COUNTY OF SALEM

STATE OF NEW JERSEY

REPORT OF AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2008

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

COUNTY OF SALEM
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COUNTY OF SALEM

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2008

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, 2008 and 2007, and the related statements of operations and changes in fund balance-- regulatory basis for the years then ended, and the related statement of revenues-- regulatory basis, statement of expenditures-- regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2008. 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 include the general fixed asset account group, however it was determined that the general fixed asset listing is materially overstated for the year 2008. The actual amount that should be recorded in the general fixed asset account group is not known as of December 31, 2008.

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. Also, the adequacy of these funds was not determined.

Also, the scope of the audit for the Nursing Home was limited to an audit of receipts and disbursements on a sample basis. Receipts were reviewed to determine if they were properly recorded and deposited intact within forty-eight hours while disbursements were also reviewed for proper recording and adequate supporting documentation.

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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, 2008 and 2007, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, except for the effects on the financial statements of the omissions described in the third, fourth and fifth paragraphs, 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, 2008 and 2007, and the results of its operations and changes in fund balance of such funds-- regulatory basis for the years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, for the year ended December 31, 2008 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 September 17, 2009 on our consideration of the County of Salem, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Salem's 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 not a required part of the financial statements. In addition, the supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, 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
September 17, 2009

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, in the County of Salem, State of New Jersey, as of and for the year ended December 31, 2008, and have issued our report thereon dated September 17, 2009, 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, Workers' Compensation Self-Insurance Fund and the Nursing Home. Furthermore, our opinion was also qualified because the fixed asset balances as of December 31, 2008 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

In planning and performing our audit, we considered the County of Salem'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 certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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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 2008-1.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider that following deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency: finding no. 2008-3.

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 or other matters 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 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 finding no's. *2008-1 and 2008-2.*

The County of Salem's response 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 response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of 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
September 17, 2009

COUNTY OF SALEM
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
For the Year Ended December 31, 2008

ASSETS	Ref.	2008	2007
Regular Fund:			
Cash	SA-1	$ 22,937,745.66	$ 27,734,467.61
Receivables with Full Reserves:			
Taxes Receivable	SA-2	279,523.73	297,729.84
Revenue Accounts Receivable	SA-3	459,498.26	203,081.66
Due from General Capital	SC-3	3,575.00	3,575.00
Due from Trust Fund - Payroll Agency	SB-3		171.24
		742,596.99	504,557.74
Total Regular Fund		23,680,342.65	28,239,025.35
Federal and State Grant Fund:			
Grants Receivable	SA-6	17,652,157.62	19,416,134.03
Due from Current Fund	A	749,118.90	3,616,521.43
Total Federal and State Grant Fund		18,401,276.52	23,032,655.46
		$ 42,081,619.17	$ 51,271,680.81
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Appropriation Reserves	A-3,SA-4	$ 6,529,658.20	$ 4,019,105.12
Reserve for Encumbrances	A-3,SA-4	2,022,217.30	3,033,128.43
Due Federal and State Grant Fund	A	749,118.90	3,616,521.43
Due Trust Fund - Payroll	SB-3		193.02
Reserve for Type 1 School - Debt Payment	A	71,007.87	71,007.87
Reserve for Payment of Interest on Debt Accrued Interest	A	439.06	439.06
Reserve for JACC/CAP	SA-1	113,930.00	124,985.00
		9,486,371.33	10,865,379.93
Reserve for Receivables	A	742,596.99	504,557.74
Fund Balance	A-1	13,451,374.33	16,869,087.68
Total Regular Fund		23,680,342.65	28,239,025.35
Federal and State Grant Fund:			
Reserve for Encumbrances	SA-8	5,237,241.02	7,997,604.16
Reserve for Appropriated Grants	SA-8	13,038,664.83	14,614,834.78
Reserve for Unappropriated Grants	SA-7	125,370.67	420,216.52
Total Federal and State Grant Fund		18,401,276.52	23,032,655.46
		$ 42,081,619.17	$ 51,271,680.81

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 Year Ended December 31, 2008

	2008	2007
REVENUE AND OTHER INCOME REALIZED		
Fund Balance Realized	$ 8,053,000.00	$ 8,514,902.99
Miscellaneous Revenue Anticipated	28,871,689.49	41,437,589.10
Receipts from Current Taxes:		
County Taxes	49,058,071.57	45,672,025.58
County Open Space Taxes	1,090,466.46	1,004,553.80
Non-Budget Revenues	1,251,473.45	1,026,714.41
Other Credits to Income:		
Collection of Added and Omitted Taxes	398,675.62	493,951.34
Unexpended Balance of Appropriation Reserves	2,894,832.37	3,071,581.93
Cancellation of Reserve - Nursing Home Donations		1,770.67
Cancellation of Grants - Appropriated Reserves	31,473.00	15,175.00
Interfunds Returned	171.24	3,719.70
Total Income	91,649,853.20	101,241,984.52
EXPENDITURES		
Budget Appropriations:		
Operations:		
Salaries and Wages	27,052,376.57	26,059,056.43
Other Expenses	47,238,525.81	54,086,280.11
Capital Improvements	3,011,277.85	5,085,708.09
Debt Service	3,664,721.94	3,610,244.52
Deferred Charges and Statutory Expenditures	4,510,630.12	3,559,709.27
Judgements	310,000.00	375,000.00
County Open Space Taxes Transferred to Trust Fund	1,090,466.46	1,004,553.80
Transfer to Federal and State Grant Fund	30,209.63	4,346.70
Interfund Advances		3,746.24
Return of Prior Year Revenue	74,885.17	
Cancellation of Grants Receivable	31,473.00	12,147.00
Total Expenditures	87,014,566.55	93,800,792.16
Statutory Excess to Fund Balance	4,635,286.65	7,441,192.36
FUND BALANCE		
Balance January 1, 2008	16,869,087.68	17,942,798.31
	21,504,374.33	25,383,990.67
Decreased by:		
Utilized as Revenue	8,053,000.00	8,514,902.99
Balance December 31, 2008	$ 13,451,374.33	$ 16,869,087.68

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, 2008

	Anticipated Budget 2008	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Surplus Anticipated	$ 8,053,000.00		$ 8,053,000.00	
Miscellaneous Revenues:				
Local Revenues:				
County Clerk	395,000.00		395,000.00	
Surrogate	45,000.00		45,000.00	
Sheriff	40,000.00		40,000.00	
Interest on Investments and Deposits	950,000.00		1,104,011.93	$ 154,011.93
Salem County Home	5,315,838.59		3,967,431.08	(1,348,407.51)
Refunds - Public Health Department	10,000.00		18,372.64	8,372.64
Planning Board - Development Review Fees	7,500.00		19,271.62	11,771.62
Due From Lower Alloways Creek Township	2,322,973.53		2,322,973.53	
Board of State and Federal Prisoners in County Jail	537,257.00		606,801.96	69,544.96
Bail Forfeiture	4,400.80		6,025.00	1,624.20
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	2,400.00		2,118.14	(281.86)
State Aid:				
State Aid - County College Bonds (NJSA 18A:64A-22.6)	200,000.00		328,186.50	128,186.50
Public Health Priority Funding - 1977	36,296.00		83,331.75	47,035.75
Debt Service - State Aid (Type I) - Vocational Education Bonds	50,000.00		91,544.00	41,544.00
State Assumption of Costs of County Social and Welfare Service and Psychiatric Facilities				
Social and Welfare Services (c.66,P.L. 1990):				
Division of Youth and Family Services	1,345,808.00		1,345,808.00	
Supplemental Social Security Income	212,147.00		254,665.00	42,518.00
Psychiatric Facilities (c.73,P.L. 1990):				
Maintenance of Patients in State Institutions for Mental Diseases	1,398,416.00		1,398,416.00	
Maintenance of Patients in State Institutions for Mentally Retarded	2,375,196.00		2,375,196.00	
Board of County Patients in State and Other Institutions	17,000.00		26,472.86	9,472.86
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	870,848.00		870,848.00	
Alcohol and Drug Abuse Services: #03-539-ADA-00-Comprehensive Program	252,540.00		252,540.00	
Alliance to Prevent Alcoholism and Drug Abuse	137,783.00		137,783.00	
NJ Department of Health - Right to Know Project	8,786.00		8,786.00	
ENVIR ACT - CEHA	191,021.00		191,021.00	
Senior Citizen and Disabled Resident Transportation Program	627,776.00		627,776.00	
PASP - Personal Attendant Services	76,808.00		76,808.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2008

	Anticipated Budget 2008	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Miscellaneous Revenues (Cont'd):				
New Jersey Department of Human Services - Family Court	$ 100,869.00		$ 100,869.00	
Prosecutor's Insurance Fraud	163,598.00		163,598.00	
Juvenile Justice Commission Grant	202,406.00		202,406.00	
Body Armor Fund for Sheriff	16,059.40		16,059.40	
Body Armor Fund for the Prosecutor	1,805.68		1,805.68	
JAIBG Funds - Youth Services Commission	9,421.00		9,421.00	
Farmland Preservation Program	311,383.86		311,383.86	
Local Art Program	61,068.00		61,068.00	
Local Arts Initiative Grant	38,500.00		38,500.00	
Workforce Development Partnership Program - TANF - Smart STEPS	3,210.00		3,210.00	
NJ Sex offender Internet Registry	4,650.00		4,650.00	
Radiological Emergency Response Planning	116,150.00		116,150.00	
Project Vision Grant	43,750.00		43,750.00	
SC Safe Roadways Grant	72,200.00		72,200.00	
Prosecutor Police AED Grant	45,136.00		45,136.00	
911 Coordinator Fund	25,000.00		25,000.00	
Community Justice Program	75,000.00		75,000.00	
Community Policing Program	1,000.00		1,000.00	
SC Community Traffic Safety Program	19,864.00		19,864.00	
Subregional Traffic Safety Program	5,269.46		5,269.46	
K9 Unit Program	63,057.80		63,057.80	
Inter Agency JJ:9-6-06	74,625.00		74,625.00	
Radiological Emergency Response Planning Additional	6,510.00		6,510.00	
Victim Assistance Grant - VOCA	163,833.00		163,833.00	
JAG Megan's Law Grant	3,936.00		3,936.00	
Personal Assistance Services Program (40A: 4-87, $76,808.00)		$ 76,808.00	76,808.00	
Cops in Shops - Enforcing Underage Drinking Laws (40A: 4-87, $6,000.00)		6,000.00	6,000.00	
Municipal Stormwater Regulation Program (40A: 4-87, $10,000.00)		10,000.00	10,000.00	
Sharing Available Resources Effeciently (SHARE) (40A: 4-87, $27,300.00)		27,370.00	27,370.00	
Work First New Jersey - TANF (40A: 4-87 $390,198.00)		390,198.00	390,198.00	
TANF Case Mangement (40A: 4-87, $88,051.00)		88,051.00	88,051.00	
CAVP & EEI (40A: 4-87, $11,977.00)		11,977.00	11,977.00	
Work Verification (40A:4-87, $11,099.00)		11,099.00	11,099.00	
GA/FS Work Activities (40A: 4-87, $71,124.00)		71,124.00	71,124.00	
GA/FS Case Management (40A: 4-87, $52,057.00)		52,057.00	52,057.00	
Workforce Investment Act - Adult (40A: 4-87, $142,858.00)		142,858.00	142,858.00	
Workforce Investment Act - Youth (40A: 4-87, $139,290.00)		139,290.00	139,290.00	
Workforce Investment Act - Dislocated Worker (40A: 4-87, $114,736.00)		114,736.00	114,736.00	
General Assistance/Food Stamps Work Activities (40A:4-87, $15,085.00)		15,085.00	15,085.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2008

	Budget 2008	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Miscellaneous Revenues (Cont'd):				
Tobacco Age-of-Sale Enforcement Program (40A:4-87, $10,500.00)		$ 10,500.00	$ 10,500.00	
Veterans Transportation Grant (40A:4-87, $13,000.00)		13,000.00	13,000.00	
Public Archives & Records Infrastructure Support (PARIS) Grants (40A:4-87, $91,300.00)		91,300.00	91,300.00	
State Aid Highway Project: 2008 County Aid Improvement Program(40A:4-87, 1,818,000.00)		1,818,000.00	1,818,000.00	
Emergency Management Performance Grant (EMPG) (40A: 4-87, $15,000.00)		15,000.00	15,000.00	
Work First New Jersey TANF - Work Verification (40A: 4-87 $11,326.00)		11,326.00	11,326.00	
NJ Comprehensive Cancer Control Plan (40A:4-87, $65,000.00)		65,000.00	65,000.00	
DYFS Case Management (40A: 4-87, $38,000.00)		38,000.00	38,000.00	
Election Assistance to Indiviuals with Disabilities (40A: 4-87, $39,500.34)		39,500.34	39,500.34	
Cancer Education & Early Detection Program (40A:4-87, $110,000.00)		110,000.00	110,000.00	
Public Health Preparedness & Response for Bioterrorism (40A:4-87, $522,000.00)		522,000.00	522,000.00	
Historical Commission Grant (40A: 4-87, $14,940.00)		14,940.00	14,940.00	
Workforce Investment Act - Cumberland/Salem (40A: 4-87, $8,273.00)		8,273.00	8,273.00	
Cancer Education & Early Detection Program (40A:4-87, $6,300.00)		6,300.00	6,300.00	
Early Intervention Program (40A:4-87, $70,800.00)		70,800.00	70,800.00	
Radiological Emergency Response Planning (40A: 4-87, $121,150.00)		121,150.00	121,150.00	
Subregional Transportation Planning FY08 (40A: 4-87, $24,330.54)		24,330.54	24,330.54	
Subregional Transportation Planning FY09 (40A: 4-87, $29,600.00)		29,600.00	29,600.00	
Medical Reserve Support (40A: 4-87, $5,000.00)		5,000.00	5,000.00	
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program (40A: 4-87, $119,420.00)		119,420.00	119,420.00	
Victims of Crime Act - Victim Assistance Grant (40A: 4-87, $65,998.00)		65,998.00	65,998.00	
Shared Service Agreement - Feasibility Study Municipal Court Services (40A: 4-87, $27,370.00)		27,370.00	27,370.00	
Senior Farmers' Market Nutrition Program (40A: 4-87, $1,000.00)		1,000.00	1,000.00	
Body Armor Fund - Sheriff's Office (40A: 4-87, $15,759.74)		15,759.74	15,759.74	
Body Armor Fund - Prosecutor's Office (40A: 4-87, $1,853.13)		1,853.13	1,853.13	
State Homeland Security Grant Programt (40A: 4-87, $459,095.00)		459,095.00	459,095.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items				
Additional Fees:				
County Clerk	$ 450,000.00		315,353.47	$ (134,646.53)
County Surrogate	33,000.00		35,710.74	2,710.74
County Sheriff	70,000.00		80,112.45	10,112.45
Salem County Area Office on Aging	55,000.00		58,000.00	3,000.00
Reserve for JACC/CAP	124,985.00		124,985.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2008

	Anticipated Budget 2008	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Miscellaneous Revenues (Cont'd):				
Salem County Home - Medicaid Reimbursement - Peer Grouping	$ 546,376.95		$ 326,670.85	$ (219,706.10)
Salem County Bus Service - NJ Transit Contract	780,000.00		1,055,386.06	275,386.06
County Welfare Office - Social Services	75,000.00		101,348.91	26,348.91
Rent - Agriculture Building	79,000.00		79,650.00	650.00
Salem County Home - Additional	386,808.36			(386,808.36)
Rental - J.P. Rail Inc.	15,000.00			(15,000.00)
911 Rental Tower Space	3,000.00		3,000.00	
Bd. Federal Inmates in County Jail	2,036,700.00		3,006,681.75	969,981.75
Salem County Utilities Authority	248,350.00		248,350.00	
NEXTEL-Communication Tower	28,000.00		37,500.00	9,500.00
Cumberland County - Sharing of Public Health Offices	39,500.00		80,959.23	41,459.23
Board of Elections	40,000.00		66,322.07	26,322.07
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	40,833.00		85,000.00	44,167.00
Title Section IV-D Reimbursement for State of NJ	50,000.00			(50,000.00)
Board of State Prisoners in County Jail - Additional	32,143.00			(32,143.00)
Total Miscellaneous Revenues	24,273,793.43	$ 4,861,168.75	28,871,689.49	(263,272.69)
Amount to Be Raised by Taxation - County Purpose Tax	49,058,071.57		49,058,071.57	
Budget Totals	81,384,865.00	4,861,168.75	85,982,761.06	(263,272.69)
Miscellaneous Revenue Not Anticipated			1,251,473.45	1,251,473.45
	$ 81,384,865.00	$ 4,861,168.75	$ 87,234,234.51	$ 988,200.76

Cash Receipts:	
Anticipated Revenue	$ 69,274,728.11
Miscellaneous Revenue Not Anticipated	1,251,473.45
Federal and State Grants Received	8,655,032.95
Surplus Anticipated	8,053,000.00
	$ 87,234,234.51

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, 2008

Analysis of Realized Revenue

Miscellaneous Revenue Not Anticipated:	
Construction Board Appeal Fees	$ 250.00
Jail - Miscellaneous Revenue	90,597.28
Prosecutor - Discovery	40.00
Prosecutor - Restitution	5,834.72
Unification Reimbursement	194,704.95
Jail - Telephone Communications	98,902.42
Prosecutor - County Fines	319.74
Vending Services	3,709.70
OPRA Fees	1,341.55
Garnishees	1,193.97
Board of Elections/Copies & Supplies	1,456.56
Visitor Center	629.80
Fire Academy	4,555.00
Check Cancellations	4,236.37
County Auction	23,753.85
State of New Jersey - Emergency Management Assistance	57,000.00
State of New Jersey - Miscellaneous	20,723.00
State of New Jersey - Polling Costs	58,777.38
State of New Jersey - Fiscal Administration	9,000.00
State of New Jersey - Salary Reimbursement	68,600.00
State of New Jersey - Reimbursement for Elections	44,625.00
Excess Cash Nursing Home	216,133.41
Recycling	3,877.10
Mosquito Commission - Repair to Excavator	91,000.00
Public Health Facility	10,000.00
Youth Services - Youth Beds	43,638.54
RICOH - Buyout	11,180.00
Ethics Training Classes	2,175.00
Workers Compensation	25,276.47
Refund of Prior Year Expenses	4,727.94
Miscellaneous	153,213.70
	$ 1,251,473.45

