,000.00	5.000%				
			07-15-2017	125,000.00	5.000%				
			07-15-2018	130,000.00	5.000%				
			07-15-2019	135,000.00	5.000%	\$ 1,050,000.00	\$	105,000.00	\$ 945,000.00
Governmental Loan Revenue Bonds, Series 2008A	5/28/08	3,600,000.00	04-15-2012	340,000.00	3.500%				
			04-15-2013	350,000.00	3.500%				
			04-15-2014	360,000.00	3.500%				
			04-15-2015	380,000.00	3.750%				
			04-15-2016	400,000.00	3.750%				
			04-15-2017	410,000.00	3.750%				
			04-15-2018	430,000.00	3.750%	2,990,000.00		320,000.00	2,670,000.00
Special Services School Bonds, Series 2008	10/30/08	6,000,000.00	10-01-2012	220,000.00	3.750%				
			10-01-2013	230,000.00	4.000%				
			10-01-2014	240,000.00	4.000%				
			10-01-2015	250,000.00	4.000%				
			10-01-2016	260,000.00	4.000%				
			10-01-2017	270,000.00	5.000%				
			10-01-2018	285,000.00	5.000%				
			10-01-2019	295,000.00	5.000%				
			10-01-2020	310,000.00	5.000%				
			10-01-2021	325,000.00	5.000%				
			10-01-2022	340,000.00	5.000%				
			10-01-2023	355,000.00	5.000%				
			10-01-2024	370,000.00	5.000%				
		10-01-2025	385,000.00	5.000%					
		10-01-2026	405,000.00	5.000%					
		10-01-2027	415,000.00	5.000%					
			10-01-2028	415,000.00	5.000%	5,580,000.00		210,000.00	5,370,000.00

(Continued)

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
 Statement of Serial Bonds  
 For the Year Ended December 31, 2011

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2011	Interest Rate	Balance Dec. 31, 2010	Issued	Paid by Budget Appropriation	Balance Dec. 31, 2011
Governmental Loan Revenue Bonds, Series 2009	3/18/2009	\$ 9,854,000.00	\$ 370,000.00	2.250%				
			380,000.00	2.750%				
			390,000.00	3.000%				
			400,000.00	3.250%				
			415,000.00	5.000%				
			425,000.00	5.000%				
			440,000.00	5.000%				
			455,000.00	5.000%				
			475,000.00	4.000%				
			495,000.00	4.000%				
			515,000.00	4.000%				
			540,000.00	4.250%				
			565,000.00	4.250%				
			590,000.00	4.800%				
			620,000.00	4.800%				
			655,000.00	4.500%				
		685,000.00	5.000%					
		714,000.00	5.000%		\$ 9,494,000.00		\$ 365,000.00	\$ 9,129,000.00
Governmental Obligation Bonds, Series 2011	5/18/2011	6,300,000.00	250,000.00	2.000%				
			355,000.00	2.000%				
			365,000.00	2.000%				
			370,000.00	2.000%				
			380,000.00	2.000%				
			395,000.00	2.000%				
			405,000.00	2.250%				
			420,000.00	2.500%				
			435,000.00	2.750%				
			455,000.00	3.000%				
			475,000.00	3.000%				
		495,000.00	3.250%					
		500,000.00	3.500%					
		500,000.00	4.000%					
		500,000.00	4.000%		\$ 6,300,000.00			6,300,000.00
					\$ 32,763,000.00	\$ 6,300,000.00	\$ 2,546,000.00	\$ 36,517,000.00
							Paid by Trust Fund	
							Paid by Current	\$ 424,900.00
							Paid by State of New Jersey	1,961,100.00
								160,000.00
								\$ 2,546,000.00

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
**Statement of Contracts Payable**  
**For the Year Ended December 31, 2011**

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Balance December 31, 2010	\$ 1,625,423.15
Increased by:	
Charges to Improvement Authorizations	<u>3,627,161.93</u>
	5,252,585.08
Decreased by:	
Liquidation of Prior Year Contracts	<u>1,625,423.15</u>
Balance December 31, 2011	<u><u>\$ 3,627,161.93</u></u>

Exhibit SC-9

**GENERAL CAPITAL FUND**  
**Statement of Capital Improvement Fund**  
**For the Year Ended December 31, 2011**

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Balance December 31, 2010	\$ 303,936.73
Increased by:	
2011 Budget Appropriation	\$ 1,200,000.00
Funded Improvement Authorizations Canceled	<u>410,000.00</u>
	<u>1,610,000.00</u>
	1,913,936.73
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>1,910,000.00</u>
Balance December 31, 2011	<u><u>\$ 3,936.73</u></u>

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
 State of New Jersey Dam Restoration Loan  
 For the Year Ended December 31, 2011

Ordinance Number	Improvement Description	Date of Issue	Amount of Original Loan	Outstanding Loan Maturities		Interest Rate	Balance Dec. 31, 2010 and 2011
				Year	Amount		
07-07	Construction of Improvements to the Camp Karney Dam Structure and Spillway, together with the acquisition of all materials and equipment and completion of all work necessary therefor and related thereto	07-18-07	\$ 1,300,000.00	2012	\$ 31,204.79	2.0%	\$ 1,300,000.00
				2013	63,348.83		
				2014	64,622.15		
				2015	65,921.05		
				2016	67,246.06		
				2017-2021	357,056.66		
				2022-2026	394,412.67		
	2027-2028	256,187.79					
							\$ 1,300,000.00
							\$ 1,300,000.00



**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
**Statement of Bonds and Notes Authorized But Not Issued**  
**For the Year Ended December 31, 2011**

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	2011 Authorizations	Bonds Issued	Balance Dec. 31, 2011
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	\$ 2,350,000.00			\$ 2,350,000.00
10-08	Acquisition of Various Pieces of Equipment and Construction of Various Improvements	6,300,000.00		\$ 6,300,000.00	
11-04	Repair and Reconstruction of Roads, Bridges and Railroads Damaged by Floods		\$ 7,790,000.00		7,790,000.00
		\$ 8,650,000.00	\$ 7,790,000.00	\$ 6,300,000.00	\$ 10,140,000.00



**SUPPLEMENTAL EXHIBITS**  
**OTHER OFFICIALS AND INSTITUTIONS**



**COUNTY OF SALEM**  
**COUNTY CLERK**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2011 and 2010

<u>ASSETS</u>	Balance Dec. 31, 2011	Balance Dec. 31, 2010
Cash	\$ 97,850.71	\$ 92,673.01
	<u>\$ 97,850.71</u>	<u>\$ 92,673.01</u>
 <u>LIABILITIES AND RESERVES</u>		
Reserve for Trust Fund	\$ 1,918.00	\$ 2,148.00
Due State of New Jersey	31,854.25	22,469.00
Due County Treasurer	64,078.46	68,056.01
	<u>\$ 97,850.71</u>	<u>\$ 92,673.01</u>

**COUNTY OF SALEM**  
**COUNTY CLERK**  
**Statement of Cash**  
**For the Year Ended December 31, 2011**

Balance December 31, 2010		\$	92,673.01
Increased by Receipts:			
County Recording Fees	\$	171,022.57	
Realty Transfer Tax Fees		595,970.63	
State Trade Names		1,323.00	
Trust		17,173.85	
Copies		3,976.15	
Search		279.00	
Notary		455.00	
Photos		1,950.00	
Preservation Fund		233,775.15	
Tax Relief		155,850.10	
Interest Earned on Deposits		174.09	
Miscellaneous		87.00	
		<u>1,182,036.54</u>	
			1,274,709.55
Decreased by Disbursements:			
Interest Paid to County Finance Officer		230.54	
Turned over to Treasurer:			
Current Fund Anticipated Revenue		271,536.12	
Trust Fund		24,173.50	
State Realty Tax Fees		375,803.73	
Preservation Fund		236,823.93	
Public Health Priority Fund		43,692.75	
Extraordinary Aid Fund		65,302.65	
State Trade Names		1,323.00	
County Tax Relief		157,882.62	
Miscellaneous		90.00	
		<u>1,176,858.84</u>	
Balance December 31, 2011		\$	<u>97,850.71</u>

**COUNTY OF SALEM**  
**SURROGATE'S OFFICE**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2011 and 2010

<u>ASSETS</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Dec. 31, 2010</u>
Cash - Surrogate	\$ 5,802.88	\$ 8,990.41
Investments - Probate Division:		
Savings and Loan Association	2,831,636.23	2,397,935.32
Certificates of Deposit	371,534.39	427,534.39
	<u>\$ 3,208,973.50</u>	<u>\$ 2,834,460.12</u>
 <u>LIABILITIES AND RESERVES</u>		
Salem County Court Probate Division	\$ 3,203,170.62	\$ 2,825,469.71
Attorneys' Deposits	2,432.77	3,999.74
Due County Treasurer	3,370.11	4,990.67
	<u>\$ 3,208,973.50</u>	<u>\$ 2,834,460.12</u>

