

*Report of Audit*

*on the*

*Financial Statements*

*of the*

*Township of Ocean*

*in the*

*County of Monmouth*  
*New Jersey*

*for the*

*Year Ended*  
*December 31, 2009*

TOWNSHIP OF OCEAN

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TOWNSHIP OF OCEAN

PART I

INDEPENDENT AUDITOR'S REPORT ON  
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SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2009



**SUPLEE, CLOONEY & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
of the Township Committee  
Township of Ocean  
County of Monmouth  
Oakhurst, New Jersey 07755-1589

We have audited the accompanying financial statements - statutory basis of the various individual funds and the account group of the Township of Ocean, County of Monmouth, New Jersey as of and for the years ended December 31, 2009 and 2008 and for the year ended December 31, 2009, as listed as financial statements - statutory basis in the foregoing table of contents. These financial statements - statutory basis are the responsibility of the management of the Township of Ocean, County of Monmouth. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial statements contained in Government Auditing Standards issued by the Comptroller General of the United States, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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.

As described in Note 1, the Township of Ocean, County of Monmouth, prepares its financial statements on a prescribed basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

## SUPLEE, CLOONEY & COMPANY

In our opinion, because the Township of Ocean prepares its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the financial position of the various individual funds and account group of the Township of Ocean, County of Monmouth, as of December 31, 2009 and 2008 or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2009.

However, in our opinion, the financial statements - statutory basis present fairly, in all material respects, the financial position - statutory basis of the various individual funds and account group of the Township of Ocean, County of Monmouth, as of December 31, 2009 and 2008, and the results of its operations and changes in fund balance - statutory basis for the years then ended and the revenues, expenditures and changes in fund balance - statutory basis for the year ended December 31, 2009, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated May 7, 2010 on our consideration of the Township of Ocean's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements - statutory basis taken as a whole. The information included in the schedule of expenditures of state financial assistance and the other supplementary schedules and data listed in the table of contents is presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended for the information of the Township of Ocean, County of Monmouth, New Jersey, the Division of Local Government Services and federal and state audit agencies and is not intended to be and should not be used by anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

May 7, 2010

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CURRENT FUND

TOWNSHIP OF OCEAN

CURRENT FUND

BALANCE SHEETS - STATUTORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2009</u>	<u>BALANCE DECEMBER 31, 2008</u>
Current Fund:			
Cash - Treasurer	A-4	\$ 14,839,650.10	\$ 14,814,074.56
Change Fund	A-6	2,120.00	2,120.00
Due from State of New Jersey Per Chapter 20, P.L. 1971 - Senior Citizens Deductions	A-8	678.16	3,943.30
		<u>\$ 14,842,448.26</u>	<u>\$ 14,820,137.86</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	\$ 1,092,157.20	\$ 1,073,028.77
Tax Title Liens Receivable	A-10	311,015.47	295,116.70
Property Acquired for Taxes - Assessed Valuation	A-11	849,381.00	855,981.00
Revenue Accounts Receivable	A-12	53,931.40	32,667.26
Interfunds Receivable	A-31	9,930.14	40,118.79
	A	<u>\$ 2,316,415.21</u>	<u>\$ 2,296,912.52</u>
Deferred Charges:			
Special Emergency Appropriation (40A:4-55)	A-3	\$ 270,000.00	\$ _____
		<u>\$ 270,000.00</u>	<u>\$ _____</u>
		<u>\$ 17,428,863.47</u>	<u>\$ 17,117,050.38</u>
Grant Fund:			
Cash (Deficit)	A-4	\$ (676.34)	\$ 1,342.15
Grants Receivable	A-32	581,678.18	457,909.15
Interfunds Receivable	A-31	865,104.90	549,245.21
		<u>\$ 1,446,106.74</u>	<u>\$ 1,008,496.51</u>