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
General Government						
Administrative and Executive						
Board of Chosen Freeholders						
Salaries and Wages	$ 174,500.00	$ 175,500.00	$ 169,421.45		$ 6,078.55	
Other Expenses	35,000.00	35,000.00	20,626.40	$ 1,749.86	12,623.74	
Purchase Department and Inventory Control						
Salaries and Wages	129,000.00	128,000.00	102,965.93		25,034.07	
Other Expenses	10,850.00	11,850.00	9,566.19	2,075.69	208.12	
Clerk of the Board						
Salaries and Wages	180,000.00	180,000.00	157,078.70		22,921.30	
Other Expenses	49,500.00	49,500.00	35,452.76	4,827.82	9,219.42	
Farmland Preservation						
Salaries and Wages	41,700.00	41,700.00	40,251.22		1,448.78	
Personnel/HR						
Salaries and Wages	179,200.00	179,200.00	172,747.32		6,452.68	
Drug and Alcohol Testing for Employees	28,000.00	28,000.00	24,277.48	2,509.00	1,213.52	
Other Expenses	64,550.00	64,550.00	51,011.51	9,939.51	3,598.98	
Archives Management						
Salaries and Wages	79,650.00	79,650.00	32,955.03		46,694.97	
Other Expenses	5,900.00	5,900.00	1,880.62	555.00	3,464.38	
Public Information Office						
Salaries and Wages	91,000.00	91,200.00	87,572.77		3,627.23	
Other Expenses	32,900.00	32,900.00	24,827.12	1,805.00	6,267.88	
County Clerk						
Salaries and Wages	426,900.00	431,700.00	416,678.12		15,021.88	
Other Expenses	93,000.00	81,000.00	52,051.37	22,977.29	5,971.34	
School Board Elections	65,000.00	82,000.00	48,924.99	12,732.83	20,342.18	
Election Costs	82,000.00	112,000.00	109,321.22	2,678.78		
Board of Elections						
Salaries and Wages	194,500.00	214,500.00	208,086.11		6,413.89	
Other Expenses	234,675.00	214,675.00	190,080.49	3,357.81	21,236.70	
Shared Services						
Other Expenses	6,000.00	6,000.00			6,000.00	
County Treasurer's Office						
Salaries and Wages	400,800.00	400,800.00	380,956.16		19,843.84	
Other Expenses	27,500.00	27,500.00	23,605.80	2,942.26	951.94	
Bond Cost	40,000.00	40,000.00	3,444.00		36,556.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
General Government (Cont'd)						
County Auditor						
Annual Audit Fee	$ 140,000.00	$ 163,000.00	$ 146,741.17		$ 16,258.83	
Information Technology Center						
Salaries and Wages	210,800.00	218,300.00	210,823.16		7,476.84	
Other Expenses	158,100.00	177,600.00	72,624.15	$ 88,733.48	16,242.37	
County Adjuster's Office						
Salaries and Wages	57,600.00	57,600.00	55,062.32		2,537.68	
Other Expenses	14,200.00	14,200.00	6,779.73		7,420.27	
Board of Taxation						
Salaries and Wages	104,000.00	104,000.00	99,373.89		4,626.11	
Other Expenses	29,775.00	29,775.00	25,815.46	3,934.11	25.43	
County Counsel						
Salaries and Wages	67,275.00	67,275.00	64,962.81		2,312.19	
Other Expenses	7,500.00	7,500.00	3,452.79	386.75	3,660.46	
County Surrogate						
Salaries and Wages	215,750.00	221,800.00	210,624.38		11,175.62	
Other Expenses	17,003.00	17,003.00	6,673.43	2,418.44	7,911.13	
Agricultural Development Board						
Other Expenses	22,000.00	22,000.00	22,000.00			
Engineer						
Salaries and Wages	330,500.00	330,500.00	299,518.96		30,981.04	
Other Expenses	519,535.00	519,535.00	213,625.29	196,655.58	109,254.13	
Economic Development Office						
Visitor's Center	4,000.00	4,000.00	2,800.00	1,200.00		
Tourism	70,000.00	70,000.00	31,156.66	38,000.00	843.34	
SCIA Interlocal Agreement	140,000.00	140,000.00	60,941.61		79,058.39	
Labor Counsel						
Salaries and Wages	40,000.00	40,001.00	38,625.51		1,375.49	
Other Expenses	4,500.00	4,500.00	715.65		3,784.35	
Special Counsel	175,000.00	175,000.00	103,580.74	59,419.45	11,999.81	
Farmland/Open Space	7,000.00	7,000.00	7,000.00			
Cultural and Heritage Commission						
Other Expenses	46,500.00	46,500.00	13,259.58	32,646.50	593.92	
Total General Government	5,053,163.00	5,150,214.00	4,059,940.05	491,545.16	598,728.79	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
Land Use Administration						
County Planning Board (R.S 40:27-3)						
Salaries and Wages	$ 140,000.00	$ 127,800.00	$ 121,665.94		$ 6,134.06	
Other Expenses	82,950.00	100,950.00	64,573.36	$ 20,281.71	16,094.93	
Contribution to Soil Conservation District (R.S. 4:24-22(i))	5,000.00	5,000.00	5,000.00			
Total Land Use Administration	227,950.00	233,750.00	191,239.30	20,281.71	22,228.99	
Code Enforcement and Administration						
Weights and Measures						
Salaries and Wages	97,700.00	97,700.00	94,161.64		3,538.36	
Other Expenses	2,400.00	2,400.00	563.47	172.79	1,663.74	
Total Code Enforcement	100,100.00	100,100.00	94,725.11	172.79	5,202.10	
Insurance						
1. Workmen's Compensation	228,575.00	228,575.00	150,345.26		78,229.74	
2. Other Insurance Premiums	600,000.00	600,000.00	514,315.14		85,684.86	
3. Self-Insurance AL/GL	450,000.00	450,000.00	302,040.50		147,959.50	
4. Group Insurance Dental	165,000.00	155,600.00	155,491.11		108.89	
5. Group Insurance Hospitalization	7,160,000.00	6,910,000.00	5,545,462.39		1,364,537.61	
Contribution to:						
6. Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	50,000.00	50,000.00	7,345.96		42,654.04	
7. State Disability Insurance	90,000.00	90,000.00	61,876.26		28,123.74	
Total Insurance	8,743,575.00	8,484,175.00	6,736,876.62		1,747,298.38	
Public Safety Functions						
Safety	9,000.00	9,000.00	5,174.50	3,017.30	808.20	
"9-1-1"						
Salaries and Wages	1,316,500.00	1,336,500.00	1,284,685.86		51,814.14	
Other Expenses	56,000.00	56,000.00	19,165.73	30,854.04	5,980.23	
"2-1-1" County Contribution	30,000.00	30,000.00			30,000.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
Public Safety Functions (Cont'd)						
Department of Emergency Services						
Salaries and Wages	$ 357,500.00	$ 337,500.00	$ 279,693.55		$ 57,806.45	
Other Expenses:						
Fire School	90,800.00	90,800.00	52,648.59	$ 36,609.09	1,542.32	
Operations and Training	4,900.00	4,900.00	4,293.35	100.00	506.65	
Miscellaneous Other Expenses	34,100.00	34,100.00	32,686.63	1,400.00	13.37	
Aid to Volunteer Rescue and Ambulance Squads (R.S. 40:5-2)	3,500.00	3,500.00	1,050.00		2,450.00	
Fire Marshall						
Other Expenses	11,182.00	11,182.00	6,038.70	3,665.00	1,478.30	
Sheriff's Office						
Salaries and Wages	2,224,000.00	2,224,000.00	1,929,078.64		294,921.36	
Other Expenses	236,100.00	236,100.00	137,913.11	92,920.76	5,266.13	
Jail						
Salaries and Wages	9,960,000.00	9,960,000.00	9,179,344.13		780,655.87	
Other Expenses	1,713,403.00	1,713,403.00	1,265,522.41	381,318.66	66,561.93	
Bail Forfeitures	10,000.00	10,000.00	3,250.00		6,750.00	
Juvenile Detention and Domestic Relations Court						
Other Expenses	600,000.00	600,000.00	250,694.28	178,458.28	170,847.44	
Alternative Youth Shelter						
Other Expenses:						
Contractual - Ranch Hope	452,744.00	452,744.00	452,743.56		0.44	
Prosecutor's Office						
Salaries and Wages	3,300,000.00	3,300,000.00	2,977,639.46		322,360.54	
Other Expenses	402,033.00	402,033.00	330,492.46	62,618.76	8,921.78	
County Medical Examiner						
Other Expenses:						
Miscellaneous	175,000.00	175,000.00	160,255.00		14,745.00	
Total Public Safety Functions	20,986,762.00	20,986,762.00	18,372,369.96	790,961.89	1,823,430.15	
Public Works Functions						
Street and Road Maintenance						
Roads and Bridges						
Salaries and Wages	985,500.00	985,500.00	914,045.70		71,454.30	
Other Expenses	430,700.00	430,700.00	234,999.63	138,188.63	57,511.74	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
Public Works Functions (Cont'd)						
Facilities Management						
Salaries and Wages	$ 1,065,500.00	$ 1,065,500.00	$ 1,006,271.72		$ 59,228.28	
Other Expenses	625,900.00	625,900.00	489,982.71	$ 48,912.00	87,005.29	
Mosquito Extermination Commission						
(R.S. 26:9-13 et seq)	632,300.00	632,300.00	632,300.00			
Railroad	375,000.00	375,000.00	99,992.51	172,790.31	102,217.18	
Vehicle Maintenance	400,000.00	395,000.00	199,382.38	44,678.44	150,939.18	
Total Public Works Functions	4,514,900.00	4,509,900.00	3,576,974.65	404,569.38	528,355.97	
Health and Human Services						
Youth Service Commission						
Peer Grouping	3,094.24	3,094.24			3,094.24	
War Veterans Burial And Grave Decorations						
Salaries and Wages	7,242.00	7,242.00	6,992.92		249.08	
Other Expenses	16,000.00	16,000.00	13,109.76	2,358.91	531.33	
Women's Services						
Peer Grouping	14,500.00	14,500.00	14,500.00			
HIV Case Management	100.00	100.00			100.00	
Office on the Disabled						
Salaries and Wages	113,000.00	113,000.00	91,936.23		21,063.77	
Other Expenses	23,600.00	23,600.00	10,730.75	10,960.95	1,908.30	
Peer Grouping	23,000.00	23,000.00	18,288.00	4,712.00		
Salem Area Office on Aging	110,000.00	120,000.00	109,658.91		10,341.09	
Office on Aging Medical Transportation	45,000.00	45,000.00	25,292.54	19,707.46		
JACC / CAP Review	124,985.00	124,985.00	77,489.68			$ 47,495.32
Reappropriated 2005	27,655.43	27,655.43	10,468.81	17,186.62		
Reappropriated 2006	70,500.00	70,500.00	304.25	50,295.29		19,900.46
Reappropriated 2007	66,193.73	66,193.73				66,193.73
Tubercular Sanitarium						
Outpatient Clinic Service						
Other Expenses	10,575.00	10,575.00	7.22		10,567.78	
Inpatient Services						
Other Expenses	720.00	720.00			720.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
Health and Human Services (Cont'd)						
Public Health Emergency	$ 10,000.00	$ 10,000.00			$ 10,000.00	
Aid to Salem County Unit New Jersey Association of Retarded Citizens (R.S. 40:23-8.11)						
Peer Grouping	20,000.00	20,000.00	$ 20,000.00			
Other Expenses	10,000.00	10,000.00	10,000.00			
County Welfare Board						
Administration	1,629,262.40	1,629,262.40	1,629,262.40			
Services	104,378.62	104,378.62	104,378.62			
Local:						
Temporary Assistance Needy Family (TANF)	86,514.00	86,514.00	86,514.00			
Assistance to Supplemental Security Income Recipients - State Share	212,147.00	212,147.00	212,147.00			
Meals on Wheels						
Peer Grouping	13,000.00	13,000.00	13,000.00			
Salem County Nursing Home						
Salaries and Wages	4,683,000.00	2,683,000.00	2,588,468.57		10,000.00	$ 84,531.43
Other Expenses:						
Miscellaneous	2,213,849.00	4,805,249.00	4,752,755.71			52,493.29
Offset with Nursing Home Donations	1,072.67	1,072.67	1,072.67			
Alcohol Treatment/County Contributions	40,000.00	40,000.00		$ 40,000.00		
EIP Supplemental/County Contribution						
Other Expenses:	1,100.00	1,100.00			1,100.00	
Retired Seniors Volunteer Program						
RSVP Peer Grouping	20,000.00	20,000.00	20,000.00			
County Health Service - Interlocal Agreement (40:8A-1 et seq)						
Salaries and Wages	658,000.00	658,000.00	623,948.82		34,051.18	
Other Expenses:						
Nursing Services	68,530.00	68,530.00	34,751.19	2,971.49	30,807.32	
Administrative	49,255.00	49,255.00	5,135.08	5,897.50	38,222.42	
Environmental	24,450.00	24,450.00	18,994.58	3,552.99	1,902.43	
Cumberland County - Priority Health Funding						
Salaries and Wages	35,296.00	35,296.00	30,173.20		5,122.80	
Other Expenses	1,000.00	1,000.00			1,000.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
Health and Human Services (Cont'd):						
Commission on Women						
Other Expenses	$ 5,167.00	$ 5,167.00	$ 4,656.59		$ 510.41	
Maintenance of Patients in State Institutions - Mental Diseases (N.J.S.A. 30:4-79)						
State Share	1,398,416.00	1,398,416.00	1,398,416.00			
Local Share	349,604.00	349,604.00	349,604.00			
Maintenance of Patients in State Institutions for the Mentally Retarded (N.J.S.A. 30:4-79)						
State Share	2,375,196.00	2,375,196.00	2,375,196.00			
Mental Health Board (R.S. 30:9A-3)						
Other Expenses	2,675.00	2,675.00	1,292.76	$ 473.27	908.97	
Peer Grouping	16,000.00	16,000.00	2,637.05	2,942.50	10,420.45	
Community Health Law Project	60,000.00	60,000.00	45,545.00	14,455.00		
Home & Hospice Care of SJ						
Other Expenses:						
Peer Grouping	13,000.00	13,000.00	13,000.00			
New Jersey Division of Youth and Family Services						
State Share	1,345,808.00	1,345,808.00	1,345,808.00			
Total Health and Human Services	16,102,886.09	16,704,286.09	16,065,536.31	175,513.98	192,621.57	$ 270,614.23
Parks and Recreation						
Parks and Playgrounds						
Other Expenses	10,000.00	10,000.00		10,000.00		
Total Parks and Recreation	10,000.00	10,000.00		10,000.00		
Educational Functions						
Free Library Service to the Aging						
Other Expenses	170,950.00	170,950.00	170,950.00			
Free Library Service to the Aging						
Peer Grouping	14,000.00	14,000.00	14,000.00			
Salem 2000						
Other Expenses	100.00	100.00	100.00			
Educational Programs for Employees						
Salaries and Wages	7,000.00	7,000.00	6,757.63		242.37	
Other Expenses	100.00	100.00			100.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
Educational Functions (Cont'd)						
Salem County Community College	$ 2,511,263.00	$ 2,511,263.00	$ 2,511,263.00			
Reimbursements for Residents Attending Out-of-County Two-Year Colleges (N.J.S.18A:64A-23)	149,000.00	149,000.00	25,534.47	$ 33,784.30	$ 89,681.23	
County Extension Service - Farm and Home Demonstrations						
Salaries and Wages	180,300.00	180,400.00	174,143.45		6,256.55	
Other Expenses	65,500.00	65,500.00	48,781.72	11,852.10	4,866.18	
Salem County Vocational Tech School	1,627,500.00	1,627,500.00	1,627,500.00			
Office of County Superintendent of Schools						
Salaries and Wages	171,500.00	171,500.00	159,392.94		12,107.06	
Other Expenses	19,500.00	19,500.00	17,327.08	1,711.71	461.21	
County Special Services School District Annual Appropriations (N.J.S.A.18A:46-29)	315,242.00	315,242.00	315,242.00			
Total Educational Functions	5,231,955.00	5,232,055.00	5,070,992.29	47,348.11	113,714.60	
Unclassified						
Veteran's Service Bureau						
Salaries and Wages	40,600.00	42,000.00	40,449.60		1,550.40	
Other Expenses	4,405.00	5,405.00	4,719.21	10.56	675.23	
Accumulated Leave Compensation	187,344.00	62,344.00	56,879.31		5,464.69	
Community Bus Service						
Salaries and Wages	582,000.00	585,400.00	563,714.04		21,685.96	
Other Expenses	315,500.00	315,500.00	249,477.47	14,223.85	51,798.68	
Utilities	2,850,000.00	2,648,000.00	1,912,260.26	67,589.87	668,149.87	
Total Unclassified	3,979,849.00	3,658,649.00	2,827,499.89	81,824.28	749,324.83	
State and Federal Programs Off-Set by Revenues:						
Area Plan Grant	870,848.00	870,848.00	870,848.00			
Alcohol and Drug Abuse Services						
#00-582-ADA-00-Comprehensive Program						
State Share	252,540.00	252,540.00	252,540.00			
Local Share	20,157.00	20,157.00	20,157.00			

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
State and Federal Programs Off-Set by Revenues (Cont'd)						
Alliance to Prevent Alcohol and Drug Abuse	$ 137,783.00	$ 137,783.00	$ 137,783.00			
NJ Department of Public Health - Right to Know						
Project - #92-2239-RTK	8,786.00	8,786.00	8,786.00			
NJ Department of Environmental Protection						
County Environmental Health Act						
State Share	191,021.00	191,021.00	191,021.00			
Local Share	125,200.00	125,200.00	125,200.00			
Senior Citizen and Disabled Residents						
Transportation Assistance Act	627,776.00	627,776.00	627,776.00			
PASP - Personal Attendant Services	76,808.00	76,808.00	76,808.00			
New Jersey Department of Human Services -						
Family Court	100,869.00	100,869.00	100,869.00			
Prosecutor Insurance Fraud Reimbursement	163,598.00	163,598.00	163,598.00			
Juvenile Justice Commission	202,406.00	202,406.00	202,406.00			
Body Armor Fund for Sheriff	16,059.40	16,059.40	16,059.40			
Body Armor Fund for Prosecutor	1,805.68	1,805.68	1,805.68			
JAIBG Funds - Youth Services Commission						
State Share	9,421.00	9,421.00	9,421.00			
Local Share	1,047.00	1,047.00	1,047.00			
Farmland Preservation Program	311,383.86	311,383.86	311,383.86			
New Jersey State Council Local Arts						
State Share	61,068.00	61,068.00	61,068.00			
Local Share	30,544.00	30,544.00	30,544.00			
Local Arts Staffing Initiative- LASI						
State Share	38,500.00	38,500.00	38,500.00			
Local Share	44,000.00	44,000.00	44,000.00			
Workforce Development Partnership Program -						
TANF - Smart STEPS	3,210.00	3,210.00	3,210.00			
NJ Sex Offender Cental Internet Registry Grant	4,650.00	4,650.00	4,650.00			
Radiological Emergency Response Planning	116,150.00	116,150.00	116,150.00			
Project Vision Grant	43,750.00	43,750.00	43,750.00			
SC Safe Roadways Grant	72,200.00	72,200.00	72,200.00			
Prosecutor- Police AED Grant	45,136.00	45,136.00	45,136.00			
911 Coordinator Funding	25,000.00	25,000.00	25,000.00			
Community Justice Program						
State Share	75,000.00	75,000.00	75,000.00			
Local Share	25,000.00	25,000.00	25,000.00			

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
State and Federal Programs Off-Set by Revenues (Cont'd)						
Community Policing Grant	$ 1,000.00	$ 1,000.00	$ 1,000.00			
SC Community Traffic Safety Program	19,864.00	19,864.00	19,864.00			
Subregional Transportation Planning	5,269.46	5,269.46	5,269.46			
K-9 Unit Program	63,057.80	63,057.80	63,057.80			
Inter-Agency J-J:9-6-06	74,625.00	74,625.00	74,625.00			
Radiological Emergency Response Planning Add'l	6,510.00	6,510.00	6,510.00			
Victims Assistance Grant - VOCA						
State Share	163,833.00	163,833.00	163,833.00			
Local Share	40,958.00	40,958.00	40,958.00			
JAG- Megan's Law Grant						
State Share	3,936.00	3,936.00	3,936.00			
Local Share	1,312.00	1,312.00	1,312.00			
New Jersey Department of Human Services						
County Mental Health Administrator	75,500.00	75,500.00	58,000.67		$ 17,499.33	
Matching Funds for Grants	471,500.00	265,460.00			265,460.00	
Personal Assistance Services Program		76,808.00	76,808.00			
Cops in Shops - Enforcing Underage Drinking Laws		6,000.00	6,000.00			
Municipal Stormwater Regulation Program		10,000.00	10,000.00			
Sharing Available Resources Effeciently (SHARE)		30,107.00	30,107.00			
Work First New Jersey - TANF		390,198.00	390,198.00			
TANF Case Mangement		88,051.00	88,051.00			
CAVP & EEI		11,977.00	11,977.00			
Work Verification		11,099.00	11,099.00			
GA/FS Work Activities		71,124.00	71,124.00			
GA/FS Case Management		52,057.00	52,057.00			
Workforce Investment Act - Adult		142,858.00	142,858.00			
Workforce Investment Act - Youth		139,290.00	139,290.00			
Workforce Investment Act - Dislocated Worker		114,736.00	114,736.00			
General Assistance/Food Stamps Work Activities		15,085.00	15,085.00			
Tobacco Age-of-Sale Enforcement Program		10,500.00	10,500.00			
Veterans Transportation Grant		13,000.00	13,000.00			
Public Archives & Records Infrastructure Support (PARIS) Grants		91,300.00	91,300.00			
State Aid Highway Project: 2008 County Aid Improvement Program		1,818,000.00	1,818,000.00			

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
State and Federal Programs Off-Set by Revenues (Cont'd)						
Emergency Management Performance Grant (EMPG)		$ 30,000.00	$ 30,000.00			
Work First New Jersey TANF - Work Verification		11,326.00	11,326.00			
NJ Comprehensive Cancer Control Plan		65,000.00	65,000.00			
DYFS Case Management		53,880.00	53,880.00			
Election Assistance to Indiviuals with Disabilities		39,500.34	39,500.34			
Cancer Education & Early Detection Program		128,333.00	128,333.00			
Public Health Preparedness & Response for Bioterrorism		522,000.00	522,000.00			
Historical Commission Grant		14,940.00	14,940.00			
Workforce Investment Act - Cumberland/Salem		8,273.00	8,273.00			
Cancer Education & Early Detection Program		6,300.00	6,300.00			
Early Intervention Program		70,800.00	70,800.00			
Radiological Emergency Response Planning		121,150.00	121,150.00			
Subregional Transportation Planning FY08		31,730.54	31,730.54			
Subregional Transportation Planning FY09		37,000.00	37,000.00			
Medical Reserve Support		5,000.00	5,000.00			
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program		238,840.00	238,840.00			
Victims of Crime Act - Victim Assistance Grant		82,498.00	82,498.00			
Shared Service Agreement - Feasibility Study Municipal Court Services		29,740.00	29,740.00			
Senior Farmers' Market Nutrition Program		2,000.00	2,000.00			
Body Armor Fund - Sheriff's Office		15,759.74	15,759.74			
Body Armor Fund - Prosecutor's Office		1,853.13	1,853.13			
State Homeland Security Grant Program		459,095.00	459,095.00			
Total State and Federal Programs Off-Set by Revenues	$ 4,629,082.20	9,490,250.95	9,207,291.62	$ -	$ 282,959.33	
Total Operations	69,580,222.29	74,560,142.04	66,203,445.80	2,022,217.30	6,063,864.71	$ 270,614.23
Contingent	60,000.00	60,000.00	1,374.57			58,625.43
Total Operations Including Contingent	69,640,222.29	74,620,142.04	66,204,820.37	2,022,217.30	6,063,864.71	329,239.66
Detail:						
Salaries & Wages	29,220,657.00	27,136,908.00	25,044,806.77	-	2,007,569.80	84,531.43
Other Expenses (Including Contingent)	40,419,565.29	47,483,234.04	41,160,013.60	2,022,217.30	4,056,294.91	244,708.23

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
Capital Improvements						
Capital Improvement Fund	$ 2,600,000.00	$ 2,600,000.00	$ 2,600,000.00			
Interest Earned on N.J. Department of Transportation Grant Funds - Local Bridge	7,024.00	7,024.00	7,024.00			
Interest Earned on N.J. Department of Transportation Grant Funds - (County Aid Improvement Program): Reconstruction of Various County Roads	404,253.85	404,253.85	404,253.85			
Total Capital Improvements	3,011,277.85	3,011,277.85	3,011,277.85			
County Debt Service						
Payment of Bond Principal						
County College Bonds	405,000.00	405,000.00	405,000.00		-	
Vocational School Bonds	95,000.00	95,000.00	95,000.00		-	
Other Bonds	825,000.00	825,000.00	825,000.00		-	
Interest on Bonds		-			-	
County College Bonds	123,332.00	175,571.29	169,455.81		-	6,115.48
Vocational School Bonds	10,213.00	10,213.00	10,212.50			0.50
Other Bonds	367,720.00	367,720.00	367,174.63			545.37
Salem County Improvement Authority - Lease: County Jail	1,772,879.00	1,772,879.00	1,772,879.00			
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 - Additional Rent Payment: County Jail	20,000.00	20,000.00	20,000.00			
Total County Debt Service	3,663,644.00	3,715,883.29	3,664,721.94			51,161.35
Deferred Charges and Statutory Expenditures -- County						
Unfunded Ordinance 07-13	71,425.00	71,425.00	71,425.00			
Prior Years' Bills:						
2002 RVCR - Michael Baker, Jr. Inc.	5,750.00	5,750.00				5,750.00
2004 RVCR - Federici & Akin	817.38	817.38	817.38			
2005 RVCR- Michael Baker Jr.Inc	52,862.08	52,862.08	28,428.32			24,433.76
The Memorial Hospital of Salem County	580.13	580.13	580.13			
2005 IT - Info Tech	430.00	430.00				430.00
2006 IT - CDW Computer Ctr.Inc	1,840.00	1,840.00				1,840.00

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations		Paid or Charged			
	Budget	2008 Budget After Modification	Expended	Encumbered	Reserved	Unexpended Balance Cancelled
Deferred Charges and Statutory Expenditures -- County (Cont'd)						
2006 IT - PC Networks	$ 718.75	$ 718.75				$ 718.75
2006 IT - PC Networks	5,320.00	5,320.00				5,320.00
2007 Jail - Soll Eye PC of NJ	145.00	145.00	$ 145.00			
2006 Engineer - Hitchner's Farm LLC	9,715.00	9,715.00	1,086.05			8,628.95
2006 Engineer - RE Pierson Const. Co. Inc	3,210.00	3,210.00				3,210.00
2006 Engineer - Lacy's Express	1,033.00	1,033.00	1,033.00			
2006 Engineer - Joesph Ayars	10,000.00	10,000.00				10,000.00
2006 RVCR - WJ Castle , PE & Assoc. PC	76,400.00	76,400.00	60,100.00			16,300.00
2006 RVCR - George Sparks, Inc.	10,846.14	10,846.14	10,692.80			153.34
2006 Nursing Home - Western Environ. Industries	355.65	355.65				355.65
2006 Road - Riverfront Health Sys.	75.00	75.00				75.00
2006 Road - Nationwide Testing Assoc.	150.00	150.00				150.00
2006 Road - Compliance Oversight Solutions	735.00	735.00				735.00
2006 Utilities - AT & T	238.11	238.11	238.11			
2006 Road - Nationwide Testing Assoc. (3 claims)	441.00	441.00	441.00			
Statutory Expenditures						
Contribution to:						
Public Employees' Retirement System	875,000.00	875,000.00	833,959.77		$ 41,040.23	
Police and Firemen's Retirement System	1,281,000.00	1,281,000.00	1,270,786.00		10,214.00	
Social Security System (O.A.S.I.)	2,350,633.62	2,179,643.33	2,021,661.24		157,982.09	
Total Deferred Charges and Statutory Expenditures - County	4,759,720.86	4,588,730.57	4,301,393.80		209,236.32	78,100.45
Judgements	310,000.00	310,000.00	53,442.83		256,557.17	
Total General Appropriations	$ 81,384,865.00	$ 86,246,033.75	$ 77,235,656.79	$ 2,022,217.30	$ 6,529,658.20	$ 458,501.46

Original Budget	$ 81,384,865.00
Appropriated by N.J.S.A. 40A-87	4,861,168.75
Reserve for Federal and State Grants Funds - Appropriated	$ 9,149,290.95
Refunds of Appropriations	(1,516,575.60)
Disbursed	69,602,941.44
	$ 86,246,033.75 $ 77,235,656.79

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

COUNTY OF SALEM
TRUST FUND
Statement of Assets, Liabilities And Reserves--Regulatory Basis
As of December 31, 2008 and 2007

	Ref.	Balance December 31, 2008	Balance December 31, 2007
ASSETS			
Cash - County Financial Officer	SB-1	$ 9,574,944.93	$ 10,620,217.11
Mortgages Receivable	SB-2	298,486.08	82,510.32
Due from Current Fund	SB-3		193.02
		$ 9,873,431.01	$ 10,702,920.45
LIABILITIES AND RESERVES			
Due Current Fund	SB-3		$ 171.24
Due General Capital Fund	SB-1, SB-2	$ 405,691.93	
Reserve for:			
Trust - Other Funds	SB-4	9,107,358.96	9,644,812.90
Reserve for Encumbrances	SB-6	360,380.12	1,057,936.31
		$ 9,873,431.01	$ 10,702,920.45

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 Revenues and Other Credits to Income--Regulatory Basis
For the Year Ended December 31, 2008

	Anticipated Budget	Realized	Excess (Deficit)
Amount to be Raised by Taxation	$ 1,081,782.16	$ 1,090,466.46	$ 8,684.30
Miscellaneous		646,743.02	646,743.02
Total Open Space Revenues	$ 1,081,782.16	$ 1,737,209.48	$ 655,427.32

Analysis of Realized Revenues

Amount to be Raised by Taxation:		
Receipts:		
Open Space Tax Levy	$ 1,081,782.16	
Added/Omitted Taxes	8,684.30	
		$ 1,090,466.46
Miscellaneous:		
Receipts:		
Cancellation of Prior Year Encumbrance	587,510.00	
Interest on Deposits	59,233.02	
		$ 646,743.02

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

COUNTY OF SALEM
TRUST FUND - MUNICIPAL OPEN SPACE AND FARMLAND PRESERVATION
Statement of Expenditures and Other Charges to Income--Regulatory Basis
For the Year Ended December 31, 2008

	Appropriations				
	Original Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Debt Service:					
Payment of Bond Principal	$ 290,000.00	$ 290,000.00	$ 290,000.00		
Interest on Bonds	298,000.00	297,068.50	297,068.50		
Reserve for Future Use	493,782.16	494,713.66	494,713.66		
	$ 1,081,782.16	$ 1,081,782.16	$ 1,081,782.16	$ -	$ -

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, 2008 and 2007

ASSETS	Ref.	Balance Dec. 31, 2008	Balance Dec. 31, 2007
Cash	SC-1	$ 10,076,553.65	$ 9,253,451.99
Cash - Bond Funds Held by Trustee	SC-2	2,095,288.47	
Dam Restoration Loan Receivable	SC-2	1,300,000.00	1,300,000.00
Proceeds from Bond Issuance Receivable	SC-2	120,000.00	
Due from Custodian Trust	SC-2	250,000.00	
Due from Open Space Trust	SC-2	155,691.93	
Due from Pollution Control Financing Authority of Salem County	SC-2	464,825.36	
Deferred Charges to Future Taxation:			
Funded	SC-4	28,869,000.00	20,884,000.00
Unfunded	SC-5	12,704,000.00	6,811,330.04
		$ 56,035,359.41	$ 38,248,782.03
LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds Payable	SC-8	$ 27,569,000.00	$ 19,584,000.00
Bond Anticipation Notes Payable	SC-12	4,900,000.00	
Improvement Authorizations:			
Funded	SC-7	10,703,065.72	7,121,986.97
Unfunded	SC-7	10,055,432.10	6,811,330.04
Contracts Payable	SC-9	1,370,740.68	3,306,344.11
Dam Restoration Loan Payable	SC-11	1,300,000.00	1,300,000.00
Due Current Fund	SC-3	3,575.00	3,575.00
Capital Improvement Fund	SC-10	15,164.75	3,164.75
Fund Balance	C-1	118,381.16	118,381.16
		$ 56,035,359.41	$ 38,248,782.03

There were Bonds and Notes authorized, but not issued in the amount of $7,804,000.00 and $6,811,330.04 for the years ended December 31, 2008 and 2007.

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

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Fund Balance--Regulatory Basis
For the Year Ended December 31, 2008

Balance December 31, 2007	$	118,381.16
Increased by:		
Funded Improvement Authorizations Canceled		35,174.64
		153,555.80
Decreased by:		
Improvement Authorizations		35,174.64
Balance December 31, 2008	$	118,381.16

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 Assets Group of Account
For the Year Ending December 31, 2008

ASSETS:	Balance Dec. 31, 2007	Additions	Deletions	Balance Dec. 31, 2008
Land and Buildings	$ 20,969,323.23		$ 1,700,000.00	$ 19,269,323.23
Equipment and Vehicle	10,205,398.19	$ 573,934.87	1,052,548.09	9,726,784.97
	$ 31,174,721.42	$ 573,934.87	$ 2,752,548.09	$ 28,996,108.20
FUND BALANCE:				
Investment in General Fixed Assets	$ 31,174,721.42	$ 573,934.87	$ 2,752,548.09	$ 28,996,108.20

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, 2008

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 townships and three boroughs. The population of the County of Salem according to the official 2000 census is 64,285.

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
94 Market Street
Salem, NJ 08079

Salem Community College
460 Hollywood Avenue
Carneys Point, NJ 08069

Pollution Control Financing Authority
94 Market Street
Salem, NJ 08079

Salem County Utilities Authority
52 McKillip Road, Box 890
Alloway, NJ 08001

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

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

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 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.

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 utilities 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. 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.

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 Camden 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. As of December 31, 2008 the County's bank balances of $42,786,415.03 were exposed to custodial credit risk as follows:

Uninsured/Uncollateralized	$ 260,519.94
Uninsured and Collateralized with Securities Held by Pledging Financial Institutions	42,275,895.09
	$ 42,536,415.03

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.

Assessed Valuation

2008	$ 5,408,910,781.00
2007	4,977,484,104.00
2006	4,396,823,428.00
2005	4,037,008,118.00
2004	3,659,466,055.00

Comparative Schedule of Tax Rates

	2008	2007	2006	2005	2004
County Tax Rate	$ 0.908	$ 0.919	$ 0.969	$ 0.989	$ 0.993
County Open Space Tax Rate	$ 0.0200	$ 0.0200	$ 0.0200	$ 0.0200	NA

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

Comparison of Tax Levies and Collections

Year	Tax Levy	Collections	Percentage of Collections
2008	$ 49,058,071.57	$ 49,058,071.57	100.00%
2007	45,672,025.58	45,672,025.58	100.00%
2006	42,502,677.09	42,502,677.09	100.00%
2005	39,775,569.60	39,775,569.60	100.00%
2004	36,320,365.00	36,320,365.00	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.