**COUNTY OF SALEM**  
**SURROGATE'S OFFICE**  
Statement of Cash - Surrogate  
For the Year Ended December 31, 2011

Balance December 31, 2010		\$	8,990.41
Increased by Receipts:			
Wills	\$	40,795.00	
Letters of Administration		14,098.00	
Guardianship		1,073.00	
Shorts		4,125.00	
Adoption		2,465.00	
Superior Court Fees		10,495.81	
Attorney Deposits		6,022.00	
Miscellaneous		123.00	
Interest Earned on Deposits		23.72	
Contra		7,592.00	
			86,812.53
			95,802.94
Decreased by Disbursements:			
Interest Paid to County Financial Officer		41.00	
Due Treasurer:			
Current Fund Anticipated Revenue		70,453.69	
Trust Fund		11,744.00	
Due State of New Jersey		93.37	
Refunds		76.00	
Contra		7,592.00	
			90,000.06
Balance December 31, 2011		\$	5,802.88
<u>Analysis of Balance</u>			
Attorneys' Deposits		\$	2,432.77
Due County Treasurer			3,370.11
		\$	5,802.88

**COUNTY OF SALEM**  
**SURROGATE'S OFFICE**  
Statement of Investment - Savings and Loan Association  
For the Year Ended December 31, 2011

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Balance December 31, 2010		\$ 2,397,935.32
Increased by Receipts:		
Monthly Deposits	\$ 120,211.78	
Purchase of Savings Certificates	566,265.52	
Interest Earned on Deposits	<u>58,976.52</u>	
		<u>745,453.82</u>
		3,143,389.14
Decreased by Disbursements:		
Monthly Withdrawals	32,574.67	
Income Tax Withholdings	322.31	
Redemption of Savings Certificates	<u>278,855.93</u>	
		<u>311,752.91</u>
Balance December 31, 2011		<u><u>\$ 2,831,636.23</u></u>

Exhibit SF-3

**SURROGATE'S OFFICE**  
Statement of Investment - Certificate of Deposit  
For the Year Ended December 31, 2011

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Balance December 31, 2010		\$ 427,534.39
Increased by Receipts:		
Interest Earned on Deposits		<u>4,478.99</u>
		432,013.38
Decreased by Disbursements:		
Redemption of Certificates of Deposits	\$ 56,000.00	
Interest Transferred to Minor's Account	<u>4,478.99</u>	
		<u>60,478.99</u>
Balance December 31, 2011		<u><u>\$ 371,534.39</u></u>

**COUNTY OF SALEM**  
**SHERIFF'S OFFICE**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2011 and 2010

<u>ASSETS</u>	Balance Dec. 31, 2011	Balance Dec. 31, 2010
Cash - Sheriff	\$ 35,212.15	\$ 31,728.88
	<u>\$ 35,212.15</u>	<u>\$ 31,728.88</u>
 <u>LIABILITIES AND RESERVES</u>		
Fees and Executions	\$ 35,027.41	\$ 31,504.81
Due County	184.74	224.07
	<u>\$ 35,212.15</u>	<u>\$ 31,728.88</u>

COUNTY OF SALEM  
SHERIFF'S OFFICE  
Statement of Cash  
For the Year Ended December 31, 2011

Balance December 31, 2010		\$	31,728.88
Increased by Receipts:			
Sales and Executions	\$	203,561.93	
County Fees		251,307.23	
Sheriffs Trust		3,764.00	
Miscellaneous		1,500.78	
Interest Earned on Deposits		130.24	
		460,264.18	
			491,993.06
Decreased by Disbursements:			
Interest Paid to County Finance Officer		169.57	
Turned over to Treasurer:			
Current Fund Anticipated Revenue		251,307.23	
Trust Fund		3,764.00	
Refunds		10,848.94	
Advertising		22,896.20	
Deed		1,500.00	
Garnishments		118,071.87	
Attorney Payments		265.16	
Miscellaneous		47,957.94	
		456,780.91	
			35,212.15
Balance December 31, 2011		\$	35,212.15

Exhibit SG-2

SHERIFF'S OFFICE  
Statement of Sheriff's Fees Due County  
For the Year Ended December 31, 2011

Balance December 31, 2010		\$	224.07
Increased by Receipts:			
Fees Collected	\$	251,307.23	
Trust Fund		3,764.00	
Interest Earned on Deposits		130.24	
		255,201.47	
			255,425.54
Decreased by Disbursements:			
Interest Paid to County Finance Officer		169.57	
Turned over to Treasurer:			
Current Fund Anticipated Revenue		251,307.23	
Trust Fund		3,764.00	
		255,240.80	
			184.74
Balance December 31, 2011		\$	184.74

**COUNTY OF SALEM**  
**JAIL PRISONER'S WELFARE FUND**  
 Statements of Cash  
 For the Year Ended December 31, 2011

	Receipts			Disbursements			Balance Dec. 31, 2011
	Balance Dec. 31, 2010	Interest	Other	County Treasurer	Other		
<b>Warden:</b>							
Inmate Account	\$ 46,501.78	\$ 112.19	\$ 455,982.98	\$	\$ 491,855.00	\$	10,741.95
Welfare Account	89,295.11	250.11	215,940.21		197,131.10		108,354.33
Bail Account	100.54	27.73	489,042.34		488,977.03		193.58
Miscellaneous	85.59		181,958.02	\$ 181,175.38	687.54		180.69
	<u>135,983.02</u>	<u>390.03</u>	<u>1,342,923.55</u>	<u>181,175.38</u>	<u>1,178,650.67</u>		<u>119,470.55</u>
<b>Work Release</b>	112.18	0.25		5.55			106.88
	<u>\$ 136,095.20</u>	<u>\$ 390.28</u>	<u>\$ 1,342,923.55</u>	<u>\$ 181,180.93</u>	<u>\$ 1,178,650.67</u>	<u>\$</u>	<u>119,577.43</u>
<b>Total Receipts and Disbursements</b>			<u>\$ 1,343,313.83</u>			<u>\$ 1,359,831.60</u>	
<b>Analysis of Revenue Turned Over to Treasurer</b>							
Miscellaneous Account:							
Anticipated Revenue:							
Inmate Health Reimbursement			\$ 5,480.81				
Interest Earned on Deposits			212.19				
Non-Budgeted Revenue:							
Jail Miscellaneous Revenue			91,723.78				
Jail Telephone Commissions			83,764.15				
			<u>\$ 181,180.93</u>				

**COUNTY OF SALEM**  
**MOSQUITO EXTERMINATION COMMISSION**  
Statement of Cash  
For the Year Ended December 31, 2011

Balance December 31, 2010		\$	18,878.82
Increased by Receipts:			
County of Salem	\$	181,110.18	
Reimbursement		506.01	
Interest Earned on Deposits		39.98	
		181,656.17	
			200,534.99
Decreased by Disbursements:			
Advertisement		40.70	
Education		1,080.00	
Legal		1,666.68	
Miscellaneous		264.27	
Office Expenses		2,190.25	
Wages		109,098.13	
Payroll Taxes		12,298.10	
Payroll Services		350.00	
Prior Year Bills		21,887.05	
Prior Year Payroll		34,538.11	
Safety		901.29	
Shop		515.95	
Utilities		7,737.41	
Operation of Vehicles		1,390.79	
		193,958.73	
Balance December 31, 2011		\$	6,576.26

**COUNTY OF SALEM**  
**LIBRARY COMMISSION**  
**Statement of Cash**  
**For the Year Ended December 31, 2011**

Balance December 31, 2010		\$	24,908.78
Increased by Receipts:			
County Appropriations	\$	84,440.00	
United Way Contributions		11,029.15	
Other Contributions		725.00	
Trusts Donations		12,000.00	
Other Donations		4,051.97	
Miscellaneous		1,164.62	
Interest Earned on Deposits		96.25	
		113,506.99	
			138,415.77
Decreased by Disbursements:			
Gross Wages		58,925.56	
Employer Payroll Taxes		22,047.15	
Equipment/Supplies		6,624.16	
Books and Publications		9,560.32	
Postage		132.00	
Vehicle Expense and Maintenance		4,467.03	
Rent		5,870.77	
Miscellaneous		1,590.86	
		109,217.85	
Balance December 31, 2011		\$	29,197.92

**COUNTY OF SALEM**  
**PART 2**  
**SINGLE AUDIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**



**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

The Honorable Director and  
Members of the County Board of Chosen Freeholders  
County of Salem  
Salem, New Jersey 08079

**Compliance**

We have audited the compliance of the County of Salem, State of New Jersey, with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the County's major federal and state programs for the year ended December 31, 2011. The County's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County of Salem complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements which is required to be reported in accordance with OMB Circular A-133 and New Jersey Circular 04-04-OMB and which is described in the accompanying Schedule of Findings and Questioned Costs as finding no.: 2011-02.