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

TOWNSHIP OF OCEAN

CURRENT FUND

BALANCE SHEETS - STATUTORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2009</u>	<u>BALANCE DECEMBER 31, 2008</u>
Current Fund:			
Liabilities:			
Interfunds Payable	A-31	\$ 865,104.90	\$ 549,245.21
Appropriation Reserves	A-3:A-14	2,344,556.96	2,230,397.41
New Jersey Sale and Use Tax Payable	A-13		2.10
Encumbrances Payable	A-15	467,487.86	458,618.52
Accounts Payable	A-16	276,051.72	44,215.00
Contracts Payable	A-17	322,709.73	57,053.71
Prepaid Fees & Permits	A-18	8,532.50	8,750.00
Prepaid Taxes	A-19	858,271.45	746,276.08
Tax Overpayments	A-20	23,396.04	29,026.07
Due Township of Ocean Sewerage Authority		285.04	285.04
Reserve for:			
Security Deposit		2,500.00	2,500.00
Library Expenditures	A-21	42,915.84	35,138.11
Garden State Trust Fund	A-22	2,822.54	3,195.58
Revaluation	A-23	46,300.00	15,000.00
Tax Appeals	A-24	370,079.16	397,928.61
Sale of Municipal Assets	A-25	36,420.85	35,770.85
Due State of New Jersey	A-26	1,670.00	7,154.00
Deposit on Sale of Land		8,000.00	8,000.00
County Taxes Payable	A-29	69,646.17	88,571.97
		\$ 5,746,750.76	\$ 4,717,128.26
Reserve for Receivables	A	2,316,415.21	2,296,912.52
Fund Balance	A-1	9,365,697.50	10,103,009.60
		\$ 17,428,863.47	\$ 17,117,050.38
Grant Fund:			
Reserve for Grants:			
Appropriated	A-33	\$ 901,651.71	\$ 625,890.96
Unappropriated	A-34	97,387.89	123,196.35
Encumbrances Payable	A-15	311,067.14	123,409.20
Due General Capital Fund		136,000.00	136,000.00
		\$ 1,446,106.74	\$ 1,008,496.51

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

TOWNSHIP OF OCEANCURRENT FUND

STATEMENTS OF OPERATIONS AND CHANGE  
 IN FUND BALANCE - STATUTORY BASIS  
 FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF.</u>	<u>YEAR 2009</u>	<u>YEAR 2008</u>
Fund Balance Utilized	A-2	\$ 7,401,146.00 \$	7,000,000.00
Receipts from Delinquent Taxes	A-2	1,065,792.44	977,537.52
Receipts from Current Taxes	A-2	86,814,441.83	85,283,363.07
Miscellaneous Revenue Anticipated	A-2	6,985,471.86	7,176,768.82
Non-Budget Revenue	A-2	725,322.37	769,030.76
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	1,864,188.97	1,634,647.17
Accounts Payable Cancelled	A-16	12,935.00	4,076.98
Grants Appropriated Cancelled - Net			18,359.57
Interfunds Returned		30,188.65	
<u>TOTAL INCOME</u>		<u>\$ 104,899,487.12 \$</u>	<u>102,863,783.89</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations (Within "CAPS"):			
Operations (Including Contingent)	A-3	\$ 21,835,284.10 \$	21,115,964.00
Deferred Charges and Statutory Expenditures Municipal	A-3	2,506,510.00	589,000.00
Budget (Excluded from "CAPS"):			
Operations	A-3	921,686.88	1,906,907.90
Capital Improvements	A-3	304,599.00	447,354.00
Municipal Debt Service	A-3	2,707,753.51	2,637,037.66
Deferred Charges - Municipal			807.00
Local District School Tax	A-27	53,074,790.39	52,013,439.01
County Taxes	A-28	14,571,671.94	14,947,989.03
Due County for Added and Omitted Taxes	A-29	69,646.40	88,571.97
Fire District Taxes	A-30	2,512,901.00	2,437,231.00
Refund of Prior Year's Revenue	A-4	810.00	1,388.88
Interfunds Advanced			16,485.42
<u>TOTAL EXPENDITURES</u>		<u>\$ 98,505,653.22 \$</u>	<u>96,202,175.87</u>
Excess in Revenue		\$ 6,393,833.90 \$	6,661,608.02
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which Are Deferred			
Charges to Budget of Succeeding Year	A-3	270,000.00	
Statutory Excess to Fund Balance		\$ 6,663,833.90 \$	6,661,608.02
<u>FUND BALANCE</u>			
Balance, January 1	A	10,103,009.60	10,441,401.58
		\$ 16,766,843.50 \$	17,103,009.60
Decreased by:			
Utilized as Anticipated Revenue	A-1:A-2	7,401,146.00	7,000,000.00
Balance, December 31	A	\$ 9,365,697.50 \$	10,103,009.60