Year	Balance December 31	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
2008	$ 13,451,374.33	$ 6,222,238.81	46.26%
2007	16,869,634.68	8,053,000.00	47.74%
2006	17,942,798.31	8,514,902.99	47.46%
2005	17,344,640.60	7,476,115.53	43.10%
2004	15,441,178.33	6,388,997.55	41.38%

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, 2008:

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	$ 3,575.00	$ 749,118.90
Federal and State Grant Fund	749,118.90	
Trust Fund		405,691.93
General Capital Fund	405,691.93	3,575.00
	$ 1,158,385.83	$ 1,158,385.83

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, 2007, 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, 2007, the increase is effective with the payroll period that begins immediately after July 1, 2007. 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 not longer exist.

Police and Firemens' 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. 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:

Public Employees' Retirement System

Year	Normal Contribution	Accrued Liability	Total Liability	Funded by State	Paid by County
2008	$ 611,828.00	$ 471,500.00	$ 1,083,328.00	$ 216,665.60	$ 866,662.40 (1)
2007	510,407.00	265,044.00	775,451.00	310,180.40	465,270.60 (1)
2006	488,406.00	134,343.00	622,749.00	373,649.40	249,099.60 (1)

Police and Firemen's Retirement System

Year	Normal Contribution	Accrued Liability	Total Liability	Funded by State	Paid by County
2008	$ 801,600.00	$ 469,186.00	$ 1,270,786.00	$ -	$ 1,270,786.00
2007	705,861.00	349,236.00	1,055,097.00	211,019.40	844,077.60 (1)
2006	600,323.00	217,839.00	818,162.00	327,264.80	490,897.20 (1)

The accrued liability for employees in the Public Employees Retirement System and the Police and Firemen's Retirement System as of December 31, 2008 is $11,316,000 and $11,729,650, respectively, payable in annual installments of $471,500 and $469,186, respectively, with the last installment's due on April 1, 2031 and 2032, respectively.

(1) Under the provisions of Chapter 108, P.L. 2003 the County share of the normal total contribution and accrued liability will increase approximately 20% per year until the County is paying 100% of the total normal contribution.

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.). 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. 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. 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.

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

The County's contributions were as follows:

Fiscal Year	Total Liability	Funded by Township
2008	$ 254.88	$ 254.88
2007	N/A	-
2006	N/A	-

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

Note 7: **OTHER POST EMPLOYMENT BENEFITS**

Plan Description - The County contributes to the New Jersey State Health Benefits Program ("the SHBP"), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP provides medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in the New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295.

Funding Policy - Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 requires the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2007, there were 75,860 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62.

Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning July 1, 1993 with an additional contribution beginning July 1, 1995 to maintain a medical reserve of one half of one percent of the active State payroll.

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.

The State made post-retirement (PRM) contributions of $224.3 million for PERS and $111.1 million for PFRS During the fiscal year ending June 30, 2007.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a school district or county college with 25 years of service. The State paid $110.3 million toward Chapter 126 benefits for 11,747 eligible retired members in Fiscal Year 2007.

Note 8: **COMPENSATED ABSENCES**

Under existing policies of the County, upon retirement, employees will receive one-half of their accumulated sick days up to a maximum of $15,000.00. Unused accumulated vacation is paid for at straight time. However, only a maximum of ten vacation days may be carried over to each subsequent calendar year.

The County has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2008 the balance in the fund was $1,554,343.00. It is estimated that, at December 31, 2008, accrued benefits for compensated absences are valued at $1,806,523.97.

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**

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

Year	Amount
2009	$ 1,768,635.00
2010	1,771,460.00
2011	1,760,797.50
2012	1,761,075.00
2013	1,762,725.00
2014-2018	8,951,190.00
2019	1,906,500.00
	$ 19,682,382.50

Rental payments under operating leases for the year 2008 were $1,772,879.00

Note 11: **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:

Year	County Contributions	Amount Reimbursed	Ending Balance
2008	$ 19,207.99	$ 98,510.59	$ 576,677.39
2007	196,033.99	28,342.59	655,979.99
2006	203,497.37	69,413.32	488,288.59

Note 12: **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 13: **ISSUANCE/GUARANTEE OF CAPITAL DEBT**

The County of Salem issued bonds on September 28, 2008 titled “Special Services School Bonds” in the amount of $6,000,000.00 to acquire property and complete various renovations and improvements for the Salem County Special Services School District. Interest rates on such bonds range from 3.75% to 5.00%.

On February 25, 2008 the County of Salem authorized the guarantee of debt not to exceed $2,000,000.00 for the Salem County Improvement Authority to issue bonds titled “Glass Blowing Project Bonds” pursuant to a bond resolution as lease revenue bonds regarding a lease purchase agreement between the Utilities Authority and the Improvement Authority.

Note 14: **PRIOR YEAR DEFEASANCE OF DEBT**

In prior years, the County defeased certain general obligation bonds by placing the proceeds to new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County’s financial statements. As of December 31, 2008, $4,213,000.00 of bonds outstanding are considered defeased.

Note 15: **CAPITAL DEBT**

Summary of County Debt

	2008	2007	2006
Issued			
General:			
Bonds and Notes	$ 51,349,000.00	$ 37,679,000.00	$ 38,984,000.00
Authorized But Not Issued			
General:			
Bonds and Notes	7,804,000.00	6,811,330.04	3,139,905.04
Total Issued and Authorized But Not Issued	59,153,000.00	44,490,330.04	42,123,905.04
Deductions	20,464,500.00	16,795,000.00	17,850,000.00
Net Debt	$ 38,688,500.00	$ 27,695,330.04	$ 24,273,905.04

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 0.74%.

	Gross Debt	Deductions	Net Debt
General	$ 59,153,000.00	$ 20,464,500.00	$ 38,688,500.00

Net Debt $38,688,500.00 divided by the Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, $5,228,639,381.00 equals 0.74%.

Borrowing Power Under N.J.S.A. 40A:26 as Amended

2% of Equalized Valuation Basis (County)	$ 104,572,788.00
Net Debt	38,688,500.00
Remaining Borrowing Power	$ 65,884,288.00

Note 15: **CAPITAL DEBT (CONT'D)**

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

General Debt - Serial Bonds	Principal	Interest	Total
2009	$ 2,226,204.79	$ 1,144,714.00	$ 3,370,918.79
2010	2,168,348.83	1,068,244.73	3,236,593.56
2011	2,245,622.15	986,386.42	3,232,008.57
2012	2,343,921.05	899,721.52	3,243,642.57
2013	1,887,246.06	815,343.50	2,702,589.56
2014-2018	9,507,056.66	2,908,971.22	12,416,027.88
2019-2023	5,084,412.67	1,350,670.19	6,435,082.86
2024-2028	3,406,187.79	380,965.94	3,787,153.73
	$ 28,869,000.00	$ 9,555,017.52	$ 38,424,017.52

Note 16: **RISK MANAGEMENT**

The County has adopted a plan of self-insurance for workers' compensation, automobile and general liability insurance. Excess liability insurance policies cover individual claims in excess of $200,000 for automobile and general liability claims, and $275,000 for workers' compensation claims.

At December 31, 2008, the balance of estimated payable for the workers' compensation insurance was $5,177,153.10, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported.

The balance of estimated payable for the general liability insurance was $2,454,873.48, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported, at December 31, 2008.

The balance of estimated payable for the auto liability insurance was $109,557.35, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported, at December 31, 2008.

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 2009 or future budgets. At December 31, 2008, the balance of the plans are as follows:

Insurance Plan	Amount
Reserve for Workers' Compensation Insurance - Trust Fund	$ 257,190.89
Reserve for Self Insurance - Trust Fund	1,085,371.86
Hospitalization - Trust Fund	207,003.67

Note 17: **SERVICE AGREEMENT**

In 1984, a service agreement was enacted between the County and the Salem County Utilities Authority. Section 301 of the 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 15th 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 1st 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, $215,000.00 was repaid to the County of Salem regarding prior year advances to the Authority.

Subsequent to 1984 through December 31, 2008. the Authority has not requested any advances resulting from deficiencies or for any other purpose.

Note 18: **TRANSFER OF OPERATIONS, ASSETS AND LIABILITIES**

The Salem County Board of Chosen Freeholders by a plan adopted June 10, 2008 transferred the Nursing Home operations, assets and liabilities to the Salem County Improvement Authority on August 15, 2008.

Note 19: **LITIGATION**

The County is a defendant in several legal proceedings. However, 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 20: **SUBSEQUENT EVENTS**

Bonds Authorized and Issued:

Subsequent to December 31, 2008, the County of Salem has authorized and issued Borrower Loan Bonds in the amount of $9,854,000.00. The Bonds were issued pursuant to a bond resolution of the Salem County Improvement Authority as revenue bonds. The Bonds are special, limited obligations of the Authority for which the payment will be secured solely by loan payments to be received from the County pursuant to the terms and conditions set forth in a Loan and Security Agreement, by and between the County and the Authority. Pursuant to the terms of the Loan Agreement, the Authority will lend to the County the proceeds of the Bonds for the purpose of financing the undertaking and completion of the Capital Project. The Loan Payments to be made by the County pursuant to the Loan Agreement will be secured by the issuance of a general obligation bond from the County payable to the Authority which Borrower Bond will be assigned by the Authority to a bond trustee for the benefit of the owners of the Bonds. Principal on the Bonds will be paid annually with a final maturity of twenty years.

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, 2008

		Regular Fund		Federal and State Grant Fund	
Balance December 31, 2007			$ 27,734,467.61		
Increased by Receipts:					
County Taxes Receivable	$ 49,456,747.19				
Revenue Accounts Receivable	20,091,671.54				
Miscellaneous Revenue Not Anticipated	1,251,473.45				
Refunds of Appropriations	1,516,575.60			$ 50,967.64	
Reserve for JACC/CAP	113,930.00				
Due from Current Fund				3,391,870.16	
Due Trust Fund	74,756.48				
Due General Capital Fund	313,184.27				
Federal and State Grants Receivable				9,979,614.01	
Reserve for Federal and State Grants - Unappropriated				82,866.87	
			72,818,338.53		$ 13,505,318.68
			100,552,806.14		13,505,318.68
Decreased by Disbursements:					
2008 Budget Appropriations	69,602,941.44				
2007 Appropriation Reserves	4,157,401.18				
Refund of Prior Year Revenue	74,885.17				
Due Trust Fund	74,778.26				
Due General Capital Fund	313,184.27				
Due Federal and State Grant Fund	3,391,870.16				
Reserve for Federal and State Grants - Appropriated				13,505,318.68	
			77,615,060.48		13,505,318.68
Balance December 31, 2008			$ 22,937,745.66		$ -

COUNTY OF SALEM
CURRENT FUND
Statement of County Taxes Receivable
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	2008 Tax Levy	Added/Omitted Taxes Billed County Taxes	Received	Balance Dec. 31, 2008
Alloway Township	$ 29,453.82	$ 2,566,764.08	$ 49,817.87	$ 2,596,217.90	$ 49,817.87
Carneys Point Township	100,640.47	5,696,495.47	107,573.66	5,797,135.94	107,573.66
Elmer Borough	4,312.92	957,237.06	3,709.20	961,549.98	3,709.20
Elsinboro Borough		947,652.35	1,952.45	947,652.35	1,952.45
Lower Alloways Creek Township		2,098,815.53	5,585.10	2,104,400.63	
Mannington Township	10,422.38	1,923,255.31	12,993.87	1,946,671.56	
Oldmans Township		1,778,451.02	15,633.79	1,794,084.81	
Penns Grove Borough		1,552,550.38	27,324.25	1,579,874.63	
Pennsville Township	44,242.86	11,246,705.49	39,085.59	11,290,948.35	39,085.59
Pilesgrove Township	31,976.55	4,338,840.41	41,948.22	4,370,816.96	41,948.22
Pittsgrove Township	76,680.84	6,764,345.71	35,436.74	6,841,026.55	35,436.74
Quinton Township		1,356,119.43	4,562.50	1,360,681.93	
Salem City		2,325,239.05	1,173.10	2,326,412.15	
Upper Pittsgrove Township		2,975,316.70	21,601.96	2,996,918.66	
Woodstown Borough		2,530,283.58	12,071.21	2,542,354.79	
	$ 297,729.84	$ 49,058,071.57	$ 380,469.51	$ 49,456,747.19	$ 279,523.73

2007 County Taxes - Cash Received	$ 49,058,071.57
Added and Omitted Taxes - County Tax	398,675.62
	$ 49,456,747.19

COUNTY OF SALEM
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	Accrued	Collected	Balance Dec. 31, 2008
Miscellaneous Revenues Anticipated:				
County Clerk - Recording	$ 50,732.27	$ 701,523.70	$ 710,353.47	$ 41,902.50
Surrogate		80,710.74	80,710.74	
Sheriff	215.00	119,965.45	120,112.45	68.00
Interest on Investments and Deposits		1,104,011.93	1,104,011.93	
Salem County Home	133,651.45	4,245,082.60	3,967,431.08	411,302.97
Refunds - Public Health Department		18,372.64	18,372.64	
Planning Board - Development Review Fees		19,271.62	19,271.62	
Due From Lower Alloways Creek Township - C10 & 11, P.L. 1980		2,322,973.53	2,322,973.53	
Board of State and Federal Prisoners in County Jail		606,801.96	606,801.96	
Bail Forfeiture		6,025.00	6,025.00	
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		2,118.14	2,118.14	
State Aid - County College Bonds (NJSA 18A:64A22.6)		328,186.50	328,186.50	
Public Health Priority Funding - 1977	5,785.00	82,457.25	83,331.75	4,910.50
Debt Service - State Aid (Type I) Vocational Education Bonds		91,544.00	91,544.00	
Social and Welfare Services (c.66,P.L. 1990):				
Division of Youth and Family Services(DYFS) Costs		1,345,808.00	1,345,808.00	
Supplemental Social Security Income		254,665.00	254,665.00	
Psychiatric Facilities (c.73,P.L. 1990):				
Maintenance of Patients in State Institutions for Mental Diseases		1,398,416.00	1,398,416.00	
Maintenance of Patients in State Institutions for Mentally Retarded		2,375,196.00	2,375,196.00	
Board of County Patients in State and Other Institutions		26,472.86	26,472.86	
Salem County Utilities Authority - Solid Waste Code Enforcement	1,314.29			1,314.29
Salem County Area Office on Aging		58,000.00	58,000.00	
Reserve for JACC/CAP		124,985.00	124,985.00	
Salem County Home - Medicaid Reimbursement - Peer Grouping	11,383.65	315,287.20	326,670.85	
Salem County Bus Service - NJ Transit Contract		1,055,386.06	1,055,386.06	
County Welfare Office - Social Services		101,348.91	101,348.91	
Rent - Agriculture Building		79,650.00	79,650.00	
911 Rental Tower Space		3,000.00	3,000.00	
Board of Federal Inmates in the County Jail		3,006,681.75	3,006,681.75	
Salem County Utilities Authority		248,350.00	248,350.00	
NEXTEL - Communications Tower		37,500.00	37,500.00	
Cumberland County - Sharing of Public Health Offices		80,959.23	80,959.23	
Board of Elections		66,322.07	66,322.07	
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		85,000.00	85,000.00	
	$ 203,081.66	$ 20,473,073.14	$ 20,216,656.54	$ 459,498.26

Cash Received	$ 20,091,671.54
Prior Year Reserve Realized as Revenue	124,985.00
	$ 20,216,656.54

COUNTY OF SALEM
CURRENT FUND
Statement of 2007 Appropriation Reserves
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007			Balance After	Paid or	Balanced
	Encumbered	Reserved	Transfers	Transfers	Charged	Lapsed
General Government						
Administrative and Executive						
Board of Chosen Freeholders						
Salaries and Wages		$ 1,562.78	$ 530.00	$ 2,092.78	$ 2,069.28	$ 23.50
Other Expenses	$ 1,051.52	2,724.28		3,775.80	3,671.37	104.43
Purchase Department and Inventory Control						
Salaries and Wages		3,407.68		3,407.68	2,727.41	680.27
Other Expenses	816.11	849.78		1,665.89	1,226.46	439.43
Clerk of the Board						
Salaries and Wages		1,629.55	2,420.00	4,049.55	4,043.91	5.64
Other Expenses	2,570.92	16,146.44		18,717.36	3,470.92	15,246.44
Farmland Preservation						
Salaries and Wages		1,297.40		1,297.40	1,064.28	233.12
Personnel/HR						
Salaries and Wages		13,314.42	(7,500.00)	5,814.42	5,498.26	316.16
Drug Testing for employees	105.00	8,537.08		8,642.08	105.00	8,537.08
Other Expenses	21,260.45	4,288.76		25,549.21	21,118.97	4,430.24
Archives						
Salaries and Wages		39,862.29	(20,000.00)	19,862.29	372.58	19,489.71
Other Expenses	1,278.03	2,695.99		3,974.02	3,778.03	195.99
County Clerk						
Salaries and Wages		16,652.34		16,652.34	8,404.67	8,247.67
Other Expenses	30,261.73	20,713.99		50,975.72	29,724.72	21,251.00
School Board Elections		16,810.97		16,810.97		16,810.97
Election Costs	215.00	14,539.31		14,754.31	215.00	14,539.31
Grant Management						
Other Expenses		7,515.55		7,515.55	5,800.00	1,715.55
Board of Elections						
Salaries and Wages		8,387.49		8,387.49	3,905.72	4,481.77
Other Expenses	34,877.59	5,130.34		40,007.93	27,541.16	12,466.77
County Treasurer's Office						
Salaries and Wages		14,075.29		14,075.29	10,979.02	3,096.27
Other Expenses	136.89	16,638.22		16,775.11	5,402.37	11,372.74
Bond Cost		20,000.00		20,000.00		20,000.00
County Auditor						
Annual Audit Fee		8,694.20		8,694.20		8,694.20
Information Technology						
Salaries and Wages		8,896.27		8,896.27	5,336.67	3,559.60
Other Expenses	131,849.88	1.31		131,851.19	131,838.02	13.17
County Adjuster's Office						
Salaries and Wages		1,728.12		1,728.12	1,481.91	246.21
Other Expenses	2,430.00	8,638.24		11,068.24	2,815.54	8,252.70
Board of Taxation						
Salaries and Wages		5,371.99		5,371.99	933.45	4,438.54
Other Expenses	10,380.36	478.90		10,859.26	10,832.96	26.30
County Counsel						
Salaries and Wages		2,701.74		2,701.74	2,701.74	
Other Expenses	66.33	7,686.25		7,752.58	1,057.45	6,695.13
County Surrogate						
Salaries and Wages		7,830.54		7,830.54	5,568.61	2,261.93
Other Expenses	8,774.16	116.82		8,890.98	8,703.52	187.46
Economic Development Office						
Visitor's Center		7,900.00		7,900.00		7,900.00
Tourism	46,080.00	11,907.53		57,987.53	48,428.88	9,558.65
SCIA Interlocal Agreement		602.60		602.60	(963.75)	1,566.35
Engineer						
Salaries and Wages		13,185.52		13,185.52	7,229.12	5,956.40
Other Expenses	17,971.67	16,507.09		34,478.76	18,817.93	15,660.83
Labor Council						
Salaries and Wages		2,607.00		2,607.00	2,607.00	
Other Expenses		4,500.00		4,500.00		4,500.00
Special Counsel	30,893.94	66,265.25		97,159.19	41,474.14	55,685.05
Farmland/Open Space		4,000.00		4,000.00		4,000.00
Cultural Heritage Commission						
Other Expenses	3,199.36	54,472.01		57,671.37	7,155.10	50,516.27

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of 2007 Appropriation Reserves
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007			Balance After	Paid or	Balanced
	Encumbered	Reserved	Transfers	Transfers	Charged	Lapsed
Land Use Administration						
County Planning Board (R.S. 40:27-3)						
Salaries and Wages		$ 2,866.30		$ 2,866.30	$ 2,455.78	$ 410.52
Other Expenses	$ 46,859.25	4,178.47		51,037.72	46,910.25	4,127.47
Code Enforcement and Administration						
Weights and Measures						
Salaries and Wages		4,314.88		4,314.88	2,216.23	2,098.65
Other Expenses	117.48	907.51		1,024.99	96.00	928.99
Insurance						
Workmen's Compensation		8,861.17		8,861.17		8,861.17
Other Insurance Premiums		58,579.12		58,579.12	8,800.00	49,779.12
Self-Insurance AL/GL	1,000.00	2,112.06	$ 20,000.00	23,112.06	23,112.06	
Group Insurance Dental		15,276.36		15,276.36		15,276.36
Group Insurance Hospitalization		112,775.62		112,775.62	32,744.50	80,031.12
Contribution to State Disability Insurance		45,990.34		45,990.34		45,990.34
Public Safety						
Safety		550.83		550.83		550.83
"9-1-1"						
Salaries and Wages		22,066.20	18,300.00	40,366.20	40,347.56	18.64
Other Expenses	39,011.35	886.63		39,897.98	39,324.14	573.84
Department of Emergency Services						
Salaries and Wages		66,786.90		66,786.90	6,096.50	60,690.40
Other Expenses:						
Fire School	30,164.22	122.43		30,286.65	30,193.21	93.44
Operations and Training		2,660.61		2,660.61	1198.89	1,461.72
Miscellaneous Other Expenses	3,763.84	1,280.83	2,100.00	7,144.67	6,652.84	491.83
Aid to Volunteer Rescue and Ambulance Squads (R.S. 40:5-2)		2,100.00		2,100.00		2,100.00
Fire Marshall						
Other Expenses	2,255.00	1,646.50		3,901.50	2,339.81	1,561.69
Sheriff's Office						
Salaries and Wages		33,044.58	16,700.00	49,744.58	42,290.64	7,453.94
Other Expenses	84,053.10	804.75		84,857.85	84,422.56	435.29
Jail						
Salaries and Wages		520,879.25		520,879.25	260,613.74	260,265.51
Other Expenses	332,663.91	7,251.35	46,500.00	386,415.26	364,985.35	21,429.91
Bail Forfeitures		7,425.00		7,425.00		7,425.00
Juvenile and Domestic Relations Court						
Other Expenses	96,312.95	238,930.57		335,243.52	136,827.73	198,415.79
Alternative Youth Shelter						
Other Expenses						
Contractual - Ranch Hope		0.35		0.35		0.35
Prosecutor's Office						
Salaries and Wages		232,828.49		232,828.49	70,494.54	162,333.95
Other Expenses	87,469.49	2,115.83		89,585.32	83,430.82	6,154.50
County Medical Examiner						
Other Expenses:						
Miscellaneous	37,500.00			37,500.00	37,500.00	
Public Works Functions						
Street and Road Maintenance						
Roads and Bridges						
Salaries and Wages		45,164.13		45,164.13	23,513.97	21,650.16
Other Expenses	376,263.48	52,429.78		428,693.26	343,706.47	84,986.79
Facilities Management						
Salaries and Wages		59,877.45	(21,500.00)	38,377.45	26,933.35	11,444.10
Other Expenses	72,990.73	124,519.57		197,510.30	106,299.68	91,210.62
Mosquito Extermination Commission		50,000.00		50,000.00		50,000.00
Railroad	31,551.76	21,060.95		52,612.71	31,308.35	21,304.36
Vehicle Maintenance	60,765.09	99,638.28		160,403.37	32,248.46	128,154.91

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of 2007 Appropriation Reserves
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007			Balance After	Paid or	Balanced
	Encumbered	Reserved	Transfers	Transfers	Charged	Lapsed
Health and Human Services						
War Veterans Burial And Grave Decorations						
Salaries and Wages		$ 189.80		$ 189.80	$ 189.80	
Other Expenses		2,800.28		2,800.28	1,120.00	$ 1,680.28
HIV Case Management		500.00		500.00		500.00
Office on the Disabled						
Salaries and Wages		2,361.34		2,361.34	2,268.22	93.12
Other Expenses	$ 1,962.48	2,878.66		4,841.14	2,190.92	2,650.22
Peer Grouping	4,500.00	80.50		4,580.50	4500.00	80.50
Salem Area Office on Aging		130.66		130.66	130.66	
Office on Aging Medical Transportation	8,159.71	0.01		8,159.72	8,159.72	
Health and Human Services (Cont'd)						
JACC / CAP Review		1,250.00		1,250.00	1,250.00	
Reappropropriated 2005	15,390.21			15,390.21	11,282.70	4,107.51
Tubercular Sanitarium						
Outpatient Clinic Service						
Other Expenses	500.00	9,811.22		10,311.22		10,311.22
Inpatient Services						
Other Expenses		720.00		720.00		720.00
Public Health Emergency		15,000.00		15,000.00		15,000.00
Salem County Home						
Salaries and Wages		232,428.80	$ (27,100.00)	205,328.80	118,040.61	87,288.19
Other Expenses:						
Miscellaneous	232,047.12	110,869.20		342,916.32	318,543.87	24,372.45
Offset with Nursing Home Donations	698.00			698.00	698.00	
Alcohol Treatment/County Contributions	27,032.00	4.00		27,036.00	(3,892.00)	30,928.00
County Health Service - Interlocal Agreement (40:8A-1 et seq)						
Salaries and Wages		57,939.99		57,939.99	20,260.58	37,679.41
Other Expenses:						
Nursing Services	2,276.78	29,373.93		31,650.71	2,404.55	29,246.16
Administration	1,752.22	17,708.66		19,460.88	(6,430.81)	25,891.69
Environmental	3,948.95	3,681.89		7,630.84	4,540.42	3,090.42
Cumberland County - Priority Health Funding						
Salaries and Wages		3,082.84		3,082.84	906.50	2,176.34
Other Expenses		84.25		84.25		84.25
Commission on Women						
Other Expenses		3,105.80		3,105.80	10.00	3,095.80
Mental Health Board (R.S. 30:9A-3)						
Other Expenses	12.50	19.34		31.84	(3.50)	35.34
Peer Grouping	15,500.00			15,500.00	15,500.00	
Community Health Law Project		13,958.00		13,958.00		13,958.00
Parks and Recreation						
Parks and Playgrounds						
Other Expenses	10,000.00			10,000.00	10,000.00	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of 2007 Appropriation Reserves
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007			Balance After	Paid or	Balanced
	Encumbered	Reserved	Transfers	Transfers	Charged	Lapsed
Educational						
Educational Programs for Employees						
Salaries and Wages		$ 190.26		$ 190.26	$ 190.26	
Other Expenses		100.00		100.00		$ 100.00
Reimbursements for Residents Attending Out-of-County Two Year Colleges (N.J.S.18A:64A-23)	$ 1,923.10	94,921.10		96,844.20	2,727.80	94,116.40
County Extension Service - Farm and Home Demonstrations						
Salaries and Wages		15,461.58		15,461.58	3,247.45	12,214.13
Other Expenses	12,020.70	2,322.22		14,342.92	12,705.55	1,637.37
Office of County Superintendent of Schools						
Salaries and Wages		10,470.40		10,470.40	4,345.82	6,124.58
Other Expenses	502.23	1,799.43		2,301.66	1,551.84	749.82
Veterans' Service Bureau						
Salaries and Wages		993.43		993.43	993.43	
Other Expenses		433.91		433.91	315.61	118.30
Accumulated Leave Compensation		30,136.03		30,136.03	2,163.10	27,972.93
Community Bus Service						
Salaries and Wages		8,923.21	$ 6,300.00	15,223.21	15,183.10	40.11
Other Expenses	13,972.93	26,206.44		40,179.37	13,034.25	27,145.12
Utilities	131,440.27	294,661.87		426,102.14	403,470.44	22,631.70
State and Federal Programs Off-set by Revenues:						
New Jersey Department of Human Services						
County Mental Health Administrator		1,859.62	1,550.00	3,409.62	2,500.88	908.74
Matching Funds for Grants		182,847.00		182,847.00		182,847.00
Capital Improvement						
Reconstruction of Various County Roads- Engineers	355,571.25	4,529.77		360,101.02	323,164.33	36,936.69
Reconstruction of Various County Roads- Road Dept	414,319.09	62,920.06		477,239.15	412,898.61	64,340.54
Alterations and Improvements to County Buildings	85,477.50	171.41		85,648.91	75,876.82	9,772.09
ADA Compliance - County Buildings	14,994.00	6.00		15,000.00	14,994.00	6.00
Information Technology - Purchase of Equipment	24,166.80	6,024.23		30,191.03	24,166.80	6,024.23
Disaster Recovery		237.10		237.10		237.10
Purchase of Weapons of Sheriff/Jail		2,354.45		2,354.45		2,354.45
Bathmetric Study for Avis Mill Pond	8,000.00			8,000.00	8,000.00	
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System		42,311.02		42,311.02		42,311.02
Police and Fireman's Retirement System		28,630.83		28,630.83		28,630.83
Social Security System (O.A.S.I.)		54,602.78	(38,300.00)	16,302.78		16,302.78
Judgements		317,207.38		317,207.38		317,207.38
TOTAL	$ 3,033,128.43	$ 4,019,105.12	$ -	$ 7,052,233.55	$ 4,157,401.18	$ 2,894,832.37