Internal Control Over Compliance

Management of the County of Salem is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

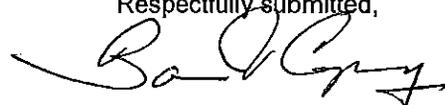
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

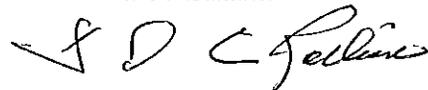
The County of Salem's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management of the County, others within the County, the Division of Local Government Services, Department of Community Affairs, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



David C. Rollison  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
August 8, 2012

**COUNTY OF SALEM**  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 2011

<u>SCHEDULE A</u>					
<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal C.F.D.A.</u>	<u>County Grant No./ Pass Through Number</u>	<u>Matching Contributions</u>	<u>Program or Award Amount</u>	<u>Grant Period From To</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>					
USDA Rural Business Enterprises					
Grant-Railroad Improvements	10.769	35-017-216001147		\$ 147,000.00	01/01/03 12/31/03
USDA Rural Business Grant	10.769	35-017-216001147		99,000.00	01/01/03 12/31/03
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>					
Salem County Area Plan Grant	93.045	4275-100-046-4110-049-J004-6110		Various	Various
Cancer Education & Early Detection	46.939	Not Available		Various	Various
Chronic Disease Self Management Grant (ARRA)	93.725	DACS11CDF006		21,000.00	05/01/11 02/29/12
Help America Vote Act (HAVA) 261	93.617	10-ELEC003APA		36,700.00	02/01/11 02/01/12
Public Health Preparedness & Response for Bioterrorism	93.283	100-046-4L04-360-J002-6120	\$ 26,311.00	Various	Various
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>					
Homelessness Prevention and Rapid Re-Housing (ARRA)	14.257	2009-02151-1817-00		800,000.00	10/01/09 09/30/11
<b><u>U.S. DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS</u></b>					
Veterans' Transportation Prog.	21.600	3610-100-067-3610-058-PVET-6130		Various	Various
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>					
Victims of Crime	16.575	V-17-03		130,479.00	10/01/05 09/30/06
Victims of Crime Act - Victim Assistance Grant Program	16.575	V-05-05		Various	Various
Multi Jurisdictional Task Force	16.005	DE 2-18-05		174,680.00	01/01/05 12/31/05
Multi Jurisdictional Task Force	16.005	DE 2-18-06		174,680.00	01/01/06 12/31/06
<b><u>NATIONAL ENDOWMENT FOR THE ARTS</u></b>					
National Endowment for the Arts Grant	45.024	11-7800-7072		10,000.00	01/01/11 07/31/11
<b><u>U.S. DEPARTMENT OF LABOR</u></b>					
Welfare To Work	17.253	AA-11266-01-50		153,588.00	07/01/03 06/30/04
Workforce Investment Act					
Cumberland/Salem					
Adult (ARRA)	17.258	AA-11266-01-50		98,186.00	02/17/09 06/30/10
Youth (ARRA)	17.259	AA-11266-01-50		215,283.00	02/17/09 06/30/10
Dislocated Worker (ARRA)	17.260	AA-11266-01-50		334,848.00	02/17/09 06/30/10
Summer Youth Works Program (ARRA)	17.207	AA-11266-01-50		71,292.00	07/01/10 06/30/11
Workforce Investment Board - Adult	17.258	AA-11266-01-50		Various	Various
Workforce Investment Board - Youth	17.259	AA-11266-01-50		Various	Various
Workforce Investment Board - Dislocated Worker	17.260	AA-11266-01-50		Various	Various
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>					
Passed through South Jersey Transportation Planning Organization:					
Salem-Hancock's Bridge Road County Road #658	20.205	S0404		161,390.00	Project Completion
Salem Hancock's Bridge Road Phase I (CR 658)	20.205	10-DT-BLA-570		1,093,467.00	Project Completion
Salem Hancock's Bridge Road (CR 658) PE	20.205	STP-0132132(104) PE		208,600.00	Project Completion
Subregional Transportation Planning Program	20.205	Not available	9,600.00	Various	Project Completion
Resurfacing of Auburn Road - Pilesgrove Township	20.205	Not available		797,000.00	Project Completion
Repairing of the Oldmans Creek Trestle	20.205	Not available		188,295.00	Project Completion
SJTPO-Pennsville-Auburn Rd. County Road #551, Phase II	20.205	STP-B00S (193)		456,800.00	Project Completion
Pecks Corner-Cohansey Rd. Resurfacing, Cty. Rd. #540	20.205	STP-B00S (192)		509,000.00	Project Completion
Kings Highway, County Rd #620, Phase IV-B, Mannington Township	20.205	STP-A00S (933)		432,450.00	08/09/05 8/31/07

Continued

Balance Dec. 31, 2010	Receipts or Revenue Recognized	Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2011	(Memo Only)	
						Cash Received	Accumulated Expenditures
\$ 5,609.08 99,000.00		(1) \$ 24,177.92		\$ 24,177.92	\$ 5,609.08 99,000.00		\$ 141,390.92
104,609.08		24,177.92		24,177.92	104,609.08		141,390.92
237,482.18 23,389.07 4,853.25	\$ 901,292.00 4,911.00 21,000.00 36,700.00	(1) 217,048.98	\$ 1,019,888.57 3,911.00 14,724.55	129,793.73	206,140.86 24,389.07 6,275.45 41,553.25	\$ 1,181,935.00 30,075.25	7,120,732.14 681,188.93 14,724.55 28,333.75
865,550.39	418,188.00	(1) 1,118.88	449,965.17	4.00	834,888.10	547,940.00	5,276,312.90
1,131,274.89	1,382,091.00	218,167.86	1,488,489.29	129,797.73	1,113,246.73	1,759,950.25	13,121,292.27
674,986.96		(2) (500,000.00)	105,275.66		69,711.30	105,275.66	730,288.70
9,128.60	13,000.00	(1) 1,087.00	14,563.60		8,652.00	7,585.00	66,348.00
112,570.20					112,570.20		17,908.80
353,064.89 225,061.77 91,207.59				5,679.75	347,385.14 225,061.77 91,207.59		361,955.86 36,958.23 170,812.41
781,904.45	-	-	-	5,679.75	776,224.70	-	587,635.30
	10,000.00		10,000.00		-	10,000.00	10,000.00
101,845.19					101,845.19		51,742.81
16,635.50 4,347.08 99,640.18 7,141.32 199,595.70 242,952.17 204,216.51	61,708.00	(3) 34,197.25	16,635.50 161,348.07 187.31 130,418.03 210,041.88 204,158.31		- 4,347.08 0.11 41,151.26 233,874.67 214,639.29 249,138.20	16,635.50 157,348.07 187.31 130,418.03 210,041.88 212,065.31	98,186.00 210,935.92 334,847.89 30,140.74 1,182,880.33 1,128,101.71 1,344,806.80
876,373.65	657,214.00	34,197.25	722,789.10	-	844,995.80	726,696.10	4,381,642.20
161,390.00			161,390.00		-		
1,093,467.00			768,036.10	50,518.49	274,912.41		818,554.59
208,600.00			160,747.10	47,852.90	-		208,600.00
94,711.80	48,000.00	(1) 324.20		324.20	142,711.80	14,400.50	121,288.20
7,507.86					7,507.86		789,492.14
20,950.00					20,950.00		188,295.00
110,269.48					110,269.48		346,530.52
164,478.31					164,478.31		344,521.69
91,972.32					91,972.32		340,477.68