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2009

REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
	BUDGET	SPECIAL N.J.S. 40A: 4-87		
Fund Balance Appropriated	A-1	\$ 7,401,146.00	\$ 7,401,146.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-12	\$ 25,000.00	\$ 41,364.00	16,364.00
Other	A-2	33,200.00	61,768.00	28,568.00
Fees and Permits:				
Construction Code Official	A-12	350,000.00	425,183.00	75,183.00
Other	A-2	319,450.00	477,314.29	157,864.29
Fines and Costs:				
Municipal Court	A-12	360,000.00	587,222.88	227,222.88
Interest and Costs on Taxes	A-12	100,000.00	263,191.53	163,191.53
Interest on Investments and Deposits	A-12	495,000.00	334,813.95	(160,186.05)
Payment in Lieu of Taxes - Senior Citizens Housing	A-12	30,000.00	44,412.33	14,412.33
Swim Pool Membership Fees	A-2	130,000.00	147,383.75	17,383.75
Swim Pool Snack Bar Rental Fees	A-12	12,000.00	12,000.00	
Swim Pool Guest Fees	A-12	40,000.00	65,990.50	25,990.50
Contracted Service for Police and Municipal Court with the Village of Loch Arbor	A-12	165,000.00	165,000.00	
Colonial Terrace Golf Course	A-12	244,854.00	326,281.65	81,427.65
Consolidated Municipal Property Tax Relief Aid	A-12	394,963.00	394,963.00	
Energy Receipts Tax	A-12	2,783,597.00	2,783,597.00	
Garden State Trust PILOT	A-22	3,196.00	3,196.00	
NJDOT Transportation Trust - Grant	A-32	165,000.00	165,000.00	
Recycling Tonnage Grant	A-32	32,696.77	32,696.77	
Drunk Driving Enforcement Fund	A-32	13,208.76	21,653.23	8,444.47
Clean Communities Program	A-32	71,708.73	82,405.55	10,696.82
Municipal Alliance on Alcoholism and Drug Abuse	A-32	24,086.00	24,086.00	
Safe & Secure Communities	A-32	58,690.00	58,690.00	
Monmouth County Drug Abuse Council	A-32	47,584.00	47,584.00	
Outpatient Services Grant	A-32	49,440.00	49,440.00	
U.S. Department Of Justice - Cops In Shops	A-32	3,175.00	3,175.00	
Monmouth County JIF Safety Grant	A-32	4,559.00	8,847.00	4,288.00
United States Department Of Justice Bullet Proof Vest	A-32	12,803.88	19,996.68	7,193.00
Community Development Block Grant	A-32	118,250.00	118,250.00	
N. J. Board Of Public Utilities Clean Energy Program	A-32	22,260.75	22,260.75	
Reserve for Payment of Bonds	A-12	97,560.00	97,560.00	
M.C.-Armstrong Avenue Intersection Improvements	A-32		49,300.00	49,300.00
Sustainable Jersey Municipal Certification Program - Wal-Mart Grant	A-32		10,000.00	10,000.00
Obey the Sign or Pay the Fine Speed Enforcement Grant	A-32		4,000.00	4,000.00
Emergency Management Assistance Program	A-32		5,000.00	5,000.00
Edward Byrne Memorial Justice Assistance Grant	A-32		25,845.00	25,845.00
Over the Limit Under Arrest 2009	A-32		6,000.00	6,000.00
	A-1	\$ 6,207,282.69	\$ 130,767.29	\$ 6,985,471.86
Receipts From Delinquent Taxes	A-1	\$ 500,000.00	\$	\$ 1,065,792.44
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Budget	A-2:A-9	\$ 17,397,123.00	\$	\$ 20,215,898.10
<b>Budget Totals</b>		\$ 31,505,551.69	\$ 130,767.29	\$ 35,668,308.40
Non-Budget Revenue	A-2			\$ 725,322.37
		\$ 31,505,551.69	\$ 130,767.29	\$ 4,757,311.79