COUNTY OF SALEM
CURRENT FUND
Statement of Reserved for Encumbrances
For the Year Ended December 31, 2008

	Current Fund	Grant 2008
Balance December 31, 2007	$ 3,033,128.43	$ 7,997,604.16
Increased by:		
Transferred from:		
2008 Budget Appropriations	2,022,217.30	
Federal and State Grants Appropriated		5,237,241.02
	5,055,345.73	13,234,845.18
Decreased by:		
Prior Year Encumbrances Reappropriated to:		
2007 Appropriation Reserves	3,033,128.43	
Federal and State Grants Appropriated		7,997,604.16
Balance December 31, 2008	$ 2,022,217.30	$ 5,237,241.02

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	Anticipated as Revenue in 2008 Budget	Anticipated as Revenue in 2008 By 40A:4-87	Received	Adjustments/ Canceled	Balance Dec. 31, 2008
Federal Grants:						
Salem County Area Plan Grant	$ 370,609.70	$ 870,848.00		$ 638,237.00		$ 603,220.70
Public Health Preparedness and Response to Bioterrorism	1,434,087.55		$ 522,000.00	728,269.00		1,227,818.55
Job Training Partnership Act	147,925.91					147,925.91
Welfare to Work	43,531.24					43,531.24
Multijurisdictional Narcotics Task Force Grant	174,680.00			87,340.00		87,340.00
Multijurisdictional Gang, Gun and Narcotics Task Force Program			119,420.00			119,420.00
Victims of Crime Act - Victim Assistance Grant Program	16,653.00	163,833.00	65,998.00	162,438.00		84,046.00
State of New Jersey - Department of Military and Veterans Affairs - Veterans Transportation Program	8,668.00		13,000.00	14,083.00		7,585.00
South Jersey Transportation Authority and the South Jersey Transportation Planning/Organization						
Salem - Hancock's Bridge Road Scoping Project	23,000.00					23,000.00
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
Cancer Detection	338,807.00					338,807.00
WIA Youth	126,173.00		139,290.00	127,625.77	$ 15,651.00	122,186.23
WIA Adult	193,353.92		142,858.00	141,870.20	10,160.00	184,181.72
WIA Dislocated Worker Program	139,508.19		114,736.00	130,980.83	5,662.00	117,601.36
WIA - TANF	22,150.00					22,150.00
Workforce Investment Act - Cumberland/Salem			8,273.00	3,447.00		4,826.00
SJTPO - Guiderail Replacement Project	162,757.40					162,757.40
Resurfacing of Auburn Road - Pilesgrove Twp.	7,507.86					7,507.86
Small Cities Block Grant	88,955.00					88,955.00
Small Cities Block Grant - Salem Courthouse Renovation Grant	400,000.00					400,000.00
State Homeland Security Grant Program	493,630.10		459,095.00	291,045.40		661,679.70
State Homeland Security Grant Program Code Orange Funds	27,325.00			26,550.00		775.00
Stormwater Regulation	-		10,000.00	10,000.00		-
Kings Highway, County Road #620, Phase IV-B in Mannington Twp.	282,450.00			190,477.68		91,972.32
Salem Hancock's Bridge Road, County Road #658	152,235.47					152,235.47
New Jersey DOT - Repairing of the Oldmans Creek Trestle	188,295.00					188,295.00
New Jersey DOT - Pennsville-Auburn Road Resurfacing, County Road #551	456,800.00			150,000.00		306,800.00
New Jersey DOT - Pennsville-Auburn Road, County Road #551, Phase II	780,000.00					780,000.00
New Jersey DOT - Pecks Corner-Cohansey Rd. Resurfacing, County Rd.#540	509,000.00			150,000.00		359,000.00
SJTPO - Salem County Roadway Striping Program	542,150.00					542,150.00
SJTPO - Salem County Safety Projects in Pennsville Township and Upper Pittsgrove Township	136,918.00					136,918.00
Sobriety Checkpoint and Saturation Patrol Project Grant	4,385.66					4,385.66
Subregional Transportation Planning Program	28,109.91	5,269.46	53,930.54	5,269.46		82,040.45
Total Federal Grants	7,405,766.91	1,039,950.46	1,648,600.54	2,857,633.34	31,473.00	7,205,211.57
State Grants:						
State Aid - Alcoholic Treatment Program						
#00-517-ADA-00	11,142.00					11,142.00
#01-550-ADA-00	25,051.00					25,051.00

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	Anticipated as Revenue in 2008 Budget	By 40A:4-87	Received	Adjustments/ Canceled	Balance Dec. 31, 2008
State Grants (Cont'd):						
State Aid - Alcoholic Treatment Program (Cont'd)						
#02-539-ADA-00	$ 13,046.00					$ 13,046.00
#03-539-ADA-00	16,581.00					16,581.00
#04-580-ADA-00	575.00					575.00
#05-580-ADA-00	8,522.00					8,522.00
#06-539-ADA-00	5,511.00					5,511.00
#07-539-ADA-00	73,932.00			$ 63,852.00		10,080.00
#08-539-ADA-00		$ 252,540.00		212,248.00		40,292.00
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	4,848.50	8,786.00		8,786.00		4,848.50
New Jersey Department of Transportation						
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	4,605.77					4,605.77
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
New Jersey Department of Transportation - Road Program	131,667.70					131,667.70
County Environmental Health Act (CEHA)	191,570.92	191,021.00		224,217.38		158,374.54
N.J. Department of Transportation - Reconstruction of the Alloway Shirley Road (Quinton-Elmer Road)	73,963.67					73,963.67
N.J. Department of Transportation - Capital Transportation Program Fiscal Year 1994-1997	149,909.19			141,879.52		8,029.67
Senior Citizen and Disabled Residents Transportation Assistance Act	612,366.22	627,776.00		564,741.90		675,400.32
FTA Small Urban & Rural Area Public Transportation	145,422.00					145,422.00
Alliance to Prevent Alcoholism & Drug Abuse	114,355.94	137,783.00		101,274.28		150,864.66
N.J. Transportation Trust Fund Authority Act Reconstruction of Quinton - Elmer Road Section III	50,000.00					50,000.00
N.J. Department of Transportation Salem County Airport Feasibility Study	38,218.50					38,218.50
South Jersey Transportation Authority/South Jersey Transportation Planning Organization (Kelly's Saw Mill)	45,362.94					45,362.94
SJTPO - Reconstruction of Kelly's Saw Mill Bridge	131,581.28			28,340.48		103,240.80
Recreational Opportunities for Individuals with Disabilities	4,723.98			2,223.00		2,500.98
1996 Recreation Opportunities for Individuals with Disabilities GA#96-0173-00 (Reserve for 1997)	875.00					875.00

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	Anticipated as Revenue in 2008 Budget	Anticipated as Revenue in 2008 By 40A:4-87	Received	Adjustments/ Canceled	Balance Dec. 31, 2008
State Grants (Cont'd):						
N.J. Department of Health and Senior Services						
Early Intervention Program 00-265-EIP-00	$ 36,554.00					$ 36,554.00
Early Intervention Program 02-253-EIP-00	24,270.00					24,270.00
Early Intervention Program 03-161-EIP-00	17,900.00					17,900.00
Early Intervention Program 04-161-EIP-00	7,433.00					7,433.00
Early Intervention Program 05-161-EIP-00	20,709.00					20,709.00
Early Intervention Program 06-161-EIP-00	30.00					30.00
EIP COLA Funds	9,983.00					9,983.00
Early Intervention Program and Case Management	126,500.00			$ 109,115.00		17,385.00
Early Intervention Program			$ 70,800.00			70,800.00
Case Management			38,000.00			38,000.00
EIP Additional	1,500.00					1,500.00
DMHD - Mental Health Board-Mental Health Disaster & Crisis Counsel	2,071.69					2,071.69
New Jersey Department of Human Services - Family Court	99,378.00	$ 100,869.00		169,178.50		31,068.50
Juvenile Justice Commission	120,652.87	202,406.00		194,423.48		128,635.39
Juvenile Assistance Grant Program - Megan's Law	-	3,936.00		1,650.00		2,286.00
Justice Assistance Grant (JAG)	87,340.00					87,340.00
Community Justice Grant	-	75,000.00		45,768.63		29,231.37
Community Policing Grant		1,000.00		1,000.00		-
Community Traffic Safety Program		19,864.00		6,753.62		13,110.38
Inter-Agency J-J:9-6-06 (FAST)		74,625.00		55,434.00		19,191.00
State of New Jersey, Division of Alcoholism, Drug Abuse and Addiction Services	10,718.00					10,718.00
Partnerships for the Delaware Estuary, Inc.	1,050.00					1,050.00
JAIBG Funds Youth Services	10,731.50	9,421.00		16,732.00		3,420.50
Division of Highway Traffic Safety - Vehicular Homicide/Serious Injury Unit	142,889.13					142,889.13
Division of Highway Traffic Safety - Salem Comprehensive Child Passenger Safety Program	29,163.40			5,209.63		23,953.77
County Mental Health Planning Development & Admin	1,585.09					1,585.09
Prosecutors Insurance Fraud Reimbursement Program	72,244.85	163,598.00		79,077.72		156,765.13
Local Arts Program	17,987.00	61,068.00		59,432.00		19,623.00
Local Arts Initiative	220.00	38,500.00		28,875.00		9,845.00
1994 and 1995 County Aid CTP-Reconstruction of Aldine-Shirley Rd., County Road #611, Phase 4	696,000.00			446,000.00		250,000.00
Tobacco Control, Prevention, Treatment Education Services	30,895.00					30,895.00
Watershed Project	46,460.00					46,460.00
LINCS Preparedness	226.74					226.74
Body Armor Fund (Sheriff)	-	16,059.40	15,759.74	16,059.40		15,759.74
Body Armor Fund (Prosecutor)	-	1,805.68	1,853.13	1,805.68		1,853.13
Sobriety Checkpoint and DWI Education	19,120.00					19,120.00
COPS in Shops	5,343.56		6,000.00	4,194.44		7,149.12
Medical Reserve Support	10,000.00		5,000.00	15,000.00		-
Project Lifesaver	65,720.00			16,430.00		49,290.00
NJ Transportation Trust Fund Authority - 2008 County Aid Improvement Program	-		1,818,000.00	1,818,000.00		-
02 Local History	4,000.00					4,000.00
Emergency Housing Repair Fund	4,995.00					4,995.00
Oldmans Township Economic Development Project	548,550.61					548,550.61
NJ State Police 911 Coordinator	2,272.73	25,000.00		25,000.00		2,272.73
SART/SANE	87,516.53					87,516.53
Cancer Education/Early Detection	211,514.00		116,300.00	104,029.00		223,785.00

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	Anticipated as Revenue in 2008 Budget	By 40A:4-87	Received	Adjustments/ Canceled	Balance Dec. 31, 2008
State Grants (Cont'd):						
Health and Senior Services - Cancer Detection (COLA)	$ 7.00					$ 7.00
FY 2000 TANF	6,469.65					6,469.65
FY 2001 TANF	38,634.75					38,634.75
FY 2003 TANF	2,011.12					2,011.12
Work First New Jersey TANF	90,500.63					90,500.63
Workforce Development Partnership Program - TANF - Smart Steps	-	$ 3,210.00		$ 3,210.00		-
TANF - Work Verification	-		$ 22,425.00	15,817.00		6,608.00
Work First New Jersey - TANF Work Activities	295,644.68		390,198.00	379,986.72		305,855.96
TANF - Case Management	51,673.00		88,051.00	88,111.00		51,613.00
Work First New Jersey Smart Steps	6.00					6.00
FY 2000 General Assistance	3,971.51					3,971.51
FY 2001 General Assistance	2,719.99					2,719.99
FY 2003 General Assistance	302.20					302.20
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 GA/FS	2,778.22		71,124.00	40,077.77		33,824.45
Work First New Jersey GA/FS - Work Activities	68,863.59			55,220.27		13,643.32
Work First New Jersey GA/FS - Case Management	32,948.00		52,057.00	52,181.00		32,824.00
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	70,827.24		11,977.00	1,521.30		81,282.94
02 One Stop Literary Lab	629.06					629.06
Dept. of Law and Public Safety, Div. of State Police - Emergency Services - RERP	257,573.07	122,660.00	121,150.00	165,761.78		335,621.29
E - Public Health 1/01-6/01 - LINCS IT Development	398.00					398.00
LINCS IT Development	1,083.00					1,083.00
Diversity Partner Coalition OP-03-45-0203	13,594.83					13,594.83
Resurfacing of Churchtown Rd. - Pennsville Twp.	118,769.00			118,769.00		-
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	31,560.00		10,500.00	6,480.00		35,580.00
State Homeland Security Grant Program - Explosive Detecting Canine Initiative	(1.00)					- (1.00)
Resurfacing South Broad Street - Penns Grove Boro	246,952.00			137,379.00		109,573.00
Resurfacing of Fort Mott Road - Pennsville Twp.	176,574.96					176,574.96
SJTPO - Almond Road Scoping Study	155,121.94			155,121.94		-
County Aid Balance FY87 & FY91	113,690.24			113,690.24		-
Salem County Railroad Realignment & Reconstruction	100,650.00					100,650.00
County Jail Statewide Photo Capture System	22,036.51			22,036.51		-
Workforce Development Partnership Program	21,325.06			6,297.00		15,028.06
PASP - Personal Attendant Services	17,377.14	76,808.00	76,808.00	153,616.00		17,377.14
Old Court House Project - SJEDD	198,000.00			198,000.00		-
						-

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	Anticipated as Revenue in 2008 Budget	Anticipated as Revenue in 2008 By 40A:4-87	Received	Adjustments/ Canceled	Balance Dec. 31, 2008
State Grants (Cont'd):						
Safe Roadways Project Grant	$ 4,399.31	$ 72,200.00		$ 70,660.55		$ 5,938.76
Public Archives & Records Infrastructure Support (PARIS) Grant	1,350,547.00		$ 91,300.00	636,131.89		805,715.11
Railroad Improvement Project	2,089,409.97					2,089,409.97
Salem County Railroad Improvements Phase 2	1,701,875.00					1,701,875.00
Comprehensive Cancer Control Plan	86,486.00		65,000.00	58,616.00		92,870.00
Title V Delinquency Prevention	20,836.00			20,836.00		-
CHLP Grant Seminar	3,026.56					3,026.56
NJ Sex Offender Internet Registry	-	4,650.00		250.00		4,400.00
NJ Build	380.00					380.00
Historical Commission Grant	18,000.00		14,940.00	29,952.00		2,988.00
Farmland Preservation Program	-	311,383.86		311,383.86		-
Sharing Available Resources Efficiently (SHARE) Grant			54,740.00			54,740.00
Emergency Management Performance Grant (EMPG)			15,000.00			15,000.00
Election Assistance to Individuals with Disabilities			39,500.34	13,871.73		25,628.61
Project Vision Grant		43,750.00				43,750.00
Prosecutor - Police AED Grant		45,136.00		45,136.00		-
K-9 Unit Program		63,057.80		63,057.80		-
Senior Farmers' Market Nutrition Program			1,000.00			1,000.00
Special Child and Adult Health Services	3.00					3.00
Total State Grants	12,010,367.12	2,753,913.74	3,212,568.21	7,529,903.02	-	10,446,946.05
Total	$ 19,416,134.03	$ 3,793,864.20	$ 4,861,168.75	$ 10,387,536.36	$ 31,473.00	$ 17,652,157.62

Budgeted Revenue Per Exhibit A-2	$ 3,793,864.20	$ 4,861,168.75
Cash Received		$ 9,979,614.01
Prior Year Grants - Cash received in Prior Years - incorrectly recorded as MRNA		30,209.63
Prior Year Unappropriated Grants Realized as Revenue		377,712.72
	$ 3,793,864.20	$ 4,861,168.75	$ 10,387,536.36

Note:

Anticipated Revenue as Originally Adopted	$ 3,793,864.20
Matching Portion as Originally Adopted	288,218.00
As Originally Budgeted--Exhibit SA-8	$ 4,082,082.20

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Unappropriated
For the Year Ended December 31, 2008

Grant	Balance Dec. 31, 2007	Collected	Anticipated as Revenue in Budget	Balance Dec. 31, 2008
Reserve - Senior Citizen and Disabled Resident Transportation Program - Additional Funds	$ 9,864.40			$ 9,864.40
Body Armor Fund (Sheriff)	16,059.40		$ 16,059.40	-
K-9 Unit Program	45,000.00		45,000.00	-
Farmland Preservation Program	311,383.86		311,383.86	-
Subregional Transportation Planning Program - 7/1/06-6/30/07	5,269.46		5,269.46	-
Subregional Transportation Planning Program - FY 2006	32,639.40			32,639.40
County Jail Statewide Photo Capture System		$ 4,255.00		4,255.00
OETS Enhanced 911		60,000.00		60,000.00
Senior Farmers Market Nutrition Program		1,000.00		1,000.00
2008 Body Armor Fund (Prosecutor)		1,852.13		1,852.13
2008 Body Armor Fund (Sheriff)		15,759.74		15,759.74
	$ 420,216.52	$ 82,866.87	$377,712.72	$ 125,370.67

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	2008 Appropriations Budget	2008 Appropriations By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Adjustments/ Canceled	Balance Dec. 31, 2008
Federal Grants:							
Salem County Area Plan Grant	$ 196,883.94	$ 870,848.00		$ 117,159.24	$ 1,000,333.92		$ 184,557.26
Public Health Preparedness and Response for Bioterrorism	1,104,803.55		$ 522,000.00	45,353.37	604,841.43		1,067,315.49
Job Training Partnership Act	276,956.60						276,956.60
Welfare to Work	101,845.19						101,845.19
Multijurisdictional Narcotics Task Force							
Grant #DE 2-18-05	137,721.77			87,340.00	87,340.00		137,721.77
Grant #DE 2-18-06	3,867.59			87,340.00	87,340.00		3,867.59
Multijurisdictional Gang, Gun and Narcotics Task Force Program			238,840.00		16,113.00		222,727.00
Division of Criminal Justice - Victim/Witness							
Victims of Crime Act #V-17-01	63,905.02						63,905.02
Victims of Crime Act #V-23-01	128,621.95						128,621.95
Victims of Crime Act #V-17-03	78,030.59						78,030.59
Victims of Crime Act	112,570.20						112,570.20
Victims of Crime Act - Victim Assistance Grant Program	92,150.63	204,791.00	82,498.00		50,550.63		328,889.00
State of New Jersey - Department of Military and Veterans Transportation Program	8,768.00		13,000.00		14,083.00		7,685.00
Salem - Hancock's Bridge Road Scoping Project	58,157.90						58,157.90
Cancer Detection	284,769.84						284,769.84
WIA Youth	158,954.18		139,290.00		139,631.95	$ 15,651.00	142,961.23
WIA Adult	187,386.69		142,858.00		129,853.61	10,160.00	190,231.08
WIA Dislocated Worker	149,949.24		114,736.00		130,980.83	5,662.00	128,042.41
WIA - TANF	13,427.00						13,427.00
Workforce Investment Act - Cumberland/Salem			8,273.00		3,447.00		4,826.00
USDA Rural Development - Railroad Improvements	5,609.08			24,177.92	24,177.92		5,609.08
USDA Rural Development - Rural Business Enterprises Grant	99,000.00						99,000.00
NJDCA - Guiderail Replacement Project	162,757.40						162,757.40
Subregional Transportation Planning Program	23,650.00	5,269.46	68,730.54				97,650.00
SJTPO - Salem County Roadway Striping Program	542,150.00				290,484.43		251,665.57
SJTPO - Pennsville-Auburn Road, County Road #551, Phase II	780,000.00				493,326.15		286,673.85
SJTPO - Salem County Safety Projects in Pennsville Township and Upper Pittsgrove Township	136,918.00				101,456.60		35,461.40
Small Cities Block Grant	106,751.76						106,751.76
Small Cities Block Grant - Salem Court House Renovation	400,000.00						400,000.00
Resurfacing of Auburn Rd-Pilesgrove Township	-			7,507.86			7,507.86
State Homeland Security Grant Program	181,212.42		459,095.00	287,324.36	316,886.98		610,744.80
State Homeland Security Grant Program - Code Orange Funds	775.00			26,550.00	26,550.00		775.00
Stormwater Regulation	743.03		10,000.00		609.40		10,133.63
Kings Highway, County Road #620, Phase IV-B, Mannington Twp.	86,360.44			12,421.43	6,809.55		91,972.32
FEMA - Emergency Management Grant	6,126.89						6,126.89
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	87,656.63			29,543.46	29,543.46		87,656.63
New Jersey DOT - Pecks Corner-Cohansey Road Resurfacing, County Road #540	147,400.47			27,731.47	27,731.47		147,400.47

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	2008 Appropriations Budget	2008 Appropriations By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Adjustments/ Canceled	Balance Dec. 31, 2008
Federal Grants (Cont'd):							
Sobriety Checkpoint and Saturation Patrol Project Grant	$ 2,926.06						$ 2,926.06
Salem Hancock's Bridge Road, County Road #658	161,390.00						161,390.00
Total Federal Grants	6,111,147.06	$1,080,908.46	$ 1,799,320.54	$ 752,449.11	$ 3,582,091.33	$ 31,473.00	6,130,260.84
State Grants:							
Alcoholic Treatment Program:							
#00-582-ADA-00 - state share	14,707.15						14,707.15
#01-550-ADA-00	25,050.64						25,050.64
#02-539-ADA-00	13,495.59						13,495.59
#03-539-ADA-00	16,560.73						16,560.73
#04-539-ADA-00	574.63						574.63
#05-539-ADA-00	8,128.56						8,128.56
#06-539-ADA-00	5,509.71						5,509.71
#07-539-ADA-00	14.17			48,699.23	38,644.43		10,068.97
#08-539-ADA-00		272,697.00			270,522.46		2,174.54
Alliance to Prevent Alcoholism & Drug Abuse	9,820.99	137,783.00		78,740.48	205,228.25		21,116.22
New Jersey Department of Public Health - Right to Know Project	4,171.41	8,786.00		2,541.00	10,676.81		4,821.60
Reconstruction of Pennsville - Auburn Road -							
Phase I	10,634.57						10,634.57
Phase II	40,460.48						40,460.48
N.J. Department of Transportation - Bureau of Local Aid - Bridge Rehabilitation & Improvement Fund - Kings Highway Bridge #479	56,397.42						56,397.42
Reserve for Local Bridge Fund	-			78,565.17	78,565.17		-
Senior Citizen and Disabled Residents Transportation Assistance Act	368,133.46	627,776.00		124,405.75	753,053.07		367,262.14
FTA Small Urban & Rural Area Public Transportation	200,414.00						200,414.00
Reserve for Additional 2001 Sr. Citizen Funds	4,064.80						4,064.80
School Based Youth Services Program	921.92						921.92
WDP Staff & Fringe	1,190.56						1,190.56
Division of Criminal Justice - Victim and Witness Advocacy Fund FY01	652.00						652.00
Local Law Enforcement Block Grant Program	13,115.49						13,115.49
Healthy Heart Cholesterol Screening Contract							
County Mental Health Board Planning, Development and Administration	5,737.55			584.00	3,044.75		3,276.80
DMHD - Mental Health Board Mental Health Disaster & Crisis Counsel	842.35						842.35
New Jersey Department of Transportation - Reconstruction of the Alloway - Shirley Road	199,614.40						199,614.40
New Jersey Department of Transportation - Road Program Resurfacing Elm/South Main Street - Woodstown	131,667.70						131,667.70