Continued

COUNTY OF SALEM  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2011

<u>SCHEDULE A</u>					
<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal C.F.D.A.</u>	<u>County Grant No./ Pass Through Number</u>	<u>Matching Contributions</u>	<u>Program or Award Amount</u>	<u>Grant Period From To</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION (CONT'D)</u></b>					
Passed through South Jersey Transportation (Cont'd)					
Planning Organization (Cont'd):					
SJTPO-Salem County					
Roadway Striping Prog.	20.205	STP-0150(103)CON		\$ 542,150.00	Project Completion
SJTPO-Salem County Roadway					
Striping Prog., Phase II	20.205	STP-BOOS (8840)		243,830.00	Project Completion
SJTPO-Pennsville-Auburn Rd.					
County Road #551, Phase II	20.205	STP-0156(103)CON		780,000.00	Project Completion
SJTPO-Pennsville-Auburn Rd.					
County Road #551, Phase III	20.205	STP-0156 (104)		436,540.00	Project Completion
Pointer- Road CR 540 Phase I	20.205	STP-C00S-127		1,067,033.00	Project Completion
Harmersville-Pecks Road					
County Road 667, Phase II (ARRA)	20.205	10-DT-BLA-521		838,085.00	Project Completion
Railroad Replacement Project					
Phase IV	20.320	DTFR53-08-G-00010		1,750,000.00	07/01/10 06/30/11
SJTPO-Salem County Safety					
Projects in Pennsville & Upper Pittsgrove Twp.	20.205	STP-3001(106)CON		136,918.00	Project Completion
SJTPO-Salem County Safety					
Projects in Penns Grove Twp.	20.205	STP-3012 (104)		231,800.00	Project Completion
Federal Aid - Commisssioner's					
Pike, County Road #581, Phase II	20.205	STP-0147 (109)		1,010,300.00	Project Completion
Rail Track Replacement - Swedesboro to					
Salem Port - Phase IV	20.320	FR-LRI-0024-11-01-00	\$ 188,889.00	1,700,000.00	Project Completion
<b><u>N.J. DEPARTMENT OF COMMUNITY AFFAIRS</u></b>					
Small Cities Block Grant	14.228	8020-100-022-8020-078-F292-6120		220,000.00	01/01/03 03/31/05
<b><u>N.J. DEPARTMENT OF ENVIRONMENTAL PROTECTION</u></b>					
Stormwater Regulation	66.463	WQ04-480		Various	Various
Wastewater Management Plan (ARRA)	66.454	09-100-042-4801-504-6110		117,600.00	05/01/09 06/01/11
<b><u>N.J. DEPARTMENT OF LAW AND PUBLIC SAFETY</u></b>					
Sobriety Checkpoint and Saturation					
Patrol Project Grant	20.600	AL08-07-07-11		72,300.00	10/01/05 10/31/06
Salem County Driver Safety & Education					
	20.600	CP 10-08-01-12		34,600.00	10/01/10 10/30/11
State Homeland Security Grant Program					
	97.067	Various		Various	Various
FEMA-Emergency Management Grant					
	97.042	Not available		5,000.00	01/01/06 12/31/06

**Total Federal Financial Assistance**

**Summary:**

Liquidation of Prior Year Encumbrances  
Disbursed  
Reimbursement of Prior Year Expenditures  
Current Year Encumbrances  
  
Current Year Expenditures

**Adjustments are for:**

- (1) Liquidation of Prior Year Encumbrances
- (2) Canceled By Resolution
- (3) Reallocate prior year expenditures

The accompanying Notes to Financial Statements and the Schedules of Expenditures for Federal and State Financial Assistance are an integral part of this schedule.

Balance Dec. 31, 2010	Receipts or Revenue Recognized	Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2011	(Memo Only)	
						Cash Received	Accumulated Expenditures
\$ 256,753.77					\$ 256,753.77		\$ 285,396.23
305,326.23		(1) \$ 37,541.80	\$ 37,039.62		305,828.41	\$ 91,831.59	723,981.59
286,673.85		(1) 7,369.10	7,369.10	\$ 7,369.10	279,304.75		500,695.25
569,272.62		(1) 34,266.85		34,266.85	569,272.62		1,083,807.38
1,067,033.00				867,256.95	199,776.05		
257,480.50		(1) 117,353.67	77,709.14	39,644.53	257,480.50		580,604.50
26,450.00		(1) 1,723,550.00	1,723,550.00		26,450.00		1,723,550.00
36,104.22					36,104.22		100,813.78
65,685.80					65,685.80	38,114.20	303,032.20
417,646.52					417,646.52	417,653.48	729,571.48
	\$ 1,888,889.00		1,444,093.62	444,795.38	-		1,888,889.00
5,241,773.28	1,936,889.00	\$ 1,920,405.62	4,379,934.68	1,492,028.40	3,227,104.82	556,999.77	11,078,101.23
106,751.76					106,751.76	500,000.00	157,248.24
2,972.63					2,972.63		17,027.37
5,685.20		(1) 21,644.96	26,422.40	907.16	0.60	40,837.76	117,599.40
8,657.83	-	21,644.96	26,422.40	907.16	2,973.23	40,837.76	134,626.77
2,926.06					2,926.06		69,373.94
	34,600.00		6,722.20		27,877.80	5,572.59	6,722.20
333,581.72	434,393.62	(1) 101,673.12	249,221.11	232,929.20	387,498.15	400,207.31	4,928,013.14
6,126.89					6,126.89		144.00
342,634.67	466,993.62	101,673.12	255,943.31	232,929.20	424,428.90	405,779.90	5,004,253.28
\$ 9,278,095.17	\$ 4,468,187.62	\$ 1,821,353.73	\$ 7,003,418.04	\$ 1,885,520.16	\$ 6,678,698.32	\$ 4,113,124.44	\$ 35,412,826.91
			\$ (2,287,156.48)				
			6,842,028.04				
			161,390.00				
			1,885,520.16				
			\$ 6,601,781.72				
		\$ 2,287,156.48					
		(500,000.00)					
		34,197.25					
		\$ 1,821,353.73					

**COUNTY OF SALEM**  
 Schedule of Expenditures of State Financial Assistance  
 For the Year Ended December 31, 2011

<u>SCHEDULE B</u>							
<u>State Funding Department/Program Title</u>	<u>State G.M.I.S. No.</u>	<u>County Grant No.</u>	<u>Matching Contributions</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		
					<u>From</u>	<u>To</u>	
<b><u>DEPARTMENT OF AGRICULTURE</u></b>							
Right to Farm Activities Grant	3380-100-010-3380-016			Various	01/01/02	12/31/02	
<b><u>DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT</u></b>							
Oldmans Township Economic Development Project	2800-570-020-2800-001-EEEE-6110			\$ 5,000,000	Project Completion		
<b><u>NEW JERSEY COMMISSION ON SCIENCE AND TECHNOLOGY</u></b>							
Salem County 9-1-1 Coordinator	2034-100-082-5570-050-U0AB-6110			Various	Various		
OETS 911 Funding Grant	2034-100-082-5570-035-U222-6110			Various	Various		
<b><u>DEPARTMENT OF COMMUNITY AFFAIRS</u></b>							
Cross Acceptance	Not Available			33,538.05	Prior Year		
TASE - Tobacco Age Sale Enforcement Program	4240-100-046-4213-130-J002-6110			Various	Various		
Old Salem Courthouse Phase II	Not Available	2008.2025	125,000.00	250,000.00	08/06/09	08/06/14	
County Disaster Liaison	Not Available			2,500.00	05/01/07	08/31/07	
SCBG - ADA Grant Agreement #08-2115-00 Johnson Building	2008-02292-2115-00		\$ 36,000.00	150,000.00	04/01/08	09/30/09	
<b><u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u></b>							
County Environmental Health Act	98-100-042-4855-075		130,208.00	Various	Various		
CEHA - Cleanup Gates Tire Recycling	GO #4855 8000 665			400,000.00	01/01/09	12/31/09	
Salem County Waste Management Program	RP09-015			45,000.00	01/01/11	12/31/12	
Mannington Township Waste Management Program Chapter	RP09-015			30,000.00	01/01/11	12/31/12	
East Lake Road Bridge	Not Available	#1700455		788,900.00	Project Completion		
Wastewater Management Plan	09-100-042-4850-118-6110			100,000.00	12/31/09	12/31/11	
PSFASC Wastewater Management Plan	Not Available			190,000.00	12/31/10	12/31/12	
Watershed Project	4801-100-042-4801-VB78-6110			101,000.00	01/01/00	12/31/04	
<b><u>DEPARTMENT OF HEALTH</u></b>							
TANF	100-054-7550-121			Various	Various		
TANF-Work Verification	100-054-7550-121			Various	Various		
Work First New Jersey - TANF Work Activities	100-054-7550-121			Various	Various		
TANF - Case Management	100-054-7550-121			Various	Various		
New Jersey Smart Steps	100-054-7550-121			Various	Various		
General Assistance	100-054-7550-121			Various	Various		
Work First New Jersey-GA/FS Work Activities	100-054-7550-121			Various	Various		
Work First New Jersey-GA/FS Case Management	100-054-7550-121			Various	Various		
Disability Program Navigator	100-054-7550-121			14,025.00	07/01/09	06/30/10	
Work First New Jersey-CAPV & EEI & Food Stamps	100-054-7550-121			Various	Various		
Right to Know	4230-100-046-442-105-J002-6110			Various	Various		
Cancer Education/Early Detection	4220-100-046-4533-329-J002-6140		18,333.00	Various	Various		
Medical Reserve Support	Not Available			Various	Various		
State Health Insurance Assistance Program (SHIP)	DACS11SHPO08			22,000.00	04/01/11	03/31/12	
MIPPA Outreach & Enrollment	DACS11MPA003			40,000.00	04/01/11	03/31/12	
Healthy Communities Initiative	Not Available			50,000.00	07/01/09	06/30/14	
Healthy Heart Cholesterol Screening Contract							
County Mental Health Board Planning							
Development and Administration	Not Available			Various	Various		
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	05-539-ADA-00		246,041.00	01/01/05	12/31/05	
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	06-539-ADA-00		240,213.00	01/01/06	12/31/06	
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	07-539-ADA-00		247,240.00	01/01/07	12/31/07	
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	08-539-ADA-00		272,697.00	01/01/08	12/31/08	
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	09-539-ADA-00	19,755.00	247,897.00	01/01/09	12/31/09	
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	00-582-ADA-00		268,786.00	01/01/10	12/31/10	
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	00-582-ADA-00	18,127.00	239,761.00	01/01/11	12/31/11	
Early Intervention Program	4575-110-6140			Various	Various		
Early Intervention Program	4575-110-6140	06-161-EIP-L-3		106,182.00	01/01/06	12/31/06	
Early Intervention Program and Case Management	4575-110-6140			126,500.00	01/01/07	12/31/07	
Early Intervention Program	4575-110-6140	10-351-SCH-L-0		66,375.00	07/01/09	06/30/10	
EIP Additional	4575-110-6140			1,500.00	01/01/07	12/31/07	
Special Child Health and Early Intervention	FGH-2011-EIP Case Management-0020			54,880.00	07/01/10	06/30/11	
Mental Health Administration	Not Available			12,000.00	01/01/10	12/31/10	
Early Intervention Program - Case Management	4575-110-6140	09-129-SCH-L-1	70,760.00	Various	Various		
Comprehensive Cancer Control Plan	4230-100-046-4753-434-J002-6120	06-57-CCC-L-2		Various	Various		