REF. A-3 A-3

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2009

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:			
Collections on a Cash Basis	A-1;A-9	\$	86,814,441.83
Allocated to:			
School and County Taxes			<u>70,229,009.73</u>
Balance for Support of Municipal Budget Appropriations		\$	16,585,432.10
Add: Appropriation "Reserve for Uncollected Taxes"	A-3		<u>3,630,466.00</u>
Amount for Support of Municipal Budget	A-2	\$	<u><u>20,215,898.10</u></u>
Licenses - Other			
Clerk	A-12	\$	34,613.00
Community Services	A-12		27,055.00
Add: Prepaid Applied	A-18		<u>100.00</u>
	A-2	\$	<u><u>61,768.00</u></u>
Fees and Permits - Other:			
Clerk	A-12	\$	88,210.00
Police Department	A-12		25,613.54
Board of Adjustment	A-12		17,395.25
Planning Board	A-12		23,110.00
Construction Code - Local Fees	A-12		31,045.00
Recreation	A-12		152,526.00
Public Works	A-12		21,125.00
Human Services	A-12		115,614.50
Tax Collector	A-12		<u>3,610.00</u>
			478,249.29
Add: Prepaid Applied	A-18		<u>175.00</u>
			478,424.29
Less : Refunds Payable	A-16		<u>1,110.00</u>
	A-2	\$	<u><u>477,314.29</u></u>
Swim Pool Membership Fees	A-12	\$	142,628.75
Add: Prepaid Applied	A-18		<u>4,755.00</u>
	A-2	\$	<u><u>147,383.75</u></u>

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2009

REF.

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:

Treasurer:

Sale Gasoline/Diesel	\$	53,357.62
Facility Rental		40,862.50
Billboard Rental		47,011.23
Tower Lease		109,394.05
Sale of Scrap and Mixed Paper		8,952.06
MCMJIF - Refund		68,394.00
Cable Franchise Fee		115,812.03
Police Cars/ Township Vehicles Use		63,853.75
Boise Business Interiors Rent		61,934.21
Miscellaneous		<u>155,750.92</u>
A-1:A-2	\$	<u><u>725,322.37</u></u>

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2009

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>GENERAL GOVERNMENT:</b>					
Official of the Governing Body					
Salaries & Wages	\$ 27,581.00	\$ 27,581.00	\$ 27,550.00	\$ 31.00	
Other Expenses	6,120.00	6,120.00	5,053.08	1,066.92	
Office of the Township Manager					
Salaries & Wages	262,909.00	262,909.00	259,536.76	3,372.24	
Other Expenses	45,650.00	45,650.00	38,463.55	7,186.45	
Office of the Township Clerk					
Salaries & Wages	188,056.00	190,056.00	188,494.38	1,561.62	
Other Expenses	28,000.00	28,000.00	19,725.73	8,274.27	
Financial Administration					
Salaries & Wages	248,765.00	248,765.00	245,634.76	3,130.24	
Other Expenses	19,600.00	19,600.00	9,300.74	10,299.26	
Audit	31,200.00	31,200.00		31,200.00	
Data Processing					
Salaries & Wages	57,692.00	60,692.00	59,012.84	1,679.16	
Other Expenses	53,600.00	53,600.00	29,724.62	23,875.38	
Collection of Taxes					
Salaries & Wages	131,536.00	131,536.00	128,765.32	2,770.68	
Other Expenses	6,200.00	6,200.00	3,010.85	3,189.15	