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	2008 Appropriations Budget	2008 Appropriations By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Adjustments/ Canceled	Balance Dec. 31, 2008
State Grants (Cont'd):							
SJTPO - Reconstruction of Kelly's Saw Mill Bridge	$ 96,923.80			$ 317.00			$ 97,240.80
Salem County Airport Feasibility Study	37,970.00						37,970.00
N.J. Department of Environmental Protection County Environmental Health Act	168,686.28	$ 316,221.00		40,938.07	$ 295,509.67		230,335.68
Job Opportunities and Basic Skills Training/Family Development Program	100,543.65						100,543.65
Kelly's Saw Mill Bridge Scooping Project	46,539.02						46,539.02
New Jersey Department of Human Services - Family Court	-	100,869.00		90.00	97,584.00		3,375.00
Vehicular Homicide/Serious Injury Unit	161,284.32						161,284.32
Division of Highway Traffic Safety - Salem Comprehensive Child Passenger Safety Program	38,266.69				7,294.60		30,972.09
New Jersey State Council on the Arts Block Grant	1,012.00						1,012.00
Local Arts Program	69,776.11	91,612.00			47,756.25		113,631.86
Local Arts Staffing Initiative Grant	13,000.00	82,500.00			12,100.00		83,400.00
Juvenile Justice Commission	1,143.85	202,406.00		2,865.00	194,979.95		11,434.90
Juvenile Assistance Grant Program - Megan's Law	1,453.85	5,248.00					6,701.85
Justice Assistance Grant (JAG)	102,713.03				50,358.06		52,354.97
Community Justice Program		100,000.00			62,015.74		37,984.26
Community Policing Grant		1,000.00			1,000.00		-
Community Traffic Safety Program		19,864.00			9,185.47		10,678.53
Inter-Agency J-J:9-6-06 (FAST)		74,625.00			74,625.00		-
Recreational Opportunities for Individuals with Disabilities	3,421.00				3,420.00		1.00
State Planning Act of 1985 Cross - Acceptance II	27,076.10						27,076.10
State Aid Highway Projects: 2008 County Aid Improvement Program			$ 1,818,000.00		1,692,200.50		125,799.50
State Aid Highway Projects: 2007 County Aid Improvement Program	1,218,000.00			600,000.00	1,818,000.00		-
State Aid Highway Projects: 2006 County Aid Improvement Program	484,698.56			993,301.44	1,478,000.00		-
State Aid Highway Projects: 2005 County Aid Improvement Program	-			808,767.39	808,767.39		-
State Aid Highway Projects: 2004 County Aid Improvement Program	-			739,000.00	739,000.00		-
State Aid Highway Projects: 2002 County Aid Improvement Program	-			1,067,684.05	1,067,684.05		-
State Aid Highway Projects: 2001 County Aid Improvement Program	-			786,128.79	786,128.79		-
State Aid Highway Projects: 2000 County Aid Improvement Program				1,088,122.25	1,088,122.25		-
State Aid Highway Projects: County Aid Improvement Program - Prior Year Interest				5,513.40	5,513.40		-
Early Intervention Program 00-265-EIP-00	15,235.05						15,235.05
Early Intervention Program 03-161-EIP-00	77,462.70						77,462.70

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	2008 Appropriations Budget	2008 Appropriations By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Adjustments/ Canceled	Balance Dec. 31, 2008
State Grants (Cont'd):							
Early Intervention Program 05-161-EIP-00	$ 20,746.39						$ 20,746.39
Early Intervention Program 06-161-EIP-00	1,009.63						1,009.63
EIP Additional	1,500.00						1,500.00
Early Intervention Program and Case Management	82,480.24			$ 15,271.96	$ 80,366.97		17,385.23
Early Intervention Program			$ 70,800.00		7,068.01		63,731.99
Case Management			53,880.00		879.02		53,000.98
Body Armor Fund (Sheriff)	-	$ 16,059.40	15,759.74	12,402.00	28,308.75		15,912.39
Body Armor Fund (Prosecutor)	36.27	1,805.68	1,853.13	1,616.19	3,356.94		1,954.33
Reserve for Terrorism Exercise	1,669.74						1,669.74
Partnership for the Delaware Estuary, Inc.	2,100.00						2,100.00
LINCS Preparedness	1,930.63						1,930.63
LINCS IT	1,480.64						1,480.64
1994 and 1995 County Aid CTP Reconstruction of Aldine-Shirley Rd. #611	250,000.00						250,000.00
JAIBG Funds - Youth Services	-	10,468.00			10,468.00		-
Prosecutor Insurance Fraud Reimbursement	166,060.64	163,598.00		5,556.91	69,363.28		265,852.27
SART/SANE	98,820.30						98,820.30
NJ State Police - 911 Coordinator	1.87	25,000.00			9,935.98		15,065.89
OETS - Salem County 911 Coordinator	1,521.21			3,690.00	5,131.82		79.39
Oldmans Township Economic Development Project	558,284.72				-		558,284.72
Cancer Education/Early Detection	241,736.22		134,633.00	31,478.15	175,317.08		232,530.29
Health and Senior Services - Cancer Detection (COLA)	1,007.91						1,007.91
FY 2002/2003 TANF	51,489.69					$ 1,956.78	49,532.91
Work First New Jersey TANF	96,392.63					(2,831.00)	99,223.63
Workforce Development Partnership Program - TANF	-						
Smart Steps	-	3,210.00			3,210.00		-
TANF - Work Verification	2,831.00		22,425.00		15,817.00	2,831.00	6,608.00
Work First New Jersey - TANF Work Activities	295,644.68		390,198.00		379,986.72		305,855.96
TANF - Case Management	51,673.00		88,051.00		88,111.00		51,613.00
Work First New Jersey Smart Steps	6.00						6.00
FY 2002/2003 General Assistance	12,385.25				10.41		12,374.84
Work First New Jersey GA/FS	2,778.22		71,124.00		40,077.77		33,824.45
Work First New Jersey - GA/FS Work Activities	68,863.59		15,085.00		55,220.27		28,728.32
Work First New Jersey - GA/FS Case Management	32,948.00		52,057.00		52,181.00		32,824.00
FY 2002/2003 ABAWD & Food Stamp	6,412.62				-	(1,956.78)	8,369.40
Work First New Jersey CAVP & EEI	70,827.24		11,977.00		1,521.30		81,282.94
02 One Stop Literacy Lab	629.06						629.06
Special Child and Adult Health Services:							
Community Justice Grant	8,501.99						8,501.99
New Jersey History	5,121.20						5,121.20
Reserve for New Jersey History	4,000.00						4,000.00
Right to Farm Activities Grant	14,527.15						14,527.15
Buried in New Jersey	76.00						76.00
Sobriety Checkpoint and DWI Education	19,120.00						19,120.00
COPS in Shops	5,343.56		6,000.00				11,343.56
Medical Reserve Support	10,000.00		5,000.00		2,528.59		12,471.41
Project Lifesaver	64,262.80			232.98	9,216.44		55,279.34
1999 Statewide Transportation and Local Bridge Fund	-			53,095.22	53,095.22		-
Tobacco Control, Prevention, Treatment Education	30,895.81						30,895.81

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	2008 Appropriations Budget	2008 Appropriations By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Adjustments/ Canceled	Balance Dec. 31, 2008
State Grants (Cont'd):							
Watershed Project	$ 46,460.00						$ 46,460.00
Dept. of Law and Public Safety, Div. of State Police -	-						
Emergency Services - RERP	244,275.13	$ 122,660.00	$ 121,150.00		$ 150,936.98		337,148.15
Diversity Partner Coalition OP-03-45-02-03	18,974.76						18,974.76
Resurfacing S. Broad St. - Penns Grove Boro	81,105.00			$ 28,468.00	28,468.00		81,105.00
Resurfacing Fort Mott Rd. - Pennsville Twp	168,815.50			7,759.46	7,759.46		168,815.50
TASE - Tobacco Age Sale Enforcement	32,338.01		10,500.00		5,204.68		37,633.33
Division of State Police - (2) Decontamination Trailers	10.00						10.00
State Homeland Security Grant Program - Explosive							
Detecting Canine Initiative	116.28						116.28
03 Comm Emergency Response Team	6.56						6.56
Emergency Services Grant	213.69						213.69
Salem County Railroad Realignment & Reconstruction	100,650.00						100,650.00
Workforce Development Partnership Program	12,674.25				6,297.00		6,377.25
PASP - Personal Attendant Services	105,962.94	76,808.00	76,808.00	9,307.50	124,976.78		143,909.66
PASP Supplemental Funding Grant	28.92						28.92
Safe Roadways Project Grant	4,874.82	72,200.00		1,600.00	71,291.92		7,382.90
Old Court House Project - SJEDD	9,750.00			188,250.00	188,250.00		9,750.00
Public Archives & Records Infrastructure Support (PARIS) Grant	1,128,484.91		91,300.00	246,181.77	911,564.07		554,402.61
Railroad Improvement Project	298,915.00			85,880.17	85,880.17		298,915.00
Salem County Railroad Improvements Phase 2	1,898.80			81,666.72	81,666.72		1,898.80
Comprehensive Cancer Control Plan	74,723.93		65,000.00	6,435.00	90,227.24		55,931.69
Enhanced 911 General Assistance and Equipment Grant	60,000.00				56,551.26		3,448.74
CHLP Grant for Seminar	3,026.56						3,026.56
NJ Sex Offender Internet Registry	-	4,650.00			2,889.07		1,760.93
Office of Emergency Telecommunications Services (OETS)	6,450.47						6,450.47
NJ Build	380.00						380.00
County Disaster Liaison	2,500.00						2,500.00
Senior Farmers' Market Nutrition Program	-		2,000.00				2,000.00
Historical Commission Grant	18,000.00		14,940.00		17,500.00		15,440.00
Farmland Preservation Program	-	311,383.86			311,383.86		-
Sharing Available Resources Efficiently (SHARE)			59,847.00		1,000.00		58,847.00
Emergency Management Performance Grant (EMPG)			30,000.00		11,709.40		18,290.60
Election Assistance to Individuals with Disabilities			39,500.34		13,871.73		25,628.61
Project Vision Grant		43,750.00			43,750.00		-
Prosecutor - Police AED Grant		45,136.00			45,136.00		-
K-9 Unit Program		63,057.80			63,034.76		23.04
NJDCA - Handicapped Accessible Playground	850.00						850.00
Total State Grants	8,503,687.72	3,001,173.74	3,267,888.21	7,245,155.05	15,109,500.73	-	6,908,403.99
Total	$ 14,614,834.78	$4,082,082.20	$ 5,067,208.75	$ 7,997,604.16	$18,691,592.06	$ 31,473.00	$ 13,038,664.83
Total Budget--Original Budget in Addition to Increased by 40A:4-87			$ 9,149,290.95				

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	2008 Appropriations Budget	2008 Appropriations By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Adjustments/ Canceled	Balance Dec. 31, 2008
Budgeted in Current Funds			$ 9,490,250.95				
Less: Grants Budgeted in Current Fund							
Matching Funds For Grants			(471,500.00)				
New Jersey Department of Human Services - County Mental Health Board			(75,500.00)				
Add:							
Matching Funds For Grants - Charged as Detailed Below			* 206,040.00				
Encumbered					$ 5,237,241.02		
Disbursements					13,505,318.68		
Refunds of Appropriations					(50,967.64)		
			$ 9,149,290.95		$18,691,592.06		

*Note: Matching Funds for Grants is detailed as follows:

Sharing Available Resources Efficiently (SHARE)	$ 5,107.00
Emergency Management Performance Grant (EMPG)	15,000.00
Early Intervention Program Case Management	15,880.00
Cancer Education/Early Detection	18,333.00
Multijurisdictional Gang, Gun and Narcotics Task Force Program	119,420.00
Victims of Crime Act - Victim Assistance Grant Program	16,500.00
Senior Farmers' Market Nutrition Program	1,000.00
Subregional Transportation Planning Program	14,800.00
	$ 206,040.00

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, 2008

Balance December 31, 2007		$ 10,620,217.11
Increased by Receipts:		
Mortgage Accounts Receivable	$ 34,024.24	
Due Current Fund	74,778.26	
Due General Capital Fund	155,691.93	
Reserve for Trust Funds	36,240,744.34	
		36,505,238.77
		47,125,455.88
Decreased by Disbursements:		
Due Current Fund	74,756.48	
Reserve for Trust Funds	37,475,754.47	
		37,550,510.95
Balance December 31, 2008		$ 9,574,944.93

Exhibit SB-2

COUNTY OF SALEM
TRUST FUND
Statement of Mortgage Receivables
For the Year Ended December 31, 2008

Balance December 31, 2007	$	82,510.32
Increased by:		
Loan (Due From General Capital Fund)		250,000.00
		332,510.32
Decreased by:		
Receipts		34,024.24
Balance December 31, 2008	$	298,486.08

Exhibit SB-3

TRUST FUND
Statement of Due To/(From) Current Fund
For Year Ended December 31, 2008

Balance December 31, 2007 - Due To/(From)		$	(21.78)
Increased by:			
Return of Prior Year Interfund	193.02		
Interest Earned	74,585.24		
			74,778.26
			74,756.48
Decreased by:			
Interest Transferred to Current Fund	74,585.24		
Excess Cash Transferred to Current Fund	171.24		
		$	74,756.48

COUNTY OF SALEM
TRUST FUND
Statement of Reserve for Trust Funds
For the Year Ended December 31, 2008

	Balance (Deficit) December 31, 2007	Increased by: Receipts: Trust Designation	Increased by: Receipts: Interest	Increased by: Transferred from Encumbrance	Decreased by: Disbursements	Decreased by: Transferred to Encumbrance	Balance (Deficit) December 31, 2008
Reserve for:							
911	$ 262.45						$ 262.45
Accumulated Absences Trust	1,583,696.17		$ 47,315.62		$ 76,668.79		1,554,343.00
Audio Visual Commission	99,392.16	$ 7,152.34		$ 610.93	40,777.52	$ 1,016.36	65,361.55
B.F. Goodrich	15,147.73		460.78				15,608.51
Commodities Resale Program	38,649.37	181,592.54			208,257.84		11,984.07
County Auction	-	43,696.30			43,512.55	183.75	-
County Clerk	314,286.90	70,929.85	10,962.87	32,584.16	51,480.67		377,283.11
Custodian Interest	-		63,860.21		63,860.21		-
Document Preservation Fees	-	295,615.00			295,615.00		-
Engineering Escrow	12,175.25	12,750.00		1,365.00	6,034.75	2,930.00	17,325.50
Environmental Enforcement	391,965.42	76,278.06		10.00	29,710.65		438,542.83
Hospitalization	1,144,880.51	39,003.32	19,739.35		996,619.51		207,003.67
Housing Revitalization	49,744.17	25,018.28	2,082.27				76,844.72
Motor Vehicle Fines	840,917.96	343,778.38		344,614.44	274,290.92	334,713.08	920,306.78
Net Payroll Account	-	16,288,373.80	3,208.53		16,288,894.12		2,688.21
Open Space/Farmland Preservation	982,444.67	1,090,466.46	59,233.02	587,510.00	613,092.38		2,106,561.77
Parvin Bequest	18,606.74	9,672.17	622.35	1,217.38	6,166.69	15,550.66	8,401.29
Payroll Agency	208,421.52	15,334,708.12	7,516.50		15,334,117.27		216,528.87
Performance Bond - J Dare Development	13,090.00						13,090.00
Performance Bond - Woods Laurel Hills	3,375.00						3,375.00
Personal Attendant Service (PASP)	19,291.23	1,368.50	590.02	2,525.00	5,992.95		17,781.80
Prosecutor's Office:							
Asset Maintenance Account	40,045.50	9,147.16	1,225.89	17,380.00	32,389.00	2,978.00	32,431.55
Auto Law Enforcement Trust Account	3,250.16	263.75	103.71				3,617.62
County Law Enforcement Trust Account	170,390.02	59,940.35	5,505.21	64,444.74	139,928.57		160,351.75
Federal County Law Enforcement Trust Account	82,722.40		2,535.26	3,878.29	3,878.29		85,257.66
Municipal Law Enforcement Trust Account	66,331.68	4,222.46	1,782.56		33,321.40		39,015.30
Seized Assets Trust Account	289,632.51	95,322.91	8,997.96	1,089.08	91,370.23	810.31	302,861.92
Realty Transfer Fees	-	1,047,656.30			1,047,656.30		-
Revolving Loan	357,278.95	823,163.03			823,163.03		357,278.95
Road Opening Deposits	29,295.44	10,502.00					39,797.44
SCAPG - Nutrition Program	227.00	3,479.00		30.00	30.00	250.00	3,456.00
SCAPG - Parvin	10,430.77	3,285.25		(16.45)	5,110.71		8,588.86
Self Insurance	1,391,610.38		35,587.65		341,826.17		1,085,371.86

(Continued)

COUNTY OF SALEM
TRUST FUND
Statement of Reserve for Trust Funds
For the Year Ended December 31, 2008

	Balance (Deficit) December 31, 2007	Increased by: Receipts: Trust Designation	Increased by: Receipts: Interest	Increased by: Transferred from Encumbrance	Decreased by: Disbursements	Decreased by: Transferred to Encumbrance	Balance (Deficit) December 31, 2008
Reserve for (Cont'd):							
Small Cities	$ 13,078.28				$ 13,078.28		$ -
Sheriff's Trust	16,753.89	$ 4,635.40	$ 576.23				21,965.52
Surrogate Fees	17,277.89	4,768.00	584.33		1,133.24		21,496.98
Tax Appeals Filing Fees	8,097.10	5,545.33	302.58	$ 693.74	5,048.31	$ 1,947.96	7,642.48
Unemployment Claims	655,979.99	1,000.00	18,207.99		98,510.59		576,677.39
Weights & Measures	51,972.30	13,811.00	1,660.97		16,380.38		51,063.89
Worker's Compensation	704,091.39	25,876.50	15,060.92		487,838.15		257,190.66
Totals	$ 9,644,812.90	$ 35,933,021.56	$ 307,722.78	$ 1,057,936.31	$ 37,475,754.47	$ 360,380.12	$ 9,107,358.96

COUNTY OF SALEM
TRUST FUND
Statement of Reserve for Future Use - Open Space/Farmland Preservation Fund
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 982,444.67
Increased by:		
2008 Levy	$ 1,081,782.16	
2008 Added/Omitted Taxes	2,201.98	
2007 Added/Omitted Taxes	6,482.32	
Cancellation of Prior Year Encumbrance	587,510.00	
Interest on Deposits	59,233.02	
		1,737,209.48
		2,719,654.15
Decreased by:		
Expended		613,092.38
Balance December 31, 2008		$ 2,106,561.77

COUNTY OF SALEM
TRUST FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 1,057,936.31
Increased by:		
Transferred from Reserve for:		
Audio Visual Commission	$ 1,016.36	
County Auction	183.75	
Engineering Escrow	2,930.00	
Motor Vehicle Fines	334,713.08	
Parvin Bequest	15,550.66	
Asset Maintenance Account	2,978.00	
Seized Assets Trust Account	810.31	
SCAPG - Nutrition Program	250.00	
Tax Appeal Filing Fees Trust	1,947.96	
		360,380.12
		1,418,316.43
Decreased by:		
Transferred from Reserve for:		
Audio Visual Commission	610.93	
County Clerk Trust	32,584.16	
Engineering Escrow	1,365.00	
Environmental Enforcement	10.00	
Motor Vehicle Fines	344,614.44	
Open Space/Farmland Preservation	587,510.00	
Parvin Bequest	1,217.38	
Personal Attendant Service	2,525.00	
Asset Maintenance Account	17,380.00	
County Law Enforcement Trust	64,444.74	
Federal County Law Enforcement Trust Account	3,878.29	
Seized Assets Trust Account	1,089.08	
SCAPG - Nutrition Program	30.00	
SCAPG - Parvin	(16.45)	
Tax Appeal Filing Fees Trust	693.74	
		1,057,936.31
Balance December 31, 2008		$ 360,380.12

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, 2008

Balance December 31, 2007		$ 9,253,451.99
Increased by:		
Interest Earned on Deposits - Due Current Fund	$ 313,184.27	
Reimbursements	13,834.45	
Proceeds from Issuance of Bond Anticipation Notes	6,900,000.00	
Proceeds from Issuance of 2008 Special Services School Bonds	6,000,000.00	
2008 Budget Appropriations:		
Capital Improvement Fund	2,600,000.00	
Reserve for Various Projects	411,277.85	
Unfunded Ordinance 07-13	71,425.00	
		16,309,721.57
		25,563,173.56
Decreased by:		
Interest Earned on Deposits - Due Current Fund	313,184.27	
Payment of Bond Anticipation Notes	2,000,000.00	
Due from Custodian- Deposit on 2008 Special Services School Bonds	120,000.00	
Due From Custodian Trust	250,000.00	
Improvement Authorizations	12,803,435.64	
		15,486,619.91
Balance December 31, 2008		$ 10,076,553.65

COUNTY OF SALEM
GENERAL CAPITAL FUND
Analysis of General Capital Cash
For the Year Ended December 31, 2008

		Balance Dec. 31, 2007	Receipts: Budget Appropriation	Receipts: Issuance of Bonds	Receipts: Notes	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Notes	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2008
Fund Balance		$ 118,381.16								$ 35,174.64	$ 35,174.64	$ 118,381.16
Reserve for Interest Earnings on Grant Funds			$ 411,277.85							411,277.85		
Capital Improvement Fund		3,164.75	2,600,000.00							2,600,000.00	12,000.00	15,164.75
Due To Current Fund		3,575.00				$ 313,184.27			$ 313,184.27			3,575.00
Reserve for Contracts Payable		3,306,344.11								3,306,344.11	1,370,740.68	1,370,740.68
Dam Restoration Loan Receivable		(1,300,000.00)										(1,300,000.00)
Town Center Revitization Loan Receivable												-
Proceeds from Bond Issuance Receivable									120,000.00			(120,000.00)
Due from Custodian Trust									250,000.00			(250,000.00)
Due from Open Space Trust										155,691.93		(155,691.93)
Due from Pollution Control Financing Control Authority of Salem County										464,825.36		(464,825.36)
Improvement Authorizations:												
Ordinance Number												
90-01	Construction of an Addition to the Salem Community College	13,418.05										13,418.05
96-01	Acquisition of Various Pieces of Equipment and Construction of Various Capital Improvements	314,595.78										314,595.78
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
98-01	Reconstruction of Various County Roads, Alterations and Improvements to County Buildings, ADA Compliance for Various Buildings	2,772.45										2,772.45
99-01	Renovation of Salem County Emergency Operations Center	880.50										880.50
99-02	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment	28,019.77										28,019.77
4-02	Reserve for Interest Earned for County Aid Improvement Grant	91.11					$ 91.11					
4-02	Reserve for Interest Earned for Local Bridge Fund Grant						961.42			2,960.50	170,275.42	166,353.50
04-03	Acquisition of Easement and/or Development Rights to Various Parcels of Real Property	69,195.67					1,137,028.86			100,000.00	1,895,016.92	727,183.73
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	150,000.00			$ 500,000.00		-					650,000.00
04-05	Reconstruction of Various County Roads						108,820.13				416,307.88	307,487.75
05-01	Reserve for Interest Earned for Local Bridge Fund Grant						11,961.61				11,961.61	
05-01	Reserve for Interest Earned for Bridge Rehab. Fund Grant						1,429.05				1,429.05	
05-02	Demolition of Alms House	47,841.98										47,841.98
05-03	Reconstruction of Various County Roads	18,200.48										18,200.48
06-01	Various Improvements at Salem County Community College	949,163.02					949,163.02					
06-02	Reserve for Interest Earned for Local Bridge Fund Grant						55,231.64			36,226.53	91,458.17	
06-05	Reserve for Alterations and Improvements to County Buildings	16,399.03					30,367.03				13,968.00	
06-05	Reserve for Reconstruction of Various County Roads	740,817.10					446,635.18			196,889.42	561,515.96	658,808.46
06-06	Reserve for Information Technology Equipment	6,825.68					949.00				949.00	6,825.68

(continued)

COUNTY OF SALEM
GENERAL CAPITAL FUND
Analysis of General Capital Cash
For the Year Ended December 31, 2008

			Receipts				Disbursements			Transfers		
		Balance Dec. 31, 2007	Budget Appropriation	Issuance of Bonds	Notes	Miscellaneous	Improvement Authorizations	Notes	Miscellaneous	From	To	Balance Dec. 31, 2008
07-03	Disaster Recovery	$ 174,579.59					$ 127,088.82				$ 31,461.19	$ 78,951.96
07-03	Purchase of Equipment for County Nursing Home	12,000.00								$ 12,000.00		-
07-04	Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads	399,765.29					112,852.93			260,804.35		26,108.01
07-04	Reserve for Interest Earned for Local Bridge Fund Grant									31,478.81	31,478.81	
07-05	Dam Rehabilitation and Restoration	340,195.00									159,805.00	500,000.00
07-06	Alterations, Improvements and Relocation of County Offices	195,105.00					131,023.20			7,353.48		56,728.32
07-07	Construction of Improvements to the Camp Karney Dam Structure and Spillway	1,300,000.00					72,557.50			86,713.50		1,140,729.00
07-08	Purchasing Vehicles and Equipment for the Mosquito Extermination Commission	105,875.00					114,993.77			4,326.47	14,625.00	1,179.76
07-09	Alterations, Improvements and Relocation of County Buildings and Offices	65,800.00					34,200.00				34,200.00	65,800.00
07-10	Old Court House Restoration Project	187,000.00					96,279.32					90,720.68
07-11	Alterations, Improvements and Relocation of County Buildings and Offices	370,000.00										370,000.00
07-11	Bathometric Study for Avis Mill Pond	37,000.00					11,295.00			1,850.00		23,855.00
07-12	Alterations, Improvements and Relocation of County Buildings and Offices	78,000.00					13,507.00					64,493.00
07-13	Construction of Various Improvements at Salem County Community College			$ 3,600,000.00			1,504,711.53					2,095,288.47
07-13	Costs Associated with Construction and Installation of Improvements to Salem County Community College	3,575.00	$ 71,425.00				53,307.80					21,692.20
07-15	Reconstruction of Various County Roads - Engineer	1,304,992.97					43,476.03			90,431.00	15,007.03	1,186,092.97
07-15	Information Technology Purchase of Equipment	109,600.00				$ 9,429.59	66,762.63			9,095.64		43,171.32
07-15	Information Technology Departmental Equipment Purchase	3,803.00					15,972.00			179.56	12,577.00	228.44
07-15	Repairs to Mosquito Extermination Equipment	71,017.00					71,000.10					16.90
08-02	Acquisition of Certain Real Property and Existing Facilities with Completion of Various Renovations and Improvements at Facilities			6,000,000.00	$ 2,000,000.00		5,258,151.38	$ 2,000,000.00				741,848.62
08-03	Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads									148,770.20	404,253.85	255,483.65
08-03	Reserve for Interest Earned for Local Bridge Fund Grant									7,024.00	7,024.00	
08-04	Reconstruction and Maintenance of Various County Roads, Bridges and Dams					2,058.00	1,110,497.06			369,192.53	2,389,000.00	911,368.41
08-04	Alterations, Improvements & Relocation of County Offices and Buildings						50,001.60			49,173.33	125,000.00	25,825.07
08-04	Repairs to Mosquito Extermination Equipment										45,000.00	45,000.00
08-04	Information Technology Purchase of Equipment					2,346.86	29,263.55			3,446.00	41,000.00	10,637.31
08-06	Acquisition of Various Pieces of Equipment and Construction of Various Improvements				4,400,000.00		2,648,567.90					1,751,432.10
08-07	Construction of Truck Wash Facility										500,000.00	500,000.00
		$ 9,253,451.99	$ 3,082,702.85	9,600,000.00	$ 6,900,000.00	$ 327,018.72	$ 14,308,147.17	$ 2,000,000.00	$ 683,184.27	$ 8,391,229.21	$ 8,391,229.21	$ 12,171,842.12