Balance Dec. 31, 2010	Receipts or Revenue Recognized	Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2011	(Memo Only)	
						Cash Received	Accumulated Expenditures
\$ 14,527.15					\$ 14,527.15		
558,284.72					558,284.72		\$ 4,441,715.28
3,505.72		(1) \$ 1,825.87	\$ 1,142.87		4,188.72		45,811.28
79.39		(1) 25,669.37	25,669.37		79.39		107,142.61
3,585.11	-	27,495.24	26,812.24	-	4,268.11	-	152,953.89
27,076.10					27,076.10		6,461.95
22,150.03					22,150.03		44,569.97
2,500.00	\$ 375,000.00		375,000.00		-		375,000.00
186,000.00			56,934.85	\$ 45,990.89	83,074.26		102,925.74
237,726.13	375,000.00	-	431,934.85	45,990.89	134,800.39	-	528,957.66
114,308.13	312,633.00	(1) 43,289.77	203,881.15	24,518.50	241,831.25	\$ 75,847.00	2,719,935.50
226,996.16	45,000.00				226,996.16		173,003.84
-	30,000.00				45,000.00		-
-	788,900.00			788,900.00	30,000.00	788,900.00	788,900.00
6,435.40		(1) 53,933.00	60,368.40		-	-	217,600.00
103,500.00		(1) 85,385.18	119,953.40	68,931.78	-	147,031.40	190,000.00
46,460.00					46,460.00		54,540.00
497,699.69	1,176,533.00	182,607.95	384,202.95	882,350.28	590,287.41	1,011,778.40	4,143,979.34
249,969.25					249,969.25		595,929.75
13,305.00	12,573.00		12,315.43		13,562.57	12,315.43	58,416.43
292,213.39	364,303.00		447,204.29		209,312.10	385,732.87	1,682,605.90
74,918.00	66,507.00	(2) (7,053.00)	95,545.00		38,827.00	85,976.00	378,895.00
6.00					6.00		88,347.00
175,972.97	198,815.00		198,907.02		175,880.95	152,898.53	786,284.05
28,728.32					28,728.32	90,671.66	57,480.68
41,628.00	35,086.00		53,866.00		22,848.00	42,139.00	209,921.00
4,118.00	8,759.00		9,346.00		3,531.00	9,346.00	19,253.00
63,032.84	12,573.00	(2) 7,053.00	1,197.00		81,461.84	1,197.00	151,942.16
5,681.38	8,789.00		6,251.06		8,219.32	8,786.00	70,857.68
181,225.98	137,223.00	(1) 2,362.12	119,875.31		200,935.79	118,691.00	700,296.21
10,488.05	5,000.00		7,856.27		7,641.78	5,000.00	29,478.22
	22,000.00		11,102.17	80.02	10,817.81		11,182.19
	40,000.00		19,429.56	1,708.14	18,862.30	30,000.00	21,137.70
	50,000.00		10,546.44	2,669.81	36,783.75	20,000.00	13,216.25
5,421.94					5,421.94		18,578.06
8,128.56					8,128.56		256,942.44
5,509.71					5,509.71		254,947.29
10,068.97					10,068.97		257,316.03
300.94					300.94		272,396.06
24,819.98		(2) 5,348.00			30,167.98		237,484.02
24,851.70		(1)(2) 77,253.98	74,449.09		27,656.59	209,707.00	241,129.41
20,746.39	257,888.00		168,600.13	46,661.87	42,626.00	42,291.00	215,262.00
1,009.63					20,746.39		98,657.61
17,385.23					1,009.63		116,652.37
13,884.37					17,385.23		120,594.77
1,500.00					13,884.37		123,290.63
39,707.98					1,500.00		
12,000.00	12,000.00	(1) 51.99	33,560.55		6,199.42		48,680.58
81,938.45	54,880.00		6,182.40		12,000.00		12,000.00
62,419.29	50,000.00	(1)(4) 16,644.00	23,974.84		130,636.05	33,189.00	33,003.95
1,470,990.32	1,336,396.00	101,660.09	1,312,208.56	51,119.84	1,545,718.01	1,290,170.49	7,499,889.99

(Continued)

**COUNTY OF SALEM**  
 Schedule of Expenditures of State Financial Assistance  
 For the Year Ended December 31, 2011

<b>SCHEDULE B</b>		<b>County</b>	<b>Matching</b>	<b>Program or</b>	<b>Grant Period</b>	
<b>State Funding Department/Program Title</b>	<b>State G.M.I.S. No.</b>	<b>Grant No.</b>	<b>Contributions</b>	<b>Amount</b>	<b>From</b>	<b>To</b>
<b>DEPARTMENT OF HUMAN SERVICES</b>						
Election Assistance to Individuals with Disabilities	08ELEC012AID			39,500.34	01/01/08	12/31/08
Family Court	7570-100-054-7570-064	SCP-08-PM-17		Various	Various	
Seven Steps to Freedom	11-7800-7020			19,811.00	01/01/10	12/31/10
NJ Department of Human Services FFY 2010 IV-D	7550-215-152301-609-009-21123			354,398.77	10/01/10	09/30/11
PASP Supplemental Funding Grant	7570-100-054-7570-361-LLLL-6130	06AMSS		12,832.00	06/01/06	12/31/06
PASP - Personal Attendant Services	7570-100-054-7570-361-LLLL-6130	06AMSS		Various	Various	
<b>DEPARTMENT OF LABOR</b>						
Passed Through the County of Cumberland:						
Workforce Development Partnership Program	Not Available			Various	Various	
Workforce Development Staff and Fringe Benefits	Not Available			45,213.00	07/01/02	06/30/03
<b>DEPARTMENT OF LAW AND PUBLIC SAFETY</b>						
Prosecutor Insurance Fraud Reimbursement	Not Available			Various	Various	
Safe Roadways Project Grant	PT-07-03-04-10			Various	Various	
Sobriety Checkpoint and DWI Education	1160-100-066-1160-036-YHTS-6010			Various	Various	
Community Justice Grant	1020-100-066-1020-304-YOPR-6010			Various	01/01/03	12/31/03
Community Justice Grant	1020-100-066-1020-304-YOPR-6010	JAG-3-12-06	\$ 25,000.00	Various	Various	
Community Traffic Safety Program	1020-100-066-1020-304-YOPR-6010			Various	Various	
Salem County Safe Roadways Grant	AL-10-10-04-132			63,000.00	10/01/09	09/30/10
Drunk Driving Enforcement Fund	6400-100-078-6400			6,500.00	07/01/10	06/30/12
Title V Delinquency Prevention Program	1500-209-994570			149,997.00	09/01/10	09/30/11
Youth Service Commission	1500-100-066-1500-121-YSAC-6010			Various	Various	
JABG Funds - Juvenile Justice Commission	1500-209-343010		1,081.00	Various	Various	
Local Law Enforcement Block Grant Program	1020-100-066-1020-261-YOPR-6010			Various	Various	
Juvenile Assistance Grant Program - Megan's Law	1020-100-066-1020-261-YOPR-6010		1,285.00	Various	Various	
Justice Assistance Grant - Megan's Law			5,033.00			
Justice Assistance Grant (JAG)	JAG-1-39TF-05			87,340.00	01/01/07	12/31/07
Reserve for Emergency Services Grant	1200-100-066-1200-850-YENR-6110			4,000.00	01/01/03	12/31/05
Prosecutor Victim and Witness Advocacy	VWAFPS2-17			19,077.00	11/01/10	04/30/12
Prosecutor Victim and Witness Advocacy	VWAFPS-17			21,600.00	11/08/08	04/30/10
Body Armor Replacement - Sheriff	1020-718-066-1020-001			Various	Various	
Body Armor Replacement - Prosecutor	1020-718-066-1020-001			Various	Various	
COPS in Shops	100-066-1400-014-6106-5108			Various	06/01/06	05/31/08
Project Lifesaver	2007001			82,150.00	06/01/07	06/01/09
Diversity Partner Coalition OP-03-45-0203	1160-100-066-1160-113-YHTS-6010			Various	Various	
Division of State Police - Emergency Services				285,000.00	05/01/01	09/30/03
(2) Decontamination Trailers	1200-100-066-1200-634-YEMR-6010			63,057.80	01/01/08	12/31/08
K-9 Unit Program	Not Available					
State Homeland Security Grant Program - Explosive Detecting Canine Initiative	Not Available			57,142.00	07/01/03	04/30/05
Terrorism Exercise Grant	Not Available			5,000.00	01/01/02	12/31/02
Division of Highway Traffic Safety-Salem Comprehensive Child Passenger Safety Program	1160-100-066-1160-113-YHTS-6120	OP-05-45-01-33		Various	Various	
Reflections on Justice Grant	2010-20-HFG			500.00	01/01/10	12/31/10
NJ Sex Offender Internet Registry	ML 17-06			4,650.00	01/01/08	12/31/08
<b>DEPARTMENT OF STATE</b>						
New Jersey State Council of the Arts Block Grant	2530-100-074-2530-032-S003-6130			Prior Year	01/01/02	12/31/02
Local Arts Program	2530-100-074-2530-032-S003-6130			Various	Various	
New Jersey History Grant	2540-100-074-2540-105-S003-610			Various	01/01/03	12/31/03
Historical Commission Grant	08 HIST 166 AGO			Various	Various	
Public Archives & Records Infrastructure Support (PARIS) Gra	2545-100-074-2545-033-S003-6110	05170001		Various	Various	
<b>DEPARTMENT OF TREASURY</b>						
Governor's Council on Alcoholism and Drug Abuse				137,783.00	Various	
Alliance to Prevent Alcoholism and Drug Abuse	2000-100-082-C001-044-0999-6010					
<b>OFFICE OF EMERGENCY TELECOMMUNICATIONS SERVICES</b>						
Emergency Management Performance Grant (EMPG)	Not Available		21,400.00	Various	Various	
Office of Emergency Telecommunications Services (OETS)	06-G-17-059			60,000.00	07/01/06	06/30/07
Enhanced 911 General Assistance and Equipment Grant	2034-100-082-SBE7-00AB-6120			60,000.00	01/01/07	12/31/07
<b>OFFICE OF HOMELAND SECURITY AND PREPAREDNESS</b>						
New Jersey Data Exchange	NJ-DEX			146,895.64	01/01/09	12/31/09