Assessment of Taxes					
Salaries & Wages	132,426.00	132,426.00	131,667.00	759.00	
Other Expenses	85,000.00	355,000.00	338,281.07	16,718.93	
Legal Services and Costs					
Other Expenses	151,000.00	160,000.00	139,417.59	20,582.41	
Engineering Services and Costs					
Other Expenses	55,300.00	62,300.00	51,040.00	11,260.00	
Planning Board					
Other Expenses	18,850.00	18,850.00	9,241.54	9,608.46	
Board of Adjustment					
Other Expenses	35,350.00	35,350.00	20,064.87	15,285.13	
Office of Planning Administration					
Salaries & Wages	238,134.00	238,134.00	235,337.77	2,796.23	
Other Expenses	16,800.00	16,800.00	9,276.63	7,523.37	
Insurance:					
General Liability	346,237.00	346,237.00	346,236.48	0.52	
Workers Compensation Insurance	610,665.00	610,665.00	610,664.52	0.48	
Employees Group	1,919,024.00	1,919,024.00	1,687,177.55	231,846.45	
<b>PUBLIC SAFETY:</b>					
Police:					
Salaries & Wages	6,198,291.00	6,198,291.00	5,708,848.89	489,444.11	
Other Expenses	259,353.00	259,353.00	219,192.62	40,160.38	
Police Dispatch/911:					
Salaries & Wages	311,005.00	311,005.00	300,131.66	10,873.34	
Other Expenses	5,750.00	5,750.00	640.73	5,109.27	
Office of Emergency Management:					
Other Expenses	3,480.00	3,480.00	3,370.87	109.13	
Municipal Prosecutor:					
Salaries & Wages	38,152.00	38,152.00	33,536.00	4,616.00	
Other Expenses	2,100.00	2,100.00	1,937.50	162.50	
<b>PUBLIC WORKS:</b>					
Office of the Director:					
Salaries & Wages	311,360.00	311,360.00	213,799.16	97,560.84	
Other Expenses	29,200.00	29,200.00	5,368.85	23,831.15	
Street and Roads Maintenance:					
Salaries & Wages	805,464.00	805,464.00	766,751.12	38,712.88	
Other Expenses	167,000.00	167,000.00	149,217.24	17,782.76	
Maintenance of Equipment:					
Salaries & Wages	307,683.00	307,683.00	282,154.49	25,528.51	
Other Expenses	440,500.00	440,500.00	352,456.25	88,043.75	
Garbage and Trash Removal:					
Salaries & Wages	1,121,172.00	1,136,172.00	1,125,948.26	10,223.74	
Other Expenses	13,785.00	13,785.00	7,604.19	6,180.81	
Recycling					
Salaries & Wages	20,331.00	20,331.00	19,709.75	621.25	
Other Expenses	3,475.00	3,475.00	1,639.87	1,835.13	
Public Buildings and Grounds					
Salaries & Wages	766,687.00	746,687.00	676,835.39	69,851.61	
Other Expenses	395,500.00	395,500.00	259,286.46	136,213.54	
Community Services Act					
Other Expenses	37,000.00	37,000.00	15,657.35	21,342.65	
<b>HEALTH AND HUMAN SERVICES:</b>					
Board of Health:					
Salaries & Wages	65,843.00	65,843.00	65,112.47	730.53	
Other Expenses	173,265.00	173,265.00	159,835.68	13,429.32	
Animal Control Services:					
Other Expenses	30,975.00	30,975.00	23,231.25	7,743.75	
Office of the Director of Human Services					
Salaries & Wages	169,602.00	174,602.00	170,544.25	4,057.75	
Other Expenses	8,500.00	8,500.00	8,166.18	333.82	