Cash - Treasurer	$ 10,076,553.65
Cash - Trustee	2,095,288.47
	$ 12,171,842.12

Exhibit SC-3

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2008

Balance December 31, 2007	$ 3,575.00
Increased by:	
Interest Earned on Deposits	313,184.27
	316,759.27
Decreased by:	
Paid to Current Fund	313,184.27
Balance December 31, 2008	$ 3,575.00

Exhibit SC-4

GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 20,884,000.00
Increased by:		
Improvement Costs Funded by:		
Governmental Loan Revenue Bonds, Series 2008A	$ 3,600,000.00	
Issuance of 2008 Special Services School Bonds	6,000,000.00	
		9,600,000.00
		30,484,000.00
Decreased by:		
2008 Budget Appropriations:		
Payment of Bonds Payable		1,615,000.00
Balance December 31, 2008		$ 28,869,000.00

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2008

Ordinance Number	Improvement Description	Balance Dec. 31, 2007	2008 Authorizations	Funded by Budget Appropriation	Transferred to Future Taxation-Funded	Authorization Canceled by Resolution	Balance Dec. 31, 2008	Analysis of Balance December 31, 2008: Financed by Notes	Analysis of Balance December 31, 2008: Unexpended Improvement Authorizations	Analysis of Balance December 31, 2008: Expended
80-02	Improvement to Salem County Vocational School	$ 46,555.04				$ 46,555.04				
89-05	Acquisition of Vehicles and Equipment for the Road Department	1,700.00				1,700.00				
91-01	Acquisition of Farmland Development Easement and Credits, the Completion of Various Capital Improvements and Acquisitions of Various Equipment	235,000.00				235,000.00				
97-01	Construction of Various Capital Improvement and Acquisition of Various Pieces of Equipment and Interests in Real Property	2,500.00				2,500.00				
99-02	Construction of Various Capital Improvements and Acquisitions of Various Pieces of Equipment	4,150.00				4,150.00				
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	2,850,000.00					$ 2,850,000.00	$ 500,000.00	$ 2,350,000.00	
07-13	Construction of Various Improvements at Salem County Community College	3,600,000.00			$ 3,600,000.00					
07-13	Costs Associated with Construction and Installation of Improvements to Salem County Community College	71,425.00		$ 71,425.00						
08-02	Acquisition of Certain Real Property and Existing Facilities with Completion of Various Renovations and Improvements at Facilities		$ 6,000,000.00		6,000,000.00					
08-06	Acquisition of Various Pieces of Equipment and Construction of Various Improvements		9,854,000.00				9,854,000.00	4,400,000.00	5,454,000.00	
		$ 6,811,330.04	$15,854,000.00	$ 71,425.00	$ 9,600,000.00	$ 289,905.04	$12,704,000.00	$ 4,900,000.00	$ 7,804,000.00	$ -

Improvement Authorizations-Unfunded	$10,055,432.10
Less: Unexpended Proceeds of Bond Anticipation Notes	
Issued for Ordinance No. 04-04	500,000.00
Issued for Ordinance No. 08-06	1,751,432.10
	$ 7,804,000.00

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Reserves
For the Year Ended December 31, 2008

Increased by:		
Current Fund Budget Appropriation:		
Capital Improvements:		
Interest Earned for County Aid Improvement Program Grant	$	404,253.85
Interest Earned for Local Bridge Fund Grant		7,024.00
		411,277.85
Decreased by:		
Appropriated to Fund Improvement Authorizations	$	411,277.85

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Improvement of Authorizations
For the Year Ended December 31, 2008

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2007 Funded	Balance Dec. 31, 2007 Unfunded	2008 Authorizations	Prior Year Contracts Payable Reclassified	Paid or Charged	Canceled	Due From Open Space Trust	Balance Dec. 31, 2008 Funded	Balance Dec. 31, 2008 Unfunded
80-02	Improvement to Salem County Vocational School	05-21-80	$ 205,000.00		$ 46,555.04				$ 46,555.04			
89-05	Acquisition of Vehicles and Equipment for the Road Department	05-17-89	298,000.00		1,700.00				1,700.00			
90-01	Construction of an Addition to the Salem County Community College	03-07-90	3,125,000.00	$ 13,418.05							$ 13,418.05	
91-01	Acquisition of Farmland Development Easement and Credits, the Completion of Various Capital Improvements, and Acquisition of Various Equipment	08-07-91	2,750,000.00		235,000.00				235,000.00			
96-01	Acquisition of Various Pieces of Equipment and Construction of Various Capital Improvements	07-17-96	2,500,000.00	314,595.78							314,595.78	
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	2,500.00				2,500.00		5,458.50	
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	28,019.77	4,150.00				4,150.00		28,019.77	
04-02	Reserve for Interest Earned for County Aid Improvement Grant	06-16-04	284,265.42	91.11				$ 91.11				
04-02	Reserve for Interest Earned for Local Bridge Fund Grant	06-16-04	237,306.97				$ 170,275.42	3,921.92			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	69,195.67			1,739,324.99	1,237,028.86		$ 155,691.93	727,183.73	
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	08-18-04	3,000,000.00	150,000.00	2,850,000.00			-			150,000.00	$ 2,850,000.00
04-05	Reconstruction of Various County Roads	12-15-04	600,000.00				416,307.88	108,820.13			307,487.75	
05-01	Reserve for Interest Earned for Local Bridge Fund Grant	06-22-05	41,940.53				11,961.61	11,961.61				
05-01	Reserve for Interest Earned for Bridge Rehab. Fund Grant	06-22-05	1,429.05				1,429.05	1,429.05				
05-02	Demolition of Alms House	07-20-05	248,200.00	47,841.98							47,841.98	
05-03	Reconstruction of Various County Roads	11-02-05	500,000.00	18,200.48							18,200.48	
06-01	Various Improvements at Salem County Community College	05-03-06	1,800,000.00	949,163.02				949,163.02				
06-02	Reserve for Interest Earned for Local Bridge Fund Grant	06-21-06	91,458.17				91,458.17	91,458.17				
06-05	Reserve for Alterations and Improvements to County Buildings	11-15-06	100,000.00	16,399.03			13,968.00	30,367.03				
06-05	Reserve for Reconstruction of Various County Roads	11-15-06	1,400,000.00	740,817.10			561,515.96	608,349.96	35,174.64		658,808.46	
06-06	Reserve for Information Technology Equipment	12-06-06	75,000.00	6,825.68			949.00	949.00			6,825.68	
07-03	Disaster Recovery	05-16-07	500,000.00	174,579.59			31,461.19	127,088.82			78,951.96	
07-03	Purchase of Equipment for County Nursing Home	05-16-07	12,000.00	12,000.00					12,000.00			
07-04	Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads	05-16-07	402,792.28	399,765.29				373,657.28			26,108.01	
07-04	Reserve for Interest Earned for Local Bridge Fund Grant	05-16-07	31,478.81				31,478.81	31,478.81				
07-05	Dam Rehabilitation and Restoration	07-18-07	500,000.00	340,195.00			159,805.00				500,000.00	
07-06	Alterations, Improvements and Relocation of County Offices	07-18-07	205,000.00	195,105.00				138,376.68			56,728.32	
07-07	Construction of Improvements to the Camp Karney Dam Structure and Spillway	07-18-07	1,300,000.00	1,300,000.00				159,271.00			1,140,729.00	

(Continued)

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Improvement of Authorizations
For the Year Ended December 31, 2008

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2007 Funded	Balance Dec. 31, 2007 Unfunded	2008 Authorizations	Prior Year Contracts Payable Reclassified	Paid or Charged	Canceled	Due From Open Space Trust	Balance Dec. 31, 2008 Funded	Balance Dec. 31, 2008 Unfunded
07-08	Purchasing Vehicles and Equipment for the Mosquito Extermination Commission	08-15-07	$ 120,500.00	$ 105,875.00			$ 14,625.00	$ 119,320.24			$ 1,179.76	
07-09	Alterations, Improvements and Relocation of County Buildings and Offices	09-19-07	100,000.00	65,800.00			34,200.00	34,200.00			65,800.00	
07-10	Old Court House Restoration Project	09-19-07	187,000.00	187,000.00				96,279.32			90,720.68	
07-11	Alterations, Improvements and Relocation of County Buildings and Offices	09-19-07	370,000.00	370,000.00							370,000.00	
07-11	Bathmetric Study for Avis Mill Pond	09-19-07	37,000.00	37,000.00				13,145.00			23,855.00	
07-12	Alterations, Improvements and Relocation of County Buildings and Offices	09-19-07	78,000.00	78,000.00				13,507.00			64,493.00	
07-13	Construction of Various Improvements at Salem County Community College	11-07-07	3,600,000.00		$ 3,600,000.00			1,504,711.53			2,095,288.47	
07-13	Costs Associated with Construction and Installation of Improvements to Salem County Community College	11-07-07	75,000.00	3,575.00	71,425.00			53,307.80			21,692.20	
07-15	Reconstruction of Various County Roads - Engineer	12-05-07	1,320,000.00	1,304,992.97			15,007.03	133,907.03			1,186,092.97	
07-15	Information Technology Purchase of Equipment	12-05-07	109,600.00	109,600.00				66,428.68			43,171.32	
07-15	Information Technology Departmental Equipment Purchase	12-05-07	16,380.00	3,803.00			12,577.00	16,151.56			228.44	
07-15	Repairs to Mosquito Extermination Equipment	12-05-07	71,017.00	71,017.00				71,000.10			16.90	
08-02	Acquisition of Certain Real Property and Existing Facilities with Completion of Various Renovations and Improvements at Facilities	06-18-08	6,000,000.00			$ 6,000,000.00		5,258,151.38			741,848.62	
08-03	Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads	05-21-08	404,253.85			404,253.85		148,770.20			255,483.65	
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			2,389,000.00		1,477,631.59			911,368.41	
08-04	Alterations, Improvements & Relocation of County Offices and Buildings	05-21-08	125,000.00			125,000.00		99,174.93			25,825.07	
08-04	Repairs to Mosquito Extermination Equipment	05-21-08	45,000.00			45,000.00					45,000.00	
08-04	Information Technology Purchase of Equipment	05-21-08	41,000.00			41,000.00		30,362.69			10,637.31	
08-06	Acquisition of Various Pieces of Equipment and Construction of Various Improvements	08-20-08	9,854,000.00			9,854,000.00		2,648,567.90				$ 7,205,432.10
08-07	Construction of Truck Wash Facility	12-17-08	500,000.00			500,000.00					500,000.00	
				$ 7,121,986.97	$ 6,811,330.04	$ 19,365,277.85	$ 3,306,344.11	$ 15,665,053.40	$ 337,079.68	$ 155,691.93	$ 10,703,065.72	$ 10,055,432.10

Capital Improvement Fund	$ 2,600,000.00		
Reserves	411,277.85		
Deferred Charges to Future Taxation-Unfunded	15,854,000.00		$ 289,905.04
Due From Pollution Control Financing Authority	464,825.36		
Fund Balance	35,174.64		35,174.64
Capital Improvement Fund			12,000.00
Cash Disbursements		$ 12,803,435.64	
Paid by Trustee Funds		1,504,711.53	
Reimbursements		(13,834.45)	
Contracts Payable		1,370,740.68	
	$ 19,365,277.85	$ 15,665,053.40	$ 337,079.68

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Serial Bonds
For the Year Ended December 31, 2008

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2008 Date	Amount	Interest Rate	Balance Dec. 31, 2007	Issued	Paid by Budget Appropriation	Balance Dec 31, 2008
County College Bonds, Series 1997	10-1-97	$ 1,394,000.00	10-1-2009	$ 115,000.00					
			10-1-2010	120,000.00					
			10-1-2011	126,000.00					
			10-1-2012	128,000.00	4.850%	$ 594,000.00		$ 105,000.00	$ 489,000.00
General Obligation Bonds	12-1-99	5,180,000.00	12-1-2009	235,000.00	5.375%	465,000.00		230,000.00	235,000.00
County College Bonds	12-1-99	1,200,000.00	12-1-2009	160,000.00	4.900%	315,000.00		155,000.00	160,000.00
County Vocational Bonds	12-1-99	2,000,000.00	12-1-2009	95,000.00	5.375%	190,000.00		95,000.00	95,000.00
General Obligation Refunding Bonds	4-15-04	5,565,000.00	4-1-2009	610,000.00	3.000%				
			4-1-2010	630,000.00	3.250%				
			4-1-2011	655,000.00	3.500%				
			4-1-2012	680,000.00	3.750%				
			4-1-2013	300,000.00	5.000%				
			4-1-2014	315,000.00	4.000%				
			4-1-2015	330,000.00	4.000%				
			4-1-2016	325,000.00	4.000%	4,425,000.00		580,000.00	3,845,000.00
General Obligation Bonds, Series 2005	10-1-05	8,300,000.00	10-15-2009	300,000.00	3.850%				
			10-15-2010	315,000.00	3.850%				
			10-15-2011	330,000.00	3.850%				
			10-15-2012	345,000.00	3.850%				
			10-15-2013	360,000.00	3.850%				
			10-15-2014	375,000.00	3.850%				
			10-15-2015	390,000.00	3.850%				
			10-15-2016	410,000.00	3.850%				
			10-15-2017	430,000.00	3.850%				
			10-15-2018	450,000.00	3.850%				
			10-15-2019	470,000.00	3.850%				
			10-15-2020	490,000.00	3.850%				
			10-15-2021	515,000.00	3.850%				
			10-15-2022	535,000.00	3.850%				
			10-15-2023	555,000.00	3.850%				
			10-15-2024	580,000.00	3.875%				
			10-15-2025	580,000.00	3.875%	7,720,000.00		290,000.00	7,430,000.00
County College Bonds, Series 2006	7/15/06	1,800,000.00	7-15-2009	155,000.00					
			7-15-2010	165,000.00					
			7-15-2011	175,000.00					
			7-15-2012	185,000.00					
			7-15-2013	195,000.00					
			7-15-2014	205,000.00					
			7-15-2015	215,000.00					
			7-15-2016	225,000.00	4.750%	1,665,000.00		145,000.00	1,520,000.00
General Obligation Refunding Bonds, Series 2007	3/29/07	3,100,000.00	7-15-2009	10,000.00	3.500%				
			7-15-2010	250,000.00	4.000%				
			7-15-2011	260,000.00	4.000%				
			7-15-2012	270,000.00	3.500%				
			7-15-2013	280,000.00	4.000%				
			7-15-2014	295,000.00	3.750%				
			7-15-2015	305,000.00	5.000%				
			7-15-2016	315,000.00	5.000%				
			7-15-2017	330,000.00	5.000%				
			7-15-2018	355,000.00	5.000%				
			7-15-2019	365,000.00	5.000%	3,045,000.00		10,000.00	3,035,000.00

(Continued)

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Serial Bonds
For the Year Ended December 31, 2008

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2008 Date	Amount	Interest Rate	Balance Dec. 31, 2007	Issued	Paid by Budget Appropriation	Balance Dec 31, 2008
Vocational School Refunding Bonds, Series 2007	3/29/07	$ 1,185,000.00	7-15-2009	$ 5,000.00	3.500%				
			7-15-2010	105,000.00	4.000%				
			7-15-2011	105,000.00	4.000%				
			7-15-2012	110,000.00	3.500%				
			7-15-2013	105,000.00	4.000%				
			7-15-2014	115,000.00	3.750%				
			7-15-2015	110,000.00	5.000%				
			7-15-2016	115,000.00	5.000%				
			7-15-2017	125,000.00	5.000%				
			7-15-2018	130,000.00	5.000%				
			7-15-2019	135,000.00	5.000%	$ 1,165,000.00		$ 5,000.00	$ 1,160,000.00
Governmental Loan Revenue Bonds, Series 2008A	5/28/08	3,600,000.00	4-15-2009	300,000.00	3.500%				
			4-15-2010	310,000.00	3.500%				
			4-15-2011	320,000.00	3.500%				
			4-15-2012	340,000.00	3.500%				
			4-15-2013	350,000.00	3.500%				
			4-15-2014	360,000.00	3.500%				
			4-15-2015	380,000.00	3.750%				
			4-15-2016	400,000.00	3.750%				
			4-15-2017	410,000.00	3.750%				
			4-15-2018	430,000.00	3.750%		$ 3,600,000.00		3,600,000.00
Special Services School Bonds, Series 2008	10/30/08	6,000,000.00	10-1-2009	210,000.00	3.750%				
			10-1-2010	210,000.00	3.750%				
			10-1-2011	210,000.00	3.750%				
			10-1-2012	220,000.00	3.750%				
			10-1-2013	230,000.00	4.000%				
			10-1-2014	240,000.00	4.000%				
			10-1-2015	250,000.00	4.000%				
			10-1-2016	260,000.00	4.000%				
			10-1-2017	270,000.00	5.000%				
			10-1-2018	285,000.00	5.000%				
			10-1-2019	295,000.00	5.000%				
			10-1-2020	310,000.00	5.000%				
			10-1-2021	325,000.00	5.000%				
			10-1-2022	340,000.00	5.000%				
			10-1-2023	355,000.00	5.000%				
			10-1-2024	370,000.00	5.000%				
			10-1-2025	385,000.00	5.000%				
			10-1-2026	405,000.00	5.000%				
			10-1-2027	415,000.00	5.000%				
			10-1-2028	415,000.00	5.000%		6,000,000.00		6,000,000.00
						$ 19,584,000.00	$ 9,600,000.00	$ 1,615,000.00	$ 27,569,000.00

Paid by Trustee	$ 290,000.00
Paid by Current	1,325,000.00
	$ 1,615,000.00

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2008

Balance December 31, 2007	$ 3,306,344.11
Increased by:	
Charges to Improvement Authorizations	1,370,740.68
	4,677,084.79
Decreased by:	
Prior Year Balance Reappropriated to Improvement Authorizations	3,306,344.11
Balance December 31, 2008	$ 1,370,740.68

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 3,164.75
Increased by:		
2008 Budget Appropriation	$ 2,600,000.00	
Funded Improvement Authorizations Canceled	12,000.00	
		2,612,000.00
		2,615,164.75
Decreased by:		
Appropriated to Finance Improvement Authorizations		2,600,000.00
Balance December 31, 2008		$ 15,164.75

COUNTY OF SALEM
GENERAL CAPITAL FUND
State of New Jersey Dam Restoration Loan
For the Year Ended December 31, 2008

Ordinance Number	Improvement Description	Date of Issue	Amount of Original Loan	Maturities of Loan Outstanding Dec. 31, 2008 Year	Amount	Interest Rate	Balance Dec. 31, 2007	Balance Dec. 31, 2007 and 2008
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	2009	$ 31,204.79			
				2010	63,348.83			
				2011	64,622.15			
				2012	65,921.05			
				2013	67,246.06			
				2014-2018	357,056.66			
				2019-2023	394,412.67			
				2024-2026	256,187.79	2.0%	$ 1,300,000.00	$ 1,300,000.00
							$ 1,300,000.00	$ 1,300,000.00

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2008

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Maturity Date	Interest Rate	Proceeds from Issuance	Decreased	Balance Dec. 31, 2008
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	08/27/08	08/27/08	08/26/09	2.50%	$ 500,000.00		$ 500,000.00
			08/27/08	08/26/09	2.50%			
08-02	Acquisition of Certain Real Property and Existing Facilities with Completion of Various Renovations and Improvements at Facilities	10/22/08	10/22/08	01/20/09	3.25%	2,000,000.00	$ 2,000,000.00	
08-06	Acquisition of Various Pieces of Equipment and Construction of Various Improvements	10/22/08	10/22/08	01/20/09	3.25%	4,400,000.00		4,400,000.00
			10/22/08	01/20/09	3.25%			
						$ 6,900,000.00	$ 2,000,000.00	$ 4,900,000.00
			Issued for Cash			$ 6,900,000.00		
			Paid by Bond Funds				$ 2,000,000.00	
						$ 6,900,000.00	$ 2,000,000.00	

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2008

Ordinance Number	Improvement Description	Balance Dec. 31, 2007	2008 Authorizations	Notes Paid from Bond Funds	Funded by Appropriation	Bonds Issued	Bond Anticipation Notes Issued	Canceled by Resolution	Balance Dec. 31, 2008
80-02	Improvement to Salem County Vocational School	$ 46,555.04						$ 46,555.04	
89-05	Acquisition of Vehicles and Equipment for the Road Department	1,700.00						1,700.00	
91-01	Acquisition of Farmland Development Easement and Credits, the Completion of Various Capital Improvements and Acquisition of Various Equipment	235,000.00						235,000.00	
97-01	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment and Interests in Real Property	2,500.00						2,500.00	
99-02	Construction of Various Capital Improvements and Acquisitions of Various Pieces of Equipment	4,150.00						4,150.00	
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	2,850,000.00					$ 500,000.00		$ 2,350,000.00
07-13	Construction of Various Improvements at Salem County Community College	3,600,000.00				$ 3,600,000.00			
07-13	Costs Associated with Construction and Installation of Improvements to Salem County Community College	71,425.00			$ 71,425.00				
08-02	Acquisition of Certain Real Property and Existing Facilities with Completion of Various Renovations and Improvements at Facilities		$ 6,000,000.00	$ 2,000,000.00		6,000,000.00	2,000,000.00		
08-06	Acquisition of Various Pieces of Equipment and Construction of Various Improvements		9,854,000.00				4,400,000.00		5,454,000.00
		$ 6,811,330.04	$15,854,000.00	$ 2,000,000.00	$ 71,425.00	$ 9,600,000.00	$ 6,900,000.00	$ 289,905.04	$ 7,804,000.00

SUPPLEMENTAL EXHIBITS

OTHER OFFICIALS AND INSTITUTIONS

COUNTY OF SALEM
COUNTY CLERK
Statements of Assets, Liabilities and Reserves--Regulatory Basis
As of December 31, 2008 and 2007

ASSETS	Balance Dec. 31, 2008	Balance Dec. 31, 2007
Cash	$ 112,913.71	$ 163,414.95
	$ 112,913.71	$ 163,414.95
LIABILITIES AND RESERVES		
Prepaid Attorneys' Deposits:		
Active		$ 30,383.93
Reserve for Trust Fund	$ 3,238.76	4,174.75
Due State of New Jersey	45,356.95	48,675.70
Due County	64,318.00	80,180.57
	$ 112,913.71	$ 163,414.95

COUNTY OF SALEM
COUNTY CLERK
Statement of Cash
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 163,414.95
Increased by Receipts:		
County Recording Fees	$ 291,500.25	
Realty Transfer Tax Fees	1,308,381.80	
Passport Fees	5,932.00	
State Trade Names	2,122.50	
Trust	31,411.80	
Copies	7,349.13	
Search	254.00	
Notary	485.00	
Photos	2,420.00	
Preservation Fund	290,160.00	
Tax Relief	228,091.00	
Interest Earned	1,515.46	
		2,169,622.94
		2,333,037.89
Decreased by Disbursements:		
Interest Paid to County Finance Officer	1,784.79	
Turned over to Treasurer:		
Current Fund Anticipated Revenue	478,790.97	
Trust Fund	42,642.35	
State Realty Tax Fees	877,409.30	
Preservation Fund	295,615.00	
Public Health Priority Fund	83,331.75	
Extraordinary Aid Fund	170,247.00	
Refund of Prepaid Attorney Deposits	30,383.93	
Passport Fees	5,932.00	
State Trade Names	2,122.50	
County Tax Relief	231,562.50	
Miscellaneous	302.09	
		2,220,124.18
Balance December 31, 2008		$ 112,913.71

COUNTY OF SALEM
SURROGATE'S OFFICE
Statements of Assets, Liabilities and Reserves--Regulatory Basis
As of December 31, 2008 and 2007

ASSETS	Balance Dec. 31, 2008	Balance Dec. 31, 2007
Cash - Surrogate	$ 6,842.77	$ 8,855.59
Investments - Probate Division:		
Savings and Loan Association	2,797,430.29	2,524,560.89
Certificates of Deposit	789,534.43	778,101.33
	$ 3,593,807.49	$ 3,311,517.81

LIABILITIES AND RESERVES		
Salem County Court Probate Division	$ 3,586,964.72	$ 3,302,662.22
Attorneys' Deposits	5,117.05	6,938.05
Due County Treasurer	1,725.72	1,917.54
	$ 3,593,807.49	$ 3,311,517.81

COUNTY OF SALEM
SURROGATE'S OFFICE
Statement of Cash - Surrogate
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 8,855.59
Increased by Receipts:		
Wills	$ 35,145.00	
Letters of Administration	14,255.00	
Guardianship	595.00	
Shorts	2,078.00	
Adoption	4,670.00	
Superior Court Fees	16,318.92	
Attorney Deposits	11,100.00	
Other	37.00	
Interest Earnings	271.68	
		84,470.60
		93,326.19
Decreased by Disbursements:		
Interest Paid to County Financial Officer	274.50	
Turned Over to Treasurer:		
Current Fund Anticipated Revenue	80,710.74	
Trust Fund	4,768.00	
Surrogate Disbursements	77.18	
Other	653.00	
		86,483.42
Balance December 31, 2008		$ 6,842.77

Analysis of Balance

Attorneys' Deposits	$ 5,117.05
Due County Treasurer - Fees	1,707.00
Due County Treasurer - Interest Earnings	18.72
	$ 6,842.77

COUNTY OF SALEM
SURROGATE'S OFFICE
Statement of Investment - Savings and Loan Association
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 2,524,560.89
Increased by Receipts:		
Purchase of Savings Certificates	$ 405,517.34	
Interest Earned on Deposits	141,101.95	
		546,619.29
		3,071,180.18
Decreased by:		
Transfer to Individual Certificate of Deposit	$ 5,000.00	
Income Tax Withholdings	276.20	
Redemption of Savings Certificates	268,473.69	
		273,749.89
Balance December 31, 2008		$ 2,797,430.29

Exhibit SF-3

SURROGATE'S OFFICE
Statement of Investment - Certificate of Deposit
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 778,101.33
Increased By:		
Purchase of Certificates of Deposits	$ 5,000.00	
Interest Earned on Deposits	31,058.78	
		36,058.78
		814,160.11
Decreased By:		
Redemption of Certificates of Deposits		
Interest Transferred to Minor's Account	24,625.68	
		24,625.68
Balance December 31, 2008		$ 789,534.43

COUNTY OF SALEM
SHERIFF'S OFFICE
Statements of Assets, Liabilities and Reserves--Regulatory Basis
As of December 31, 2008 and 2007

ASSETS	Balance Dec. 31, 2008	Balance Dec. 31, 2007
Cash - Sheriff	$ 68,418.80	$ 42,489.43
Cash - Court		146.21
	$ 68,418.80	$ 42,635.64

LIABILITIES AND RESERVES		
Fees and Executions	#REF!	$ 42,353.08
Due County	#REF!	153.90
Jury Fees Advanced by County		128.66
	#REF!	$ 42,635.64