Balance Dec. 31, 2010	Receipts or Revenue Recognized		Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2011	(Memo Only)	
							Cash Received	Accumulated Expenditures
\$ 25,628.61						\$ 25,628.61		\$ 13,871.73
8,438.00	\$ 101,878.00	(1)	\$ 39,878.00	\$ 98,233.00	\$ 6,880.00	45,081.00	\$ 54,718.00	460,800.00
17,811.00				17,761.71		49.29		19,761.71
354,398.77						354,398.77		
28.92						28.92		12,803.08
81,202.83	132,847.00	(1)	24,284.00	115,960.12	14,655.66	107,718.05	121,776.41	816,741.95
<u>487,508.13</u>	<u>234,725.00</u>		<u>64,162.00</u>	<u>231,954.83</u>	<u>21,535.66</u>	<u>532,904.64</u>	<u>176,494.41</u>	<u>1,323,978.47</u>
6,377.25	8,485.00			6,405.00		8,457.25	6,405.00	46,417.75
1,190.56						1,190.56		30,201.44
<u>7,567.81</u>	<u>8,485.00</u>		<u>-</u>	<u>6,405.00</u>	<u>-</u>	<u>9,647.81</u>	<u>6,405.00</u>	<u>76,619.19</u>
401,568.27	108,845.00			42,000.42		468,412.85	97,230.12	806,604.15
12,478.20						12,478.20		221,971.80
19,120.00						19,120.00		17,000.00
8,501.99						8,501.99		102,978.01
74,414.80						74,414.80		125,585.20
40,433.03						40,433.03		52,293.97
200.00	20,000.00			19,400.00		800.00	19,900.00	62,200.00
967.26	3,500.00			967.26		3,500.00	3,500.00	3,000.00
149,997.00	184,631.00			207,596.19		127,031.81	287,340.00	207,596.19
40,075.05	204,430.00	(1)	27,793.72	182,804.49	6,882.24	82,612.04	71,699.94	932,371.96
806.00	11,838.00	(1)	3,054.00	11,703.28		3,994.72	10,581.00	41,333.28
13,115.49						13,115.49		35,601.75
11,841.85						11,841.85		15,123.15
	5,033.00					5,033.00	3,775.00	-
52,354.97	136,263.00					188,617.97	12,153.98	122,325.03
213.69						213.69		3,786.31
	19,077.00				1,695.00	17,382.00		1,695.00
3,240.34	116,645.00			67,098.12		52,787.22	48,335.00	85,457.78
18,445.38				3,120.00		12,200.68		37,790.45
3,180.42					3,144.15	36.27		12,896.57
7,395.80						7,395.80		4,604.20
29.60						29.60		82,120.40
6,357.94						6,357.94		63,642.06
10.00						10.00		284,990.00
23.04						23.04		63,034.76
117.28						117.28		57,024.72
1,669.74						1,669.74		3,330.26
26,222.09	12,000.00			5,855.97	100.00	32,266.12	8,068.37	17,277.88
250.00						250.00		
1,033.17						1,033.17		3,616.83
<u>894,062.40</u>	<u>822,262.00</u>		<u>30,847.72</u>	<u>540,545.73</u>	<u>14,946.09</u>	<u>1,191,680.30</u>	<u>562,583.41</u>	<u>3,467,251.71</u>
1,012.00				1,012.00		-		58,703.00
98,208.11	43,529.00			41,221.25		100,515.86	43,046.00	673,894.14
9,121.20						9,121.20		24,878.80
500.30	13,759.00	(1)	1,924.70	15,683.70		500.30	13,759.00	58,150.70
442,704.36						442,704.36	5,572.34	2,689,175.64
<u>551,545.97</u>	<u>57,288.00</u>		<u>1,924.70</u>	<u>57,916.95</u>	<u>-</u>	<u>552,841.72</u>	<u>62,377.34</u>	<u>3,504,802.28</u>
26,397.14	137,783.00	(1)	108,860.14	121,714.55	30,195.66	121,130.07	172,022.31	1,118,916.93
94,290.60				4,586.00		89,704.60	71,400.00	33,095.40
6,450.47						6,450.47		53,549.53
3,448.74						3,448.74		56,551.26
<u>104,189.81</u>	<u>-</u>		<u>-</u>	<u>4,586.00</u>	<u>-</u>	<u>99,603.81</u>	<u>71,400.00</u>	<u>143,196.19</u>
<u>146,895.69</u>	<u>-</u>		<u>-</u>	<u>4,586.00</u>	<u>-</u>	<u>146,895.69</u>	<u>146,895.59</u>	<u>146,895.59</u>

(Continued)