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2009

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>HEALTH AND HUMAN SERVICES:</b>					
Community Services Department:					
Salaries & Wages	\$ 154,784.00	\$ 149,784.00	\$ 126,482.76	\$ 23,301.24	
Other Expenses	19,570.00	19,570.00	18,639.75	930.25	
Alliance to Prevent Alcoholism and Drug Abuse:					
Salaries & Wages	18,064.00	18,064.00	18,064.00		
<b>PARKS AND RECREATION:</b>					
Recreation :					
Salaries & Wages	370,789.00	370,789.00	354,602.37	16,186.63	
Other Expenses	84,030.00	84,030.00	68,911.85	15,118.15	
Senior Citizens Transportations:					
Other Expenses	16,678.00	16,678.00	15,984.00	694.00	
Pool And Tennis Club:					
Salaries & Wages	85,023.00	85,023.00	83,168.09	1,854.91	
Other Expenses	41,875.00	41,875.00	41,361.96	513.04	
Colonial Terrace Golf Course:					
Salaries & Wages	92,667.00	92,667.00	78,510.73	14,156.27	
Other Expenses	287,225.00	287,225.00	266,919.92	20,305.08	
Celebration of Public Events, Anniversary of Holiday:					
Other Expenses	7,000.00	7,000.00	4,518.00	2,482.00	
<b>EDUCATION FUNCTIONS:</b>					
Maintenance of Free Public Library					
Salaries & Wages	7,000.00	7,000.00	7,000.00		
Other Expenses	25,500.00	25,500.00	14,915.00	10,585.00	
<b>OTHER COMMON OPERATING FUNCTIONS:</b>					
Formula Participation in Deal Lake Commission					
Other Expenses	19,750.00	19,750.00	19,750.00		
Contribution of Historical Museum:					
Other Expenses					
Purchase of Township Vehicles					
Other Expenses	112,106.00	112,106.00	112,073.03	32.97	
Postage	45,000.00	50,000.00	44,827.25	5,172.75	
Deferred Vacation Leave Fund	60,000.00	60,000.00	60,000.00		
Deferred Sick Leave Fund	150,000.00	150,000.00	150,000.00		
Citizen Information Bulletin Township Publication:					
Other Expenses	15,000.00	15,000.00	14,590.04	409.96	
Shade Tree Commission					
Other Expenses	4,000.00	4,000.00	3,225.00	775.00	
Environmental Commission (N.J.S.A. 40:56A-1 et. seq.) :					
Other Expenses	2,500.00	2,500.00	1,271.65	1,228.35	
<b>UTILITY EXPENSES AND BULK PURCHASES:</b>					
Electric	343,650.00	343,650.00	319,566.07	24,083.93	
Street Lighting	250,000.00	250,000.00	220,684.04	29,315.96	
Telephone	64,200.00	64,200.00	56,360.34	7,839.66	
Water	68,200.00	68,200.00	40,330.06	27,869.94	
Natural Gas	126,000.00	126,000.00	86,973.17	39,026.83	
Heating Oil	19,100.00	19,100.00	10,307.60	8,792.40	
Age Processing Disposal	13,700.00	13,700.00	8,257.76	5,442.24	
Fuel	492,500.00	453,500.00	311,091.29	142,408.71	
Landfill/Solid Waste Costs					
Other Expenses	1,168,563.10	1,168,563.10	878,879.38	289,683.72	
State Uniform Construction Code- Construction Official					
Salaries & Wages	328,544.00	328,544.00	311,296.69	17,247.31	
Other Expenses	87,550.00	87,550.00	59,364.15	28,185.85	
Municipal Court					
Salaries & Wages	274,283.00	274,283.00	260,842.11	13,440.89	
Other Expenses	20,665.00	20,665.00	15,638.50	5,026.50	
Public Defender (P.L. 1997, C. 256)					
Salaries & Wages	15,600.00	15,600.00	15,000.00	600.00	
Other Expenses	3,000.00	3,000.00	59.95	2,940.05	
Garbage and Trash Removal:					
Reimbursement to Multi-Family Dwellings:					
Other Expenses	265,000.00	283,000.00	262,712.40	20,287.60	
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>	<b>21,560,284.10</b>	<b>21,830,284.10</b>	<b>19,525,811.04</b>	<b>2,304,473.06</b>	
<b>CONTINGENT</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>1,000.00</b>	<b>4,000.00</b>	
<b>TOTAL OPERATIONS (INCLUDING CONTINGENT) WITHIN "CAPS"</b>	<b>21,565,284.10</b>	<b>21,835,284.10</b>	<b>19,526,811.04</b>	<b>2,308,473.06</b>	
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL</b>					
Contribution To:					
Public Employees Retirement System	459,934.00	459,934.00	459,934.00		
Social Security System (O.A.S.I.)	598,000.00	598,000.00	574,888.94	23,111.06	
Police & Firemen's Retirement System of N.J.	1,423,576.00	1,423,576.00	1,423,576.00		
Unemployment Trust Reserve Account	25,000.00	25,000.00	25,000.00		
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</b>	<b>2,506,510.00</b>	<b>2,506,510.00</b>	<b>2,483,398.94</b>	<b>23,111.06</b>	
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<b>24,071,794.10</b>	<b>24,341,794.10</b>	<b>22,010,209.98</b>	<b>2,331,584.12</b>	