COUNTY OF SALEM
SHERIFF'S OFFICE
Statement of Cash
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 42,635.64
Increased by Receipts:		
Sales and Executions	$ 1,530,562.50	
County Fees	117,683.45	
Sheriffs Trust	4,635.40	
Interest Earned	1,334.14	
		1,654,215.49
		1,696,851.13
Decreased by Disbursements:		
Interest Paid to County Finance Officer	1,468.97	
Turned over to Treasurer:		
Current Fund Anticipated Revenue	117,831.18	
Trust Fund	4,635.40	
Refunds	1,244,645.40	
Advertising	47,596.65	
Deed	5,925.00	
Garnishments	159,958.32	
Superior Court Fees	46,371.41	
		1,628,432.33
Balance December 31, 2008		$ 68,418.80

Exhibit SG-2

SHERIFF'S OFFICE
Statement of Sheriff's Fees Due County
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 153.90
Increased by Receipts:		
Fees Collected	$ 117,683.45	
Trust Fund	4,635.40	
Interest Earned	1,334.14	
		123,652.99
		123,806.89
Decreased by Disbursements:		
Interest Paid to County Finance Officer	1,468.97	
Turned over to Treasurer:		
Current Fund Anticipated Revenue	117,702.52	
Trust Fund	4,635.40	
		$ 123,806.89

COUNTY OF SALEM
JAIL PRISONERS' WELFARE FUND
Statements of Cash
For the Year Ended December 31, 2008

	Balance Dec. 31, 2007	Receipts: Interest	Receipts: Other	Disbursements: County Treasurer	Disbursements: Other	Balance Dec. 31, 2008
Warden:						
Inmate Account	$ 31,132.31	$ 990.32	$ 586,260.50		$ 592,669.68	$ 25,713.45
Welfare Account	34,315.20	984.50	225,214.87		232,409.49	28,105.08
Bail Account	4,192.41	387.26	485,900.70	396.73	488,251.20	1,832.44
Miscellaneous	631.10		193,871.66	$ 193,041.48	126.18	1,335.10
	70,271.02	2,362.08	1,491,247.73	193,438.21	1,313,456.55	56,986.07
Work Release	111.19	3.27		5.29		109.17
	$ 70,382.21	$ 2,365.35	$ 1,491,247.73	$ 193,443.50	$ 1,313,456.55	$ 57,095.24
Total Receipts and Disbursements			$ 1,493,613.08		$ 1,506,900.05	

Analysis of Revenue Turned Over to Treasurer

Miscellaneous Account:		
Anticipated Revenue:		
Inmate Health Reimbursement	$ 2,118.14	
Interest Earned on Deposits	1,825.66	
Non-Budgeted Revenue:		
Jail Miscellaneous Revenue	90,597.28	
Jail Telephone Commissions	98,902.42	
		$ 193,443.50

COUNTY OF SALEM
COUNTY ADJUSTER
Statements of Assets, Liabilities and Reserves--Regulatory Basis
As of December 31, 2008 and 2007

ASSETS	Balance Dec. 31, 2008	Balance Dec. 31, 2007
Accounts Receivable	$ -	$ 23,938.94
LIABILITIES AND RESERVES		
Due County	$ -	$ 23,938.94

COUNTY OF SALEM
COUNTY ADJUSTER
Statement of Accounts Receivable
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 23,938.94
Increased by:		
Maintenance Charges		26,472.86
		50,411.80
Decreased by:		
Cancelled by Resolution	$ 23,938.94	
Receipts	26,472.86	
		50,411.80

Exhibit SI-2

COUNTY ADJUSTER
Statement of Due to County
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 23,938.94
Increased by:		
Receipts		26,472.86
		50,411.80
Decreased:		
Cancelled by Resolution	$ 23,938.94	
Turned over to Treasurer - Current Fund Anticipated Revenue	26,472.86	
		50,411.80

COUNTY OF SALEM
MOSQUITO EXTERMINATION COMMISSION
Statement of Cash
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 77,392.49
Increased by Receipts:		
County of Salem	$ 634,015.00	
Lower Alloways Creek Township	52,200.00	
Reimbursement from State of NJ for Purchase of Equipment	91,000.00	
Interest Earned	3,784.76	
		780,999.76
		858,392.25
Decreased by:		
Advertisement	2,089.18	
Education	5,362.70	
Equipment Maintenance	26,687.81	
Erosion Control	1,875.00	
Lab & Survey	6,382.97	
Legal	9,166.79	
Miscellaneous	2,442.06	
Reimbursement from State of NJ for Purchase of Equipment - Paid to County Treasurer's Office	91,000.00	
Assets	51,716.88	
Office Expenses	14,174.86	
Wages	368,249.45	
Payroll Taxes	30,708.52	
Payroll Services	2,100.00	
Pesticides	12,355.30	
Project Permits	7,970.06	
Building Renovations	10,097.01	
Safety	13,101.46	
Shared Services	36,316.74	
Shop	18,492.97	
Transportation and Maintenance	9,725.37	
Utilities	19,635.46	
Operation of Vehicles	23,000.58	
		762,651.17
Balance December 31, 2008		$ 95,741.08

COUNTY OF SALEM
LIBRARY COMMISSION
Statement of Cash
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 124,022.94
Increased by Receipts:		
County Appropriations	$ 184,950.00	
United Way Contributions	7,709.21	
Other Contributions	2,800.00	
Donations	1,363.95	
Miscellaneous	1,485.52	
Interest Earned	701.90	
		199,010.58
		323,033.52
Decreased by:		
Gross Wages	82,804.15	
Employer Payroll Taxes	29,863.53	
Supplies	11,931.26	
Books and Publications	37,344.59	
Port Fees	21,200.00	
Computer Conversion	8,948.34	
Furniture	2,400.00	
Postage	184.40	
Vehicle Expense and Maintenance	15,749.58	
Rent	7,182.09	
Miscellaneous	1,428.17	
		219,036.11
Balance December 31, 2008		$ 103,997.41

COUNTY OF SALEM
NURSING HOME
Statements of Assets, Liabilities and Reserves--Regulatory Basis
As of December 31, 2008

ASSETS	Balance Dec. 31, 2008	Balance Dec. 31, 2007
Cash	$ 841,741.44 *	$ 399,691.59
LIABILITIES AND RESERVES		
Reserve for Patients Needs Account		$ 37,920.37
Due County Treasurer's Office	$ 841,741.44	361,772.22
	$ 841,741.44	$ 399,692.59

* Such amount was transferred in May of 2009 to the Salem County Improvement Authority, who as of August 15, 2008 became a division of the Nursing Home. During August 2009, it was determined that $411,302.97 was due to the County of Salem while the remaining balance should be retained by the Improvement Authority.

COUNTY OF SALEM
NURSING HOME
Statement of Cash
For the Year Ended December 31, 2008

Balance December 31, 2007		$ 399,691.59
Increased by Receipts:		
Medicaid	$ 3,344,938.03	
Medicare	534,332.88	
Private Billings	944,552.07	
Insurance	90,491.82	
Miscellaneous	3,356.32	
Hospice of Salem County	86,303.79	
Reserve for Patients Needs Account	404,027.98	
Interest Earned	13,664.25	
		5,421,667.14
		5,821,358.73
Decreased by:		
Turned over to Treasurer:		
Salem County Home	3,967,431.08	
Salem County Home - Medicaid Reimbursement - Peer Grouping	326,670.85	
Miscellaneous	218,325.35	
Interest	5,140.88	
Miscellaneous	3,763.45	
Overpayments Refunded to Patients	14,288.32	
Bank Service Fees	1,363.52	
Reserve for Patients Needs Account	359,274.28	
		4,896,257.73
Turned Over to Salem County Improvement Authority		83,359.56
Balance December 31, 2008		$ 841,741.44

COUNTY OF SALEM

PART 2

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2008

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO 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 U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that are applicable to each of its major federal and state programs for the year ended December 31, 2008. 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 of Salem's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, County of Salem complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2008. 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, which is described in the accompanying Schedule of Findings and Questioned Costs as finding no.: 2008-4.

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Internal Control Over Compliance

The 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 in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the County's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 response 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 response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management of 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
September 17, 2009

COUNTY OF SALEM
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2008

Federal Grantor/Pass-through Grantor/Program Title	Federal C.F.D.A.	County Grant No./ Pass Through Number	Matching Contributions	Program or Award Amount	Grant Period From	Grant Period To	Balance Dec. 31, 2007	Receipts or Revenue Recognized		Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2008	(Memo Only) Cash Received	(Memo Only) Accumulated Expenditures
U.S. DEPARTMENT OF AGRICULTURE															
USDA Rural Business Enterprises Grant-Railroad Improvements	10.769	35-017-216001147		147,000.00	01/01/03	12/31/03	$ 5,609.08		(1)	$ 24,177.92		$ 24,177.92	$ 5,609.08		$ 141,390.92
USDA Rural Business Grant	10.769	35-017-216001147		99,000.00	01/01/03	12/31/03	99,000.00						99,000.00		-
							104,609.08	-		24,177.92		24,177.92	104,609.08		141,390.92
U.S. DEPARTMENT OF HEALTH AND SENIOR SERVICES															
Salem County Area Plan Grant	93.045	4275-100-046-4110-049-J004-6110		Various		Various	196,883.94	$ 870,848.00	(1)	117,159.24	$ 813,760.03	186,573.89	184,557.26	$ 638,237.00	4,362,338.74
Cancer Education & Early Detection	46.939	Not Available		Various		Various	284,769.84						284,769.84		415,897.16
Public Health Preparedness & Response for Bioterrorism	93.283	100-046-4L04-360-J002-6120		Various		Various	1,104,803.55	522,000.00	(1)	45,353.37	553,536.29	51,305.14	1,067,315.49	728,269.00	3,149,900.51
							1,586,457.33	1,392,848.00		162,512.61	1,367,296.32	237,879.03	1,536,642.59	1,366,506.00	7,928,136.41
U.S. DEPARTMENT OF MILITARY AND VETERANS' AFFAIRS															
Veterans' Transportation Prog.	21.600	3610-100-067-3610-058-PVET-6130		Various		Various	8,768.00	13,000.00			13,000.00	1,083.00	7,685.00	14,083.00	28,315.00
U.S. DEPARTMENT OF JUSTICE															
State Homeland Security Grant Program	97.067	Various		Various		Various	181,212.42	459,095.00	(1)	287,324.36	235,193.56	81,693.42	610,744.80	291,045.40	3,810,376.11
State Homeland Security Grant Program-Code Orange Funds	97.07	Various		27,325.00	09/30/07	06/30/08	775.00		(1)	26,550.00	26,550.00		775.00	26,550.00	26,550.00
Multi Jurisdictional Task Force	16.005	DE 2-18-05	87,340.00	174,680.00	01/01/05	12/31/05	137,721.77		(1)	87,340.00	-	87,340.00	137,721.77	87,340.00	124,298.23
Multi Jurisdictional Task Force	16.005	DE 2-18-06	87,340.00	174,680.00	01/01/06	12/31/06	3,867.59		(1)	87,340.00	-	87,340.00	3,867.59		258,152.41
Multi Jurisdictional Gang, Gun and Nar	16.005	DE 2-18-08		238,840.00	01/01/08	12/31/08		238,840.00			-	16,113.00	222,727.00		16,113.00
							323,576.78	697,935.00		488,554.36	261,743.56	272,486.42	975,836.16	404,935.40	4,235,489.75
ictims of Crime	16.575	V-17-01		139,146.00	10/01/00	09/30/01	63,905.02						63,905.02		75,240.98
ictims of Crime	16.575	V-23-01	76,732.00	383,658.00	10/01/01	09/30/02	128,621.95						128,621.95		255,036.05
Victims of Crime	16.575	V-17-03		207,833.00	10/01/02	09/30/03	78,030.59						78,030.59		129,802.41
Victims of Crime	16.575	V-17-03		130,479.00	10/01/05	09/30/06	112,570.20						112,570.20	569.00	17,908.80
							383,127.76	-		-	-	-	383,127.76	569.00	477,988.24
Victims of Crime Act - Victim Assistance Grant Program	16.575	V-05-05		Various		Various	92,150.63	287,289.00			50,550.63		328,889.00	161,869.00	262,851.00
U.S. DEPARTMENT OF LABOR															
Passed through State Department of Labor:															
Job Training Partnership Act	17.250	06-92-00-ET-06-P494		Prior Year		Prior Year	276,956.60						276,956.60		569,573.93
Passed through County of Cumberland:															
Welfare To Work	17.253	AA-11266-01-50		153,588.00	07/01/03	06/30/04	101,845.19						101,845.19		51,742.81
Workforce Investment Board TANF	Not Available	Not Available		22,150.00	07/01/05	06/30/06	13,427.00						13,427.00		8,723.00
Workforce Investment Act Cumberland/Salem	Not Available	Not Available		8,273.00	07/01/07	06/30/08		8,273.00			3,447.00		4,826.00	3,447.00	3,447.00
Workforce Investment Board Youth	17.259	AA-11266-01-50		Various		Various	158,954.18	139,290.00	(2)	(15,651.00)	139,631.95		142,961.23	127,625.77	688,498.77
Workforce Investment Board Adult	17.258	AA-11266-01-50		Various		Various	187,386.69	142,858.00	(2)	(10,160.00)	129,853.61		190,231.08	141,870.20	728,614.92
Workforce Investment Board Dislocated Worker	17.260	AA-11266-01-50		Various		Various	149,949.24	114,736.00	(2)	(5,662.00)	130,980.83		128,042.41	130,980.83	885,047.59
							611,562.30	405,157.00		(31,473.00)	403,913.39	-	581,332.91	403,923.80	2,366,074.09

(Continued)

COUNTY OF SALEM
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2008

Federal Grantor/Pass-through Grantor/Program Title	Federal C.F.D.A.	County Grant No./ Pass Through Number	Matching Contributions	Program or Award Amount	Grant Period From	Grant Period To	Balance Dec. 31, 2007	Receipts or Revenue Recognized	Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2008	(Memo Only) Cash Received	(Memo Only) Accumulated Expenditures
U.S. DEPARTMENT OF TRANSPORTATION														
Passed through South Jersey Transportation Planning Organization:														
Salem-Hancock's Bridge Road Scooping Project	20.205	94-TP-SJT-CO52		88,854.15	Project Completion		$ 58,157.90					$ 58,157.90		$ 30,696.25
Salem-Hancock's Bridge Road County Road #658	20.205	S0404		161,390.00	Project Completion		161,390.00					161,390.00		-
NJDCA - Guardrail Replacement Project	20.205	STP-A00S (594)		548,698.00	Project Completion		162,757.40					162,757.40		385,940.60
Subregional Transportation Planning Program	20.205	Not available		Various	Project Completion		23,650.00	$ 74,000.00				97,650.00	$ 5,269.46	70,350.00
Resurfacing of Auburn Road - Pilesgrove Township	20.205	Not available		797,000.00	Project Completion		-		(1) $ 7,507.86			7,507.86		789,492.14
Repairing of the Oldmans Creek Trestle	20.205	Not available	20,950.00	188,295.00	Project Completion		20,950.00					20,950.00		188,295.00
Pennsville Auburn Road Resurfacing, County Road #551	20.205	STP-B00S (193)		456,800.00	Project Completion		87,656.63		(1) 29,543.46		$ 29,543.46	87,656.63	150,000.00	369,143.37
Pecks Corner-Cohansey Rd. Resurfacing, County Road #540	20.205	STP-B00S (192)		509,000.00	Project Completion		147,400.47		(1) 27,731.47		27,731.47	147,400.47	150,000.00	361,599.53
Kings Highway, County Rd #620, Phase IV-B, Mannington Township	20.205	STP-A00S (933)		432,450.00	08/09/05	8/31/07	86,360.44		(1) 12,421.43	$ 6,809.55		91,972.32	190,477.68	340,477.68
SJTPO-Salem County Roadway Striping Prog.	20.205	STP-0150(103)CON		542,150.00	Project Completion		542,150.00			199,795.22	90,689.21	251,665.57		290,484.43
SJTPO-Pennsville-Auburn Rd. County Road #551, Phase II	20.205	STP-0156(103)CON		780,000.00	Project Completion		780,000.00			473,707.05	19,619.10	286,673.85		493,326.15
SJTPO-Salem County Safety Projects in Pennsville & Upper Pittsgrove Twp.	20.205	STP-3001(106)CON		136,918.00	Project Completion		136,918.00			85,176.01	16,280.59	35,461.40		101,456.60
							2,207,390.84	74,000.00	77,204.22	765,487.83	183,863.83	1,409,243.40	495,747.14	3,421,261.75
N.J. DEPARTMENT OF COMMUNITY AFFAIRS														
Small Cities Block Grant	14.228	8020-100-022-8020-078-F292-6120		220,000.00	01/01/03	03/31/05	106,751.76					106,751.76		157,248.24
Small Cities Block Grant - Small Court House Renovation	14.228	100-022-8020-078-F292-06SC-6120		400,000.00	01/01/07	01/31/09	400,000.00					400,000.00		-
							506,751.76	-	-	-	-	506,751.76	-	157,248.24
N.J. DEPARTMENT OF ENVIRONMENTAL PROTECTION														
Stormwater Regulation	66.463	WQ04-480		Various	Various		743.03	10,000.00		609.40		10,133.63	10,000.00	9,866.37
N.J. DEPARTMENT OF LAW AND PUBLIC SAFETY														
Sobriety Checkpoint and Saturation Patrol Project Grant	20.600	AL06-07-07-11		72,300.00	10/01/05	10/31/06	2,926.06					2,926.06		69,373.94
FEMA-Emergency Management Grant	97.042	Not available		5,000.00	01/01/06	12/31/06	6,126.89					6,126.89		144.00
							9,052.95	-	-	-	-	9,052.95	-	69,517.94
Total Federal Financial Assistance							$ 6,111,147.06	$ 2,880,229.00	$ 720,976.11	$ 2,862,601.13	$ 719,490.20	$ 6,130,260.84	$ 2,857,633.34	$ 19,667,713.64

Summary:

Prior Year Encumbrances	$ (752,449.11)
Disbursed	2,862,601.13
Current Year Encumbrances	719,490.20
Current Year Expenditures	$ 2,829,642.22

Adjustments are for:
(1) Prior Year Encumbrances
(2) Canceled By Resolution

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

COUNTY OF SALEM
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2008

State Funding Department/Program Title	State G.M.I.S. No.	County Grant No.	Matching Contributions	Program or Award Amount	Grant Period From	Grant Period To	Balance Dec. 31, 2007	Receipts or Revenue Recognized		Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2008	(Memo Only) Cash Received	(Memo Only) Accumulated Expenditures
DEPARTMENT OF AGRICULTURE															
Right to Farm Activities Grant	3380-100-010-3380-016			Various	01/01/02	12/31/02	$ 14,527.15						$ 14,527.15		-
Farmland Preservation Program	None			$ 311,383.86	01/01/08	12/31/08		$ 311,383.86			$ 311,383.86		-	$ 311,383.86	$ 311,383.86
							14,527.15	311,383.86		-	311,383.86	-	14,527.15	311,383.86	311,383.86
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT															
Oldmans Township Economic Development Project	2800-570-020-2800-001-EEEE-6110			5,000,000.00	Project Completion		558,284.72						558,284.72		4,441,715.28
NEW JERSEY COMMISSION ON SCIENCE AND TECHNOLOGY															
Salem County 9-1-1 Coordinator	2034-100-082-S570-050-U0AB-6110			Various	Various		1.87	25,000.00			9,935.98		15,065.89	25,000.00	34,934.11
OETS 911 Funding Grant	2034-100-082-5570-035-U222-6110			Various	Various		1,521.21		(1)	$ 3,690.00	5,131.82		79.39		47,142.61
							1,523.08	25,000.00		3,690.00	15,067.80	-	15,145.28	25,000.00	82,076.72
DEPARTMENT OF COMMUNITY AFFAIRS															
Buried in New Jersey	Not Available			Prior Year	Prior Year		76.00						76.00		424.00
Recreational Opportunities for Individuals with Disabilities	8050-100-022-8050-035-8157-6130			Various	Various		3,421.00				3,420.00		1.00	2,223.00	5,919.00
Cross Acceptance	Not Available			33,538.05	Prior Year		27,076.10						27,076.10		6,461.95
TASE - Tobacco Age Sale Enforcement Program	4240-100-046-4213-130-J002-6110			Various	Various		32,338.01	10,500.00			3,824.68	$ 1,380.00	37,633.33	6,480.00	29,086.67
03 Comm Emergency Response Team	1200-100-066-1200-850-YEMR-6110			6,166.65	01/01/03	12/31/03	6.56						6.56		6,160.09
County Disaster Liaison	Not Available			2,500.00	05/01/07	08/31/07	2,500.00						2,500.00		-
Special Legislative Grants:															
Handicapped Accessible Playground	01-100-022-8030-580-FFFF-6120	02-5192-00		550,000.00	07/01/01	06/30/02	850.00						850.00		549,150.00
							66,267.67	10,500.00		-	7,244.68	1,380.00	68,142.99	8,703.00	597,201.71
DEPARTMENT OF ENVIRONMENTAL PROTECTION															
County Environmental Health Act	98-100-042-4855-075			Various	Various		168,686.28	316,221.00	(1)	40,938.07	275,222.16	20,287.51	230,335.68	224,217.38	1,949,702.07
Watershed Project	4801-100-042-4801-VB78-6110			101,000.00	01/01/00	12/31/04	46,460.00						46,460.00		54,540.00
							215,146.28	316,221.00		40,938.07	275,222.16	20,287.51	276,795.68	224,217.38	2,004,242.07
DEPARTMENT OF HEALTH															
TANF	100-054-7550-121			Various	Various		147,882.32		(3)	874.22			148,756.54		697,142.46
Smart Steps	100-054-7550-121			3,210.00				3,210.00			3,210.00		-	3,210.00	3,210.00
TANF-Work Verification	100-054-7550-121			Various	Various		2,831.00	22,425.00	(3)	(2,831.00)	15,817.00		6,608.00	15,817.00	18,648.00
Work First New Jersey - TANF Work Activities	100-054-7550-121			Various	Various		295,644.68	390,198.00			379,986.72		305,855.96	379,986.72	474,540.04
TANF - Case Management	100-054-7550-121			Various	Various		51,673.00	88,051.00			88,111.00		51,613.00	88,111.00	124,489.00
New Jersey Smart Steps	100-054-7550-121			Various	Various		6.00						6.00		88,347.00
General Assistance	100-054-7550-121			Various	Various		15,163.47	71,124.00			40,088.18		46,199.29	40,077.77	265,373.71
Work First New Jersey-GA/FS Work Activities	100-054-7550-121			Various	Various		68,863.59	15,085.00			55,220.27		28,728.32	55,220.27	57,480.68
Work First New Jersey-GA/FS Case Management	100-054-7550-121			Various	Various		32,948.00	52,057.00			52,181.00		32,824.00	52,181.00	71,290.00
Workfirst NJ	100-054-7550-121			55,656.00	01/01/07	12/31/07							-	1,521.30	55,656.00
ABAWD & Food Stamps	100-054-7550-121			Various	Various		77,239.86	11,977.00	(3)	1,956.78	1,521.30		89,652.34		108,371.66
Right to Know	4230-100-046-442-105-J002-6110			Various	Various		4,171.41	8,786.00	(1)	2,541.00	9,738.81	938.00	4,821.60	8,786.00	47,894.40
Tobacco Control, Prevention, Treatment Education	4240-100-046-4213-168-J002-6110			Various	06/30/02	06/30/03	30,895.81						30,895.81		70,886.19
Cancer Education/Early Detection	4220-100-046-4533-329-J002-6140			Various	Various		241,736.22	134,633.00	(1)	31,478.15	122,438.20	52,878.88	232,530.29	104,029.00	266,102.71
Health and Senior Services - Cancer Detection (COLA)	02-402-CCS-L-2			Various	Various		11,007.91	5,000.00			1,773.10	755.49	13,479.32	15,000.00	8,640.68
Healthy Heart Cholesterol Screening Contract													-		
County Mental Health Board Planning													-		
Development and Administration	Not Available			Various	Various		5,737.55		(1)	584.00	2,600.74	444.01	3,276.80		14,723.20
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	00-582-ADA-00		Prior Year	01/01/00	12/31/00	14,707.15						14,707.15		223,436.85
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	01-550-ADA-00		263,521.00	01/01/01	12/31/01	25,050.64						25,050.64		238,470.36
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	02-539-ADA-00		261,321.00	01/01/02	12/31/02	13,495.59						13,495.59		247,825.41
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	03-539-ADA-00	18,861.00	241,564.00	01/01/03	12/31/03	16,560.73						16,560.73		243,864.27
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	04-539-ADA-00		271,039.00	01/01/04	12/31/04	574.63						574.63		270,464.37
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	05-539-ADA-00	19,030.00	246,041.00	01/01/05	12/31/05	8,128.56						8,128.56		256,942.44
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	06-539-ADA-00	19,043.00	240,213.00	01/01/06	12/31/06	5,509.71						5,509.71		254,947.29
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	07-539-ADA-00	20,145.00	247,240.00	01/01/07	12/31/07	14.17		(1)	48,699.23	38,644.43		10,068.97	63,852.00	257,316.03
Alcoholic Treatment Program	4240-100-046-4252-024-J002-6110	08-539-ADA-00		272,697.00	01/01/08	12/31/08		272,697.00			225,057.22	45,465.24	2,174.54	212,248.00	270,522.46
Early Intervention Program	4575-110-6140		10,500.00	Various	Various		92,697.75						92,697.75	109,115.00	377,204.25
Early Intervention Program	4575-110-6140		10,500.00	Various	Various		20,746.39						20,746.39		96,657.61
Early Intervention Program	4575-110-6140	06-161-EIP-L-3	11,480.00	106,182.00	01/01/06	12/31/06	1,009.63						1,009.63		116,652.37
EIP Additional	4575-110-6140			1,500.00	01/01/07	12/31/07	1,500.00						1,500.00		-
Early Intervention Program and Case Management	4575-110-6140		11,480.00	126,500.00	01/01/07	12/31/07	82,480.24		(1)	15,271.96	80,366.97		17,385.23		120,594.77
Early Intervention Program	4575-110-6140	09-351-SCH-L-0		70,800.00	07/01/08	06/30/09		70,800.00			7,068.01		63,731.99		7,068.01
Case Management	4575-110-6140	09-129-SCH-L-1	15,880.00	38,000.00	07/01/08	06/30/09		53,880.00			158.30	720.72	53,000.98		879.02
Comprehensive Cancer Control Plan	4230-100-046-4753-434-J002-6120	06-57-CCC-L-2		Various	Various		74,723.93	65,000.00	(1)	6,435.00	59,166.44	31,060.80	55,931.69	58,616.00	204,068.31
							1,342,999.94	1,264,923.00		105,009.34	1,183,147.69	132,263.14	1,397,521.45	1,207,771.06	5,559,709.55
DEPARTMENT OF HUMAN SERVICES															
LINCS	4230-100-046-4784-182			Various	01/01/01	12/31/01	1,930.63						1,930.63		6,069.37
LINCS IT	4230-100-046-4784-182			$ 34,000.00	01/01/03	12/31/03	1,480.64						1,480.64		32,519.36
DMHD - Mental Health Board - Mental Health													-		
Disaster and Crisis Counsel	7700-100-054-S121-115-LLLL-3850			4,000.00	07/01/03	06/30/04	842.35						842.35		3,157.65
Election Assistance to Individuals with Disabilities	08ELEC012AID			39,500.34	01/01/08	12/31/08		39,500.34				13,871.73	25,628.61	13,871.73	13,871.73
Family Court	7570-100-054-7570-064	SCP-08-PM-17		100,869.00	01/01/08	12/31/08		100,869.00	(1)	90.00	97,584.00		3,375.00	169,178.50	196,872.00
PASP Supplemental Funding Grant	7570-100-054-7570-361-LLLL-6130	06AMSS		12,832.00	06/01/06	12/31/06	28.92						28.92		12,803.08
PASP - Personal Attendant Services	7570-100-054-7570-361-LLLL-6130	06AMSS		Various	Various		105,962.94	153,616.00	(1)	9,307.50	111,117.92	13,858.86	143,909.66	153,616.00	361,240.34
							110,245.48	293,985.34		9,397.50	208,701.92	27,730.59	177,195.81	336,666.23	626,533.53