**COUNTY OF SALEM**  
 Schedule of Expenditures of State Financial Assistance  
 For the Year Ended December 31, 2011

<b>SCHEDULE B</b>						
<u>State Funding Department/Program Title</u>	<u>State G.M.I.S. No.</u>	<u>County Grant No.</u>	<u>Matching Contributions</u>	<u>Program or Award Amount</u>	<u>Grant Period From To</u>	
<b>DEPARTMENT OF TRANSPORTATION</b>						
Pass Through State to NJ Transit:						
Senior Citizen and Disabled Transportation Program	N.J. Transit Corp.			Various	Various	
FTA Small Urban & Rural Area Public Transportation	N.J. Transit Corp.		\$ 68,397.00	Various	Various	
Vehicular Homicide/Serious Injury Unit	1160-100-006-1160-036-YHTS-6010			Various	Project Completion	
State Aid Highway Projects:						
2011 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,823,000.00	Project Completion	
2010 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			2,582,000.00	Project Completion	
2009 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,823,000.00	Project Completion	
2008 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,818,000.00	Project Completion	
2006 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,478,000.00	Project Completion	
2005 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,478,000.00	Project Completion	
2002 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,478,000.00	Project Completion	
Local Bridges, Future Needs - Kings Highway, CR #620	09-480-078-6320-AKD-6010			1,100,000.00	Project Completion	
Salern County Road Realignment & Reconstruction	Not Available			750,000.00	Project Completion	
SJTPO - Reconstruction of Kelly's Saw Mill Bridge	Not Available			989,036.00	Project Completion	
Replacement of Websters Mill Bridge				1,000,000.00	Project Completion	
Short Line Track Rehabilitation	2204790		150,000.00	1,350,000.00	Project Completion	
Railroad Improvement Project				3,000,000.00	Project Completion	
Railroad Improvement Project, Phase 2	Not Available			1,701,875.00	Project Completion	
<b>OTHER STATE PROGRAMS</b>						
CHLP Grant for Seminar	Not Available			7,500.00	01/01/07	12/31/07
NJ Build	Not Available			380.00	07/01/06	06/30/07
Sharing Available Resources Efficiently (SHARE)	07-148-WIC-L-0			59,847.00	01/01/08	12/31/08
SHARE - COUNT Coordinator	2009-046651771-00		600.00	97,750.00	07/01/09	12/31/10
War Veterans Cemetary and Park Grant	Not Available			10,000.00	Various	
Cooperative Marketing Grant	11-100-074-2539-005-6130	11TRAV220ACM		14,985.00	04/26/11	06/30/12
SCIA - Admin/Economic Development Plan	Not Available			211,175.00	Various	
SCIA - Nursing Home Division Support	Not Available			122,986.00	Various	
SCIA - Nursing Home - Residential Ramp Installation	Not Available			45,000.00	Various	
Senlor Farmers' Market Nutrition Program	Not Available			Various	Various	
RERP	Not Available			Various	Various	
<b>Total State Financial Assistance</b>						
<b>Summary:</b>						
Liquidation of Prior Year Encumbrances						
Disbursed						
Current Year Encumbrances						
<b>Current Year Expenditures</b>						
<b>Adjustments are:</b>						
(1) Liquidation of Prior Year Encumbrances						
(2) Reallocate prior year expenditures						
(3) Reimbursement						
(4) Canceled by Resolution						

The accompanying Notes to Financial Statements and the Schedules of Expenditures for Federal Awards and State Financial Assistance are an integral part of this schedule.

Balance Dec. 31, 2010	Receipts or Revenue Recognized	Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2011	(Memo Only)		
						Cash Received	Accumulated Expenditures	
\$ 565,558.50	\$ 576,100.24	(1)	\$ 101,682.98	\$ 568,633.33	\$ 107,551.43	\$ 567,156.96	\$ 645,138.48	\$ 5,679,931.50
664,594.00	304,104.00	(1)	24,000.00	125,354.71		867,343.29	92,957.25	307,833.71
161,284.32						161,284.32		53,475.68
	1,823,000.00			116.34		1,134,703.14	1,823,000.00	688,296.86
-		(1)	2,582,000.00	2,379,701.27	202,298.73	-	-	2,582,000.00
569,222.94		(1)	164,112.32		733,335.26	-	-	3,641,000.00
1,042.72		(1)	269,077.93	257,707.48	12,413.17	-	-	1,818,000.00
37,292.11				37,292.11		-	-	1,478,000.00
28,205.50		(1)	552.05	28,757.55		-	-	1,478,000.00
-		(1)	115,240.46	115,240.46		-	-	1,478,000.00
73,501.35		(1)(3)	23,616.40	1,496.40		95,621.35	929,558.65	1,004,378.65
100,650.00						100,650.00		649,350.00
97,240.80						97,240.80		1,089,795.20
	1,000,000.00			752,962.38	247,037.62	-	750,000.00	1,000,000.00
93,801.00				76,210.00		17,591.00	1,400,072.50	1,563,409.00
298,915.00		(1)	85,880.17			384,795.17		2,915,204.83
1,898.80						1,898.80		1,699,976.20
<u>2,693,207.04</u>	<u>3,703,204.24</u>		<u>3,366,162.31</u>	<u>4,343,472.03</u>	<u>1,990,816.73</u>	<u>3,428,284.83</u>	<u>5,640,726.88</u>	<u>29,126,651.63</u>
3,026.56						3,026.56		4,473.44
380.00						380.00		-
1,737.00		(1)	27,370.00		27,370.00	1,737.00		85,010.00
52,344.19		(1)	312.30	5,549.02	250.00	46,857.47	23,016.56	111,339.53
	6,099.59					6,099.59		-
	14,985.00					14,985.00	11,988.00	-
	211,175.00					211,175.00		-
	112,986.00					112,986.00		-
	45,000.00			42,145.17		2,854.83	45,000.00	42,145.17
1.50	1,000.00	(1)	198.50	1,198.50		1.50	1,000.00	4,998.50
268,930.64	426,816.04	(1)	2,758.50	182,219.77		516,285.41	175,989.90	678,561.93
<u>326,419.89</u>	<u>818,061.63</u>		<u>30,639.30</u>	<u>231,112.46</u>	<u>27,620.00</u>	<u>916,388.36</u>	<u>256,994.46</u>	<u>926,528.57</u>
<u>\$ 8,020,607.00</u>	<u>\$ 8,669,737.87</u>		<u>\$ 3,914,359.45</u>	<u>\$ 7,692,866.15</u>	<u>\$ 3,064,575.15</u>	<u>\$ 9,847,263.02</u>	<u>\$ 9,397,848.29</u>	<u>\$ 56,602,336.72</u>
				(3,917,919.45)				
				7,689,226.15				
				<u>3,064,575.15</u>				
				<u>\$ 6,835,881.85</u>				
				\$ 3,917,919.45				
				-				
				3,640.00				
				<u>(7,200.00)</u>				
				<u>\$ 3,914,359.45</u>				

**COUNTY OF SALEM**  
**Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance**  
**For the Year Ended December 31, 2011**

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Note 1: **GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the County of Salem, State of New Jersey. The County is defined in the Notes to the Financial Statements, Note 1.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

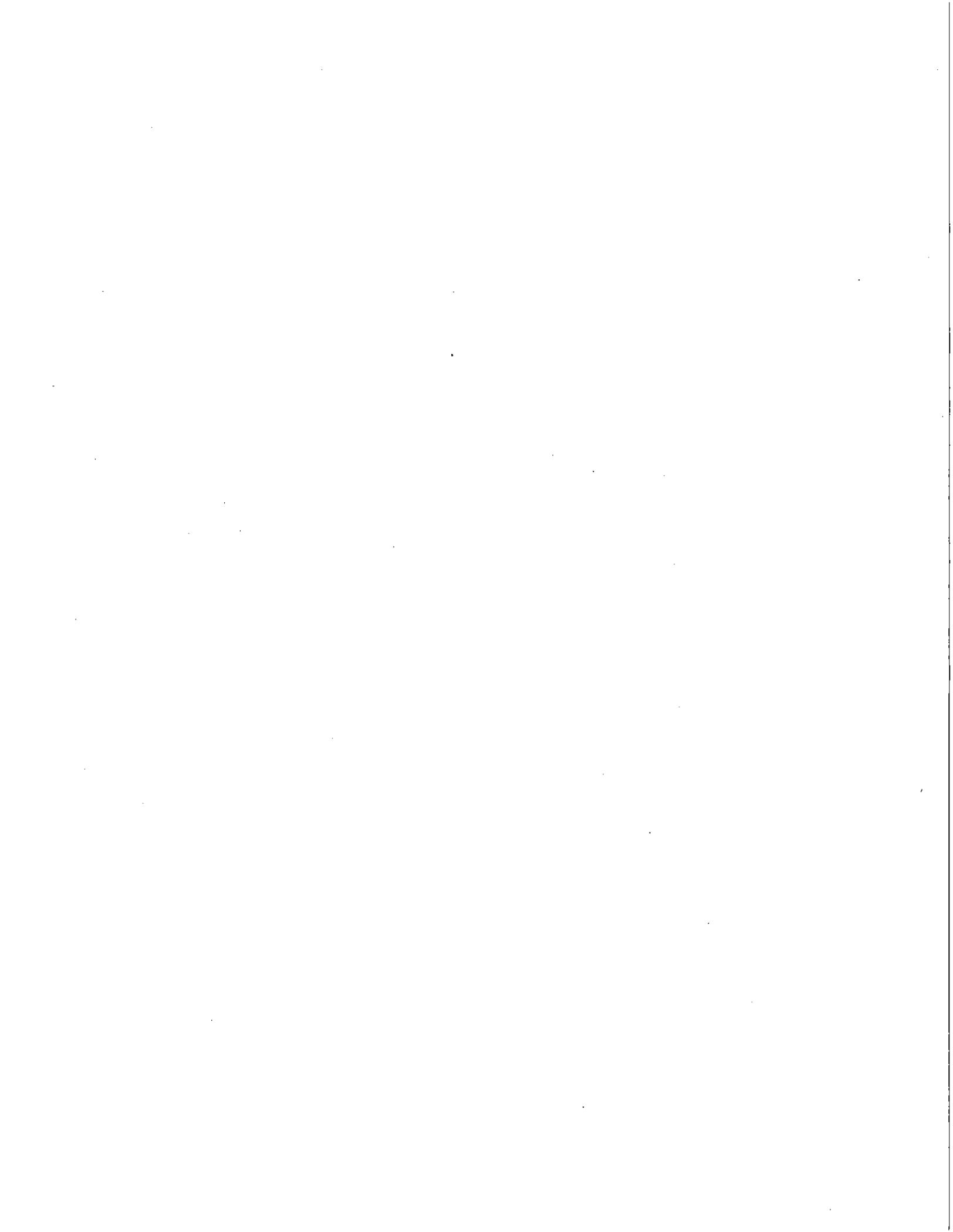
Amounts reported in the accompanying schedules agree with amounts reported in the County's financial statements. Expenditures from awards are reported in the County's financial statements as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	<u>\$6,601,781.72</u>	<u>\$6,835,881.85</u>	<u>\$13,437,663.57</u>