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2009

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
CDPS Universal Hiring Program:					
Police:					
Salaries and Wages	\$ 85,420.00	\$ 85,420.00	\$ 85,420.00	\$	
Other Expenses:	7,676.00	7,676.00	7,282.91	393.09	
Recycling Tax:					
Other Expenses	31,965.90	31,965.90	31,965.90		
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	<b>125,061.90</b>	<b>125,061.90</b>	<b>124,668.81</b>	<b>393.09</b>	
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</b>					
County of Monmouth Drug Abuse Council:					
Department of Human Services:					
Salaries and Wages	47,584.00	47,584.00	47,584.00		
State of NJ - Supplemental Fire Services Program:					
Other Expenses	12,746.00	12,746.00	12,746.00		
Municipal Safety Incentive Grant (N.J.S.A. 40A: 4-87 \$4,228.00)	4,559.00	8,847.00	8,847.00		
Emergency Management Assistance Grant (N.J.S.A. 40A: 4-87 \$5,000.00)					
Grant Portion		5,000.00	5,000.00		
Matching Grant Portion		5,000.00	5,000.00		
United States Department Of Justice					
Bullet Proof Vest Program (N.J.S.A. 40A: 4-87 \$7,193.00):					
Other Expenses	12,803.68	19,996.68	19,996.68		
New Jersey Board Of Public Utilities Clean Energy Program:					
Grant Portion:					
Other Expenses	22,260.75	22,260.75	22,260.75		
Matching Portion:					
Other Expenses	7,420.25	7,420.25	7,420.25		
Monmouth County Historic Grant:					
Matching Portion:					
Other Expenses	2,500.00	2,500.00	2,500.00		
State of NJ - Safe & Secure Communities Program:					
Police - Grant Portion:					
Salaries and Wages	58,690.00	58,690.00	58,690.00		
Police - Matching Portion:					
Salaries and Wages	136,774.00	136,774.00	136,774.00		
Other Expenses	24,353.00	24,353.00	24,353.00		
Community Development Block Grant:					
Other Expenses	118,250.00	118,250.00	118,250.00		
Alliance to Prevent Alcoholism and Drug Abuse:					
Grant Portion:					
Salaries and Wages	24,086.00	24,086.00	24,086.00		
Matching Grant Portion:					
Other Expenses	6,022.00	6,022.00	6,022.00		
State of New Jersey - Department of Law & Public Safety:					
Division of Highway Traffic Safety:					
Police - Cops In Shops Program					
Salaries and Wages	3,175.00	3,175.00	3,175.00		
Edward Byrne Memorial Assistance (N.J.S.A. 40A 4-87 \$25,845.00)					
Other Expenses		25,845.00	25,845.00		
State Of New Jersey-Div. Of Motor Vehicles					
Drunk Driving Enforcement Fund					
Police:					
Salaries & Wages	7,200.64	7,200.64	7,200.64		
Other Expenses	6,008.12	6,008.12	6,008.12		
State of New Jersey:					
Clean Communities Program (N.J.S.A. 40A 4-87 \$10,696.82):					
Salaries and Wages	71,708.73	82,405.55	82,405.55		
Recycling Tonnage Grant:					
Other Expenses	32,696.77	32,696.77	32,696.77		
Outpatient Services 2008 Grant:					
Salaries & Wages	49,440.00	49,440.00	49,440.00		
Sustainable Jersey Municipal Certification (N.J.S.A. 40A 4-87 \$10,000.00)					
Other Expenses		10,000.00	10,000.00		
Drunk Driving Enforcement Fund (N.J.S.A. 40A 4-87 \$8,444.47)					
Salaries & Wages		8,444.47	8,444.47		
"Obey The Signs Or Pay The Fines" Speed Enforcement					
Grant (N.J.S.A. 40A 4-87 \$4,000.00)					
Salaries & Wages		4,000.00	4,000.00		
Armstrong Blvd Intersection Improvement					
Grant (N.J.S.A. 40A 4-87 \$49,300.00)					
		49,300.00	49,300.00		
"Over The Limit Under Arrest" - 2009 (N.J.S.A. 40A 4-87 \$6,000.00)					
		6,000.00	6,000.00		
Matching Funds for Grants	17,579.75	12,579.75		12,579.75	
<b>TOTAL PUBLIC AND PRIVATE PROGS. OFFSET BY REVENUES</b>	<b>665,857.69</b>	<b>796,624.98</b>	<b>784,045.23</b>	<b>12,579.75</b>	
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>					
Capital Improvement Fund					
	139,599.00	139,599.00	139,599.00		
New Jersey Transportation Trust Fund Auth. Act					
	165,000.00	165,000.00	165,000.00		
<b>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>	<b>304,599.00</b>	<b>304,599.00</b>	<b>304,599.00</b>		

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - STATUTORY BASIS  
YEAR ENDED DECEMBER 31, 2009