(Continued)

COUNTY OF SALEM
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2008

State Funding Department/Program Title	State G.M.I.S. No.	County Grant No.	Matching Contributions	Program or Award Amount	Grant Period From	Grant Period To	Balance Dec. 31, 2007	Receipts or Revenue Recognized		Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2008	(Memo Only) Cash Received	(Memo Only) Accumulated Expenditures
DEPARTMENT OF LABOR															
Passed Through the County of Cumberland:															
Job Opportunities and Basic Skills Training															
Family Development Program	4545-140-100760			211,239.00	07/01/99	06/30/99	$ 100,543.65						$ 100,543.65		$ 31,812.28
FY2002 One Stop Literacy Lab	Not Available			46,150.00	07/01/01	06/30/02	629.06						629.06		45,520.94
Workforce Development Partnership Program	Not Available			Various	Various		12,674.25				$ 6,297.00		6,377.25	$ 6,297.00	32,357.75
Workforce Development Staff and Fringe Benefits	Not Available			45,213.00	07/01/02	06/30/03	1,190.56						1,190.56		30,201.44
							115,037.52	-		-	6,297.00	-	108,740.52	6,297.00	139,892.41
DEPARTMENT OF LAW AND PUBLIC SAFETY															
Victim and Witness Advocacy	1020-100-066-1020-093-YOPR-6110	FY01		Prior Year	07/01/00	06/30/01	652.00						652.00		7,748.00
Prosecutor Insurance Fraud Reimbursement	Not Available			Various	Various		166,060.64	$ 163,598.00	(1)	$ 5,556.91	64,308.28	$ 5,055.00	265,852.27	79,077.72	649,241.73
Safe Roadways Project Grant	PT-07-03-04-10			Various	Various		4,874.82	72,200.00	(1)	1,600.00	70,341.92	950.00	7,382.90	70,660.55	134,817.10
Sobriety Checkpoint and DWI Education	1160-100-066-1160-036-YHTS-6010			Various	Various		19,120.00						19,120.00		17,000.00
Community Justice Grant	1020-100-066-1020-304-YOPR-6010			Various	01/01/03	12/31/03	8,501.99						8,501.99	45,768.63	102,978.01
Community Justice Grant	1020-100-066-1020-304-YOPR-6010	JAG-3-12-06	25,000.00	75,000.00	02/01/08	01/31/09		100,000.00			56,392.82	5,622.92	37,984.26		62,015.74
Community Policing Grant	1020-100-066-1020-304-YOPR-6010			1,000.00	01/01/08	12/31/08		1,000.00			1,000.00		-	1,000.00	1,000.00
Community Traffic Safety Program	1020-100-066-1020-304-YOPR-6010			19,864.00	01/01/08	12/31/08		19,864.00			9,185.47		10,678.53		9,185.47
Inter-Agency J-J:9-6-06 (FAST)	1020-100-066-1020-304-YOPR-6010			74,625.00	01/01/08	12/31/08		74,625.00			74,625.00		-		74,625.00
School Based Youth Services Program	1500-100-066-1500-007-YSAC-6010			Various	07/01/04	06/30/05	921.92						921.92		175,793.08
Youth Service Commission	1500-100-066-1500-121-YSAC-6010			Various	Various		1,143.85	202,406.00	(1)	2,865.00	192,599.76	2,380.19	11,434.90	194,423.48	390,259.10
JAIBG Funds - Youth Services Commission	1500-100-066-1500-121-YSAC-6011		1,047.00	9,421.00	01/01/08	12/31/08		10,468.00			10,468.00		-	16,732.00	10,468.00
Local Law Enforcement Block Grant Program	1020-100-066-1020-261-YOPR-6010			Various	Various		13,115.49						13,115.49		35,601.75
Juvenile Assistance Grant Program - Megan's Law	1020-100-066-1020-261-YOPR-6010		Various	Various	Various		1,453.85	5,248.00					6,701.85	1,650.00	15,123.15
Justice Assistance Grant (JAG)	JAG-1-39TF-05		87,340.00	87,340.00	01/01/07	12/31/07	102,713.03				50,358.06		52,354.97	-	122,325.03
Reserve for Emergency Services Grant	1200-100-066-1200-850-YENR-6110			4,000.00	01/01/03	12/31/05	213.69						213.69	165,761.78	3,786.31
Body Armor Replacement - Sheriff	1020-718-066-1020-001			31,819.14	01/01/08	12/31/08		31,819.14	(1)	12,402.00	20,729.75	7,579.00	15,912.39	16,059.40	15,906.75
Body Armor Replacement - Prosecutor	1020-718-066-1020-001			Various	01/01/07	12/31/07	36.27	3,658.81	(1)	1,616.19	3,356.94		1,954.33	1,805.68	7,834.36
COPS in Shops	100-066-1400-014-6106-5108			Various	06/01/06	05/31/08	5,343.56	6,000.00					11,343.56	4,194.44	656.44
Project Lifesaver	2007001			82,150.00	06/01/07	06/01/09	64,262.80		(1)	232.98	9,216.44		55,279.34	16,430.00	26,870.66
Diversity Partner Coalition OP-03-45-0203	1160-100-066-1160-113-YHTS-6010			Various	Various		18,974.76						18,974.76	55,434.00	51,025.24
Division of State Police - Emergency Services													-		
(2) Decontamination Trailers	1200-100-066-1200-634-YEMR-6010			285,000.00	05/01/01	09/30/03	10.00						10.00		284,990.00
Prosecutor - Police AED Grant	Not Available			45,136.00	01/01/08	12/31/08		45,136.00			45,136.00		-	45,136.00	45,136.00
K-9 Unit Program	Not Available			63,057.80	01/01/08	12/31/08		63,057.80			57,411.95	5,622.81	23.04	63,057.80	63,034.76
State Homeland Security Grant Program -													-		
Explosive Detecting Canine Initiative	Not Available			57,142.00	07/01/03	04/30/05	116.28						116.28		57,025.72
Terrorism Exercise Grant	Not Available			5,000.00	01/01/02	12/31/02	1,669.74						1,669.74		3,330.26
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		37,144.00				6,171.91		30,972.09	5,209.63	6,571.91
Division of Highway Traffic Safety	1160-100-066-1160-036-YHTS-6010			10,000.00	10/01/02	09/30/03	1,122.69				1,122.69		(0.00)	6,753.62	25,000.00
County Jail Statewide Photo Capture System	2004-RU-BX-K058		4,371.49	22,036.51	01/01/06	12/31/06							-	22,036.51	26,408.00
NJ Sex Offender Internet Registry	ML 17-06			4,650.00	01/01/08	12/31/08		4,650.00			967.07	1,922.00	1,760.93	250.00	2,889.07
Title V Delinquency Prevention	1500-100-066-1500-025-YSAC-6010	J-V-4-04		95,750.00	07/01/06	06/30/07							-	20,836.00	190,750.00
							447,451.38	803,730.75		24,273.08	673,392.06	29,131.92	572,931.23	832,277.24	2,619,396.64
DEPARTMENT OF STATE															
New Jersey State Council of the Arts Block Grant	2530-100-074-2530-032-S003-6130			Prior Year	01/01/02	12/31/02	1,012.00						1,012.00		57,691.00
Local Arts Program	2530-100-074-2530-032-S003-6130			Various	Various		69,776.11	91,612.00			46,131.25	1,625.00	113,631.86	59,432.00	523,204.14
Local Arts Initiative	2530-100-074-2505-053-010390			Various	Various		13,000.00	82,500.00			12,100.00		83,400.00	28,875.00	87,100.00
Old Court House Project	B-05-SP-NJ-0182		198,000.00	198,000.00	Project Completion		9,750.00		(1)	188,250.00		188,250.00	9,750.00	198,000.00	188,250.00
New Jersey History Grant	2540-100-074-2540-105-S003-610			Various	01/01/03	12/31/03	9,121.20						9,121.20		24,878.80
Historical Commission Grant	08 HIST 166 AGO			Various	Various		18,000.00	14,940.00			17,500.00		15,440.00	29,952.00	17,500.00
Public Archives & Records Infrastructure Support (PARIS) Gra	2545-100-074-2545-033-S003-6110	05170001		Various	Various		1,128,484.91	91,300.00	(1)	246,181.77	842,730.46	68,833.61	554,402.61	636,131.89	2,527,448.39
							1,249,144.22	280,352.00		434,431.77	918,461.71	258,708.61	786,757.67	952,390.89	3,426,072.33
DEPARTMENT OF TREASURY															
Governor's Council on Alcoholism and Drug Abuse															
Alliance to Prevent Alcoholism and Drug Abuse	2000-100-082-C001-044-0999-6010			137,783.00	Various		9,820.99	137,783.00		78,740.48	141,974.92	63,253.33	21,116.22	101,274.28	805,581.78
DEPARTMENT OF TRANSPORTATION															
Reconstruction of the Alloway - Shirley Road	Not Available			Prior Year	Project Completion		199,614.40						199,614.40		-
Capital Transportation Program Fiscal Year 1994-1997	Not Available			Prior Year	Project Completion								-	141,879.52	250,000.00
County Aid Balance FY87 & FY91	Not Available			Prior Year	Project Completion								-	113,690.24	-
1994 and 1995 County Aid CTP:															
Reconstruction of Aldine-Shirley Road #611	Not Available			Prior Year	Project Completion		250,000.00						250,000.00	446,000.00	446,000.00
Salem County Airport Feasibility Study	Not Available			Prior Year	Project Completion		37,970.00						37,970.00		1,260.00
Pass Through State to NJ Transit:															
Senior Citizen and Disabled Transportation Program	N.J. Transit Corp.			Various	Various		372,198.26	627,776.00	(1)	124,405.75	535,383.31	217,669.76	371,326.94	564,741.90	3,890,704.28
FTA Small Urban & Rural Area Public Transportation	N.J. Transit Corp.		54,992.00	145,422.00	7/1/06	6/30/07	200,414.00						200,414.00		-
Kelly's Saw Mill Bridge Scooping Project	Not Available			Prior Year	Project Completion		46,539.02						46,539.02	28,340.48	-
Vehicular Homicide/Serious Injury Unit	1160-100-006-1160-036-YHTS-6010			Various	Project Completion		161,284.32						161,284.32		53,475.68
State Aid Highway Projects:															
2008 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,818,000.00	Project Completion			1,818,000.00			65,497.61	1,626,702.89	125,799.50	1,818,000.00	1,692,200.50
2007 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,818,000.00	Project Completion		1,218,000.00		(1)	600,000.00	600,000.00	1,218,000.00	-		1,818,000.00
2006 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,478,000.00	Project Completion		484,698.56		(1)	993,301.44	993,301.44	484,698.56	-		1,478,000.00
2005 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,478,000.00	Project Completion				(1)	808,767.39	706,461.47	102,305.92	-		1,478,000.00
2004 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,478,000.00	Project Completion				(1)	739,000.00	739,000.00		-		1,478,000.00
2002 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,478,000.00	Project Completion				(1)	1,067,684.05	925,188.40	142,495.65	-		1,478,000.00
2001 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,457,000.00	Project Completion				(1)	786,128.79	717,987.01	68,141.78	-		1,457,000.00
2000 County Aid Improvement Program	6320-480-078-6320-TCAP-6010			1,190,000.00	Project Completion				(1)	1,088,122.25	1,088,122.25		-		1,190,000.00
Prior Year Interest	6320-480-078-6320-TCAP-6010			Various	Project Completion				(1)	5,513.40	5,513.40		-		384,282.44

(Continued)

COUNTY OF SALEM
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2008

State Funding Department/Program Title	State G.M.I.S. No.	County Grant No.	Matching Contributions	Program or Award Amount	Grant Period From	Grant Period To	Balance Dec. 31, 2007	Receipts or Revenue Recognized		Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2008	(Memo Only) Cash Received	(Memo Only) Accumulated Expenditures
DEPARTMENT OF TRANSPORTATION (CONT'D)															
Local Bridge Rehabilitation Program	6220-572-078-6220-017-TCAP-6010			3,000,000.00	Project Completion				(1)	$ 78,565.17	$ 78,565.17		-		$ 3,000,000.00
1999 Statewide Transportation and Local Bridge Fund	6220-572-078-6220-017-TCAP-6010			3,000,000.00	Project Completion				(1)	53,095.22	53,095.22		-		3,000,000.00
Bridge Rehabilitation & Improvement Fund															
Kings Highway Bridge #479	6220-549-078-6220-038-TTTT-6010			Prior Year	Project Completion		$ 56,397.42						$ 56,397.42		-
Reconstruction of Pennsville - Auburn Road															
Phase I	Not Available			Prior Year	Project Completion		10,634.57						10,634.57		10,634.57
Phase II	Not Available			Prior Year	Project Completion		40,460.48						40,460.48		-
Resurfacing of Elm Street and South Main Street	Not Available			297,000.00	Project Completion		131,667.70						131,667.70		165,332.30
Salem County Road Realignment & Reconstruction	Not Available			750,000.00	Project Completion		100,650.00						100,650.00		649,350.00
Resurfacing of South Broad Street - Penns Grove Boro	Not Available			446,952.00	Project Completion		81,105.00		(1)	28,468.00		$ 28,468.00	81,105.00	$ 137,379.00	365,847.00
Resurfacing of Churchtown Rd - Pennsville Twp.	Not Available			318,769.00	Project Completion								-	118,769.00	318,769.00
Resurfacing of Fort Mott Rd. - Pennsville Twp.	Not Available			577,349.00	Project Completion		168,815.50		(1)	7,759.46		7,759.46	168,815.50		408,533.50
SJTPO - Reconstruction of Kelly's Saw Mill Bridge	Not Available			989,036.00	Project Completion		96,923.80		(1)	317.00			97,240.80		1,089,795.20
SJTPO - Almond Road Scoping Study	Not Available			259,833.00	Project Completion								-	155,121.94	259,833.00
Railroad Improvement Project, Phase 2	Not Available			1,701,875.00	Project Completion		1,898.80		(1)	81,666.72	81,666.72		1,898.80		1,699,976.20
Railroad Improvement Project	Not Available		300,000.00	3,000,000.00	Project Completion		298,915.00		(1)	85,880.17		85,880.17	298,915.00		3,001,085.00
							3,958,186.83	$ 2,445,776.00		6,548,674.81	6,589,782.00	3,982,122.19	2,380,733.45	3,523,922.08	31,064,078.67
OFFICE OF EMERGENCY TELECOMMUNICATIONS SERVICES															
Enhanced 911	06-100-082-2034-50			242,500.00	01/01/04	12/31/06							-		242,500.00
Emergency Management Performance Grant (EMPG)	Not Available			30,000.00	01/01/08	12/31/08		30,000.00			11,709.40		18,290.60		11,709.40
Office of Emergency Telecommunications Services (OETS)	06-G-17-059			60,000.00	07/01/06	06/30/07	6,450.47						6,450.47		53,549.53
Enhanced 911 General Assistance and Equipment Grant	2034-100-082-SBE7-00AB-6120			60,000.00	01/01/07	12/31/07	60,000.00				56,551.26		3,448.74		56,551.26
							66,450.47	30,000.00		-	68,260.66	-	28,189.81	-	364,310.19
OTHER STATE PROGRAMS															
Partnership for the Delaware Estuary, Inc.	Not Available			Prior Year	Prior Year		2,100.00						2,100.00		-
SART/SANE	Not Available			Various	01/01/03	12/31/03	98,820.30						98,820.30		60,546.70
CHLP Grant for Seminar	Not Available			7,500.00	01/01/07	12/31/07	3,026.56						3,026.56		4,473.44
NJ Build	Not Available			380.00	07/01/06	06/30/07	380.00						380.00		-
Sharing Available Resources Efficiently (SHARE)	07-148-WIC-L-0			59,847.00	01/01/08	12/31/08	-	59,847.00				1,000.00	58,847.00		1,000.00
Project Vision Grant	Not Available			43,750.00	01/01/08	12/31/08	-	43,750.00			43,750.00		-		43,750.00
Senior Farmers' Market Nutrition Program	Not Available			2,000.00	01/01/08	12/31/08	-	2,000.00					2,000.00		-
RERP	Not Available			Various	Various		244,275.13	243,810.00			149,063.45	1,873.53	337,148.15		243,741.85
							348,601.99	349,407.00		-	192,813.45	2,873.53	502,322.01	-	353,511.99
Total State Financial Assistance							$ 8,503,687.72	$ 6,269,061.95		$ 7,245,155.05	$ 10,591,749.91	$ 4,517,750.82	$ 6,908,403.99	$ 7,529,903.02	$ 52,395,706.73

Summary:

Prior Year Encumbrance	$ (7,245,155.05)
Disbursed	10,591,749.91
Current Year Encumbrances	4,517,750.82
Current Year Expenditures	$ 7,864,345.68

Adjustments are:
(1) Prior Year Encumbrances
(2) Canceled By Resolution
(3) Reclassification of Expenses

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

COUNTY OF SALEM
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended December 31, 2008

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:

Fund	Federal	State	Total
Current Fund	$2,829,642.22	$7,864,345.68	$10,693,987.90

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, 2008

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008

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?	X yes ___ 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 material weaknesses?	___ 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:

CFDA Numbers	Name of Federal Program or Cluster
93.045	Area Planning Grant
93.283	Public Health Preparedness Grant
17.259	Workforce Investment Act - Youth
17.258	Workforce Investment Act - Adult
17.260	Workforce Investment Act - Dislocated Worker
20.205	SJTPO - Salem County Roadway Striping Program
20.205	SJTPO - Pennsville-Auburn Road, County Rd #551, Phase II
20.205	SJTPO - Salem County Safety Projects in Pennsville
	Township and Upper Pittsgrove Township

Dollar threshold used to determine Type A programs	$ 300,000
Auditee qualified as low-risk auditee?	___ yes X no

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008

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 material weaknesses? ____ 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:

GMIS Numbers	Name of State Program
N.J. Transit Corp.	Senior Citizens and Disabled Residents Transportation
	Assistance Act
6320-480-078-6320-TCAP-6010	County Aid Improvement Programs
Not Available	Farmland Preservation Program
2545-100-074-2545-033	Public Archives & Records Infrastructure Support (PARIS) Grant
100-054-7550-121	TANF
100-054-7550-121	Smart Steps
100-054-7550-121	TANF - Work Verification
100-054-7550-121	Work First New Jersey - TANF Work Activities
100-054-7550-121	TANF - Case Management
100-054-7550-121	New Jersey Smart Steps
100-054-7550-121	General Assistance
100-054-7550-121	Work First New Jersey - GA/FS Work Activities
100-054-7550-121	Work First New Jersey - GA/FS Case Management
100-054-7550-121	Workfirst NJ
100-054-7550-121	ABAWD & Food Stamps

Dollar threshold used to determine Type A programs: $ 300,000

Auditee qualified as low-risk auditee? ____ yes __X__ no

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008

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. 2008-1

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. The register also contains assets with no assigned values.

Criteria
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.

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, 2008

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. 2008-2

Condition
Our examination of contracts awarded revealed the following: In two instances the certificate of availability of funds was not complete or incorrect. In four instances purchases made under state contract were not approved by resolution. There were instances of the state contract number not being noted on the purchase orders as well as being incorrect. In one instance the awarding of a professional services contract was not advertised. In several instances contracts were not bid while several contracts were not in effect for services being provided. We also noted that funds were not always being encumbered in a timely manner when awarding contracts.

Criteria
Contracts should be awarded in accordance with N.J.S.A. 40A:11 and N.J.A.C. 5:34.

Effect
Violation of N.J.S.A. 40A:11 and N.J.A.C. 5:34.

Cause
Unknown.

Recommendation
That more care be exercised to ensure that certificates of availability of funds are complete and available, that state contract numbers are properly noted on purchase orders and recorded within the minutes record, that professional service contracts be properly advertised upon approval, that contracts be bid when required, that the county monitor all contracts to prevent work from being performed on contracts already expired and that the county encumber funds in a timely manner as contracts are awarded.

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, 2008

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. 2008-3

Condition
There is a lack of oversight regarding internal accounting controls for the Nursing Home relative to the cash receipt and disbursement functions. The deficiencies are as follows:

- The Revenue Account and the Patient Needs Account have not been reconciled since December 31, 2007.
- An analysis of Patient's trust balances reflects a total balance of $38,828.43 as compared to a cash balance of $38,365.40 available in the Patient Needs Account as of August 14, 2008, leaving a difference of $463.03.
- When testing the disbursements from the Patient Needs Account, support was not available regarding four disbursements, copies of cancelled checks for January and February were not available, and copies of the back of all canceled checks were not provided by the bank and therefore could not be inspected. It was also noted that the bank statements for two months were misplaced.

Criteria
Internal accounting controls should be reviewed to ensure an adequate environment exists as to the cash, receipt and disbursement functions.

Effect
Inconsistent reconciliation of cash along with inconsistent recording of receipts and disbursements causing untimely recognition of revenue and incorrect recording of expenditures.

Cause
Personnel turnover along with lack of oversight.

Recommendation
That the Nursing Home cash receipt and disbursement function be reviewed soon as possible regarding internal accounting controls combined with management oversight.

View of Responsible Officials and Planned Corrective Action
A corrective action plan as required by the Division of Local Government Services will not be necessary since the Nursing Home operations, assets and liabilities were transferred to the Salem County Improvement Authority on August 15, 2008 as approved by the Freeholders.

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008

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. 2008-4

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

Condition
Encumbrances were not liquidated within 30 days after year end.

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

Questioned Costs
$131,750

Context
A total of $131,750 of encumbrances at December 31, were paid after the allowed 30-day period.

Effect
The grantor may disallow expenditures which are paid subsequent to the thirty 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, 2008

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

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. 2007-1

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. The register also contains assets with no assigned values.

Current Status
This condition still exists as current year finding no. 2008-1.

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

Finding No. 2007-2

Condition
Our examination of contracts revealed the following: Purchases were made for uniforms in excess of the awarded contract amount. In addition, such contract expired in October 2007 while purchases were still continuing for such uniforms. Also, a purchase was made under state contract; however, such contract was not approved by resolution. Finally, expenditures were made in 2007 regarding a professional services contract in the amount of $21,973; however, the contract awarded for such services was awarded for $12,000 and in addition such contract expired in June of 2006.

Current Status
This condition still exists as current year finding no. 2008-2.

Planned Corrective Action
The County is currently reviewing their procedures regarding the awarding of contracts in accordance with N.J.S.A. 40A:11 and N.J.A.C. 5:34.

COUNTY OF SALEM
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management (Cont'd)

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 (CONT'D)

Finding No. 2007-3

Condition
There is a lack of oversight regarding internal accounting controls relative to the receipt and disbursement function. The deficiencies are as follows:

- Two outstanding checks greater than one year old exist as of December 31, 2007.
- Numerous expenses relative to the patients need account were disbursed from the operating account.
- Revenue being turned over to the Treasurer's Office was incorrectly reported as to the detail of Interest on Investments and Peer Grouping. The overall amount reported was correct.
- Two resident accounts of the patients needs accounts are overdrawn which in the aggregate total $1,905.85.
- The revenue account at December 31, 2007 contains excess revenue totaling approximately $216,133.41. These funds should be turned over to the County Treasurer's office in an expeditious manner.

Current Status
This condition still exists as current year finding no. 2008-3.

Planned Corrective Action
The Salem County Board of Chosen Freeholders by a plan adopted on June 10, 2008 transferred the Nursing Home assets, liabilities and operations to the Salem County Improvement Authority effective August 15, 2008.

COUNTY OF SALEM
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management (Cont'd)

FEDERAL AWARDS

Finding No. 2007-4

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. 2008-4.

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

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

Name	Title	Amount of Surety Bond	
Lee R. Ware	Director of the Board of Chosen Freeholders	$4,000,000	(A)
David Lindenmuth	Deputy Director of the Board of Chosen Freeholders	$4,000,000	(A)
Charles Sullivan	Freeholder (1/1/08-12/22/08)	$4,000,000	(A)
Bruce Bobbitt	Freeholder	$4,000,000	(A)
Beth Timberman	Freeholder	$4,000,000	(A)
Jeffrey Hogan	Freeholder	$4,000,000	(A)
Julie Acton	Freeholder	$4,000,000	(A)
Earl Gage	Clerk of the Board/Administrator	$200,000	(B)
Joanne H. Bell	Chief Financial Officer/Treasurer (1/1/08-9/30/08)	$580,000	(C)
Douglas Wright	Chief Financial Officer/Treasurer (from 10/1/08)	$568,000	(C)
Marianna Bacon	Assistant County Treasurer	$580,000	(C)
Gilda T. Gill	County Clerk	$50,000	(C)
Herbert Stiles	Deputy County Clerk	$200,000	(B)
Nicki A. Burke	Surrogate	$35,000	(C)
Charles Miller	Sheriff	$50,000	(C)
Theodore Vengenock	Undersheriff	$50,000	(C)
Raymond Skradzinski	Undersheriff / Warden	$200,000	(B)
Anthony Wright	Undersheriff / Deputy Warden	$200,000	(B)
Kenneth Miller	County Adjuster	$200,000	(B)
Patricia Franceschini	Assistant County Adjuster	$200,000	(B)
John T. Lenahan	Prosecutor	$200,000	(B)
Dave Puma	Labor & Litigation Counsel		
Parker, McCay & Criscuolo	Bond Counsel		
E. Elaine Voyles	County Counsel		
Federici & Akin	Engineer		

(A) Covered by Public Employees' Faithful Performance Blanket Position Bond in the Amount of $4,000,000 with Admiral Insurance Company.

(B) Travelers Casualty and Surety Company.

(C) Ohio Casualty 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

David C. Rollison
Certified Public Accountant
Registered Municipal Accountant