Note 4: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs

**COUNTY OF SALEM**  
**PART 3**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**



**COUNTY OF SALEM**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2011**

*Section 1- Summary of Auditor's Results*

**Financial Statements**

Type of auditor's report issued Qualified

Internal control over financial reporting:

    Material weaknesses identified?  X  yes      no

    Were significant deficiencies identified that were not considered to be a material weakness?      yes  X  none reported

Noncompliance material to financial statements noted?  X  yes      no

**Federal Awards**

Internal control over compliance:

    Material weaknesses identified?      yes  X  no

    Were significant deficiencies identified that were not considered to be a material weakness?      yes  X  none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a))?  X  yes      no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>93.045</u>	<u>Area Planning Grant</u>
<u>93.283</u>	<u>Public Health Preparedness &amp; Response for Bioterrorism</u>
<u>17.258, 17.258 (ARRA), 17.259, 17.259 (ARRA), 17.260, 17.260 (ARRA), 17.207 &amp; 17.207 (ARRA)</u>	<u>Workforce Investment Act Cluster &amp; Workforce Investment Act Cluster (ARRA)</u>
<u>20.205 &amp; 20.205 (ARRA)</u>	<u>South Jersey Transportation Planning Organization Cluster &amp; South Jersey Transportation Planning Organization Cluster (ARRA)</u>
<u>20.320</u>	<u>Salem Branch Railroad Rehabilitation</u>
<u>97.067</u>	<u>State Homeland Security Grant</u>

Dollar threshold used to determine Type A programs \$ 300,000.00

Auditee qualified as low-risk auditee?      yes  X  no

**COUNTY OF SALEM**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2011**

*Section 1- Summary of Auditor's Results (Cont'd)*

**State Financial Assistance**

Internal control over compliance:

Material weaknesses identified? \_\_\_ yes X no

Were significant deficiencies identified that were not considered to be a material weakness? \_\_\_ yes X none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? \_\_\_ yes X no

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
100-54-7550-121	Work First New Jersey
N.J. Transit Corp.	Senior Citizens and Disabled Residents Transp. Assist Act
N.J. DEP	East Lake Road Bridge
N.J. DOT	Websters Mill Bridge
N.J. DOT	County Aid Improvement Program
4875-542-320010-60	New Jersey Historic Trust Grant - Old Salem Courthouse

Dollar threshold used to determine Type A programs \$ 300,000.00

Auditee qualified as low-risk auditee? \_\_\_ yes X no

COUNTY OF SALEM  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2011

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***Section 2- Schedule of Financial Statement Findings***

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

**Finding No. 2011-01**

**Criteria or Specific Requirement**

N.J.A.C.5:30-5.6 must be adhered to in order to properly maintain "The General Fixed Asset Group of Accounts". Proper internal controls should be developed to ensure that the fixed asset record is complete and accurate.

**Condition**

A fixed asset accounting and reporting system was not maintained in accordance with N.J.A.C.5:30-5.6. A fixed asset appraisal was not performed to update the fixed asset listing which was identified in prior years as being materially misstated.

**Context**

Without an updated fixed asset appraisal report the actual amount that should be recorded in the general fixed assets account group is not known.

**Effect**

Over/Understatement of assets would not be in compliance with the Technical Accounting Directive.

**Cause**

Lack of internal accounting control over the inspection and reporting of Fixed Assets.

**Recommendation**

That the fixed asset accounting and reporting system be reviewed for compliance with N.J.A.C.5:30-5.6 and that proper internal controls be developed to ensure accuracy of the system.

**View of Responsible Officials and Planned Corrective Action**

We concur with the finding and will adopt a corrective action plan as required by the Division of Local Government Services.

**COUNTY OF SALEM**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2011**

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***Section 3- Schedule of Federal Award Findings and Questioned Costs***

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

**Finding No. 2011-02**

**Information on the Federal Program**

Area Planning Grant (C.F.D.A. No. 93.045).

**Criteria or Specific Requirement**

In accordance with the Area Planning Grant guidelines, accrued expenditures must be liquidated within 30 days after the close of the contract period.

**Condition**

Encumbrances were not liquidated within 30 days after year end.

**Context**

A total of \$106,100.93 of encumbrances at December 31, were paid after the allowed 30-day period.

**Questioned Costs**

\$106,100.93

**Effect**

The grantor may disallow expenditures which are paid subsequent to the 30-day requirement period.

**Cause**

Unknown.

**Recommendation**

That all encumbrances be liquidated within 30 days upon the close of the contract period.

**View of Responsible Officials and Planned Corrective Action**

We concur with the finding and will adopt a corrective action plan as required by the Division of Local Government Services.

**COUNTY OF SALEM**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2011**

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***Section 4- Schedule of State Financial Assistance Findings and Questioned Costs***

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

**No Findings.**

**COUNTY OF SALEM**  
**Summary Schedule of Prior Year Audit Findings**  
**And Questioned Costs as Prepared by Management**

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This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 2010-01**

**Condition**

A fixed asset accounting and reporting system was not maintained in accordance with N.J.A.C.5:30-5.6. A material amount of assets selected for testing were not available for inspection. Such assets were previously disposed of but were not removed from the fixed asset register along with assets sold at the county auction. Furthermore, we inspected documents regarding the purchase of several assets that were omitted from the fixed asset register.

**Current Status**

This condition still exists as current year finding no. 2011-01.

**Planned Corrective Action**

The County is currently reviewing their procedures regarding the reporting of Fixed Assets.

**FEDERAL AWARDS**

**Finding No. 2010-02**

**Program**

Area Planning Grant (C.F.D.A. No. 93.045)

**Condition**

Encumbrances are not being liquidated within 30 days after year end.

**Current Status**

This condition still exists as current year finding no. 2011-02.

**Planned Corrective Action**

The County is currently reviewing their procedures as to the liquidation of outstanding encumbrances.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

No prior year findings

**COUNTY OF SALEM**  
**Officials in Office and Surety Bonds**

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>	
Lee R. Ware	Director of the Board of Chosen Freeholders	\$5,000,000	(A)
David Lindenmuth	Deputy Director of the Board of Chosen Freeholders Through 1/1/12	5,000,000	(A)
Beth Timberman	Freeholder	5,000,000	(A)
Bruce Bobbitt	Freeholder	5,000,000	(A)
Robert Vanderslice	Freeholder as of 1/1/12	5,000,000	(A)
Ben Laury	Freeholder	5,000,000	(A)
Julie Acton	Freeholder	5,000,000	(A)
Dale Cross	Freeholder	5,000,000	(A)
Earl Gage	Clerk of the Board/Administrator	200,000	(B)
Doug Wright	Chief Financial Officer/Treasurer	568,000	(D)
Gilda T. Gill	County Clerk	50,000	(C)
Herbert Stiles	Deputy County Clerk	200,000	(B)
Nicki A. Burke	Surrogate	50,000	(D)
Charles Miller	Sheriff	50,000	(D)
Warren Mabey	Undersheriff	20,000	(D)
Raymond Skradzinski	Undersheriff / Warden	200,000	(B)
Anthony Wright	Undersheriff / Deputy Warden	200,000	(B)
Kenneth Miller	County Adjuster	200,000	(B)
Kay-La Cacciamani	Assistant County Adjuster	200,000	(B)
John T. Lenahan	Prosecutor	200,000	(B)
Dave Puma	Labor & Litigation Counsel		
Parker, McCay & Criscuolo	Bond Counsel		
Ross Levitsky	County Counsel		
Federici & Akin	Engineer		

- (A) Covered by Public Officials Liability Bond in the Amount of \$5,000,000 with National Union Fire Insurance Company.
- (B) Travelers Casualty and Surety Company.
- (C) Ohio Casualty Insurance Company
- (D) Selective Insurance Company

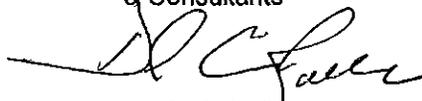
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**APPRECIATION**

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

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in black ink, appearing to read "D. C. Rollison", written over a horizontal line.

David C. Rollison  
Certified Public Accountant  
Registered Municipal Accountant