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>					
Payment of Bond Principal	\$ 1,571,000.00	\$ 1,571,000.00	\$ 1,571,000.00	\$	
Payment of Bond Anticipation Notes	172,556.00	172,556.00	172,556.00		
Interest on Bonds	920,918.00	920,918.00	920,899.73		18.27
Interest on Notes	24,137.00	24,137.00	24,136.03		0.97
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	19,162.00	19,162.00	19,161.75		0.25
<b>TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</b>	<b>2,707,773.00</b>	<b>2,707,773.00</b>	<b>2,707,753.51</b>		<b>19.49</b>
<b>TOTAL GENERAL APPROPRIATIONS EXCLUDED FROM "CAPS"</b>	<b>3,803,291.59</b>	<b>3,934,058.88</b>	<b>3,921,066.55</b>	<b>12,972.84</b>	<b>19.49</b>
SUB-TOTAL GENERAL APPROPRIATIONS	27,875,085.89	28,275,852.98	25,931,276.53	2,344,556.96	19.49
RESERVE FOR UNCOLLECTED TAXES	3,630,466.00	3,630,466.00	3,630,466.00		
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 31,505,551.69</b>	<b>\$ 31,906,318.98</b>	<b>\$ 29,561,742.53</b>	<b>\$ 2,344,556.96</b>	<b>\$ 19.49</b>
<b>REF.</b>	<b>A-2</b>		<b>A-1</b>	<b>A:A-1</b>	
Budget	A-3	\$ 31,505,551.69			
Appropriations by 40A:4-87	A-2	130,767.29			
Special Emergency 40A: 4-53		270,000.00			
		<b>\$ 31,906,318.98</b>			
Encumbrances	A-15		\$ 467,487.86		
Contracts Payable	A-17		63,501.02		
Grants Programs	A-33		936,299.23		
Reserve for Revaluation	A-23		270,000.00		
Reserve for Uncollected Taxes	A-2		3,630,466.00		
Disbursed	A-4	\$ 24,403,493.30			
Less: Refunds	A-4	209,504.88			
			<b>24,193,988.42</b>		
			<b>\$ 29,561,742.53</b>		

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TRUST FUND

"B"

TOWNSHIP OF OCEAN

TRUST FUND

BALANCE SHEETS-STATUTORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2009</u>	<u>BALANCE DECEMBER 31, 2008 (AS RESTATED)</u>
Assessment Fund:			
Cash	B-2	\$ 58,995.64	\$ 223,625.70
Assessments Receivable	B-5	122,745.62	168,833.06
		<u>\$ 181,741.26</u>	<u>\$ 392,458.76</u>
Animal Control Fund:			
Cash	B-2	\$ 19,605.80	\$ 17,684.97
Change Fund		50.00	50.00
		<u>\$ 19,655.80</u>	<u>\$ 17,734.97</u>
Other Funds:			
Cash	B-2	\$ 5,807,979.60	\$ 5,944,520.59
		<u>\$ 5,807,979.60</u>	<u>\$ 5,944,520.59</u>
		<u>\$ 6,009,376.66</u>	<u>\$ 6,354,714.32</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Fund:			
Bond Anticipation Note	B-6		210,701.00
Due Current Fund	B-14	5.87	22.37
Reserve for Assessments Receivable	B-15	122,745.62	168,833.06
Fund Balance	B-1	58,989.77	12,902.33
		<u>\$ 181,741.26</u>	<u>\$ 392,458.76</u>
Animal Control Fund:			
Due Current Fund	B-14	2.80	22.38
Prepaid Dog Licenses	B-7	179.40	
Due State of New Jersey	B-8	21.00	
Reserve for Animal Control Fund Expenditures	B-9	19,452.60	17,044.39
Reserve for Encumbrances	B-10		668.20
		<u>\$ 19,655.80</u>	<u>\$ 17,734.97</u>
Other Funds:			
Reserve for Encumbrances	B-10	\$ 97,329.98	\$ 253,754.94
Reserve For:			
Unemployment Insurance	B-11	73,570.50	45,854.04
Payroll Deductions	B-12	90,419.88	89,628.03
Miscellaneous Deposits	B-13	5,538,394.00	5,519,538.52
Due Current Fund	B-14	8,265.24	35,745.06
		<u>\$ 5,807,979.60</u>	<u>\$ 5,944,520.59</u>
		<u>\$ 6,009,376.66</u>	<u>\$ 6,354,714.32</u>

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

TOWNSHIP OF OCEAN  
ASSESSMENT TRUST FUND  
STATEMENT OF FUND BALANCE-STATUTORY BASIS

	<u>REF.</u>		
Balance, December 31, 2008 (As Restated)	B	\$	12,902.33
Increased by:			
Collections Applied			<u>46,087.44</u>
Balance, December 31, 2009	B	\$	<u><u>58,989.77</u></u>

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

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GENERAL CAPITAL FUND

TOWNSHIP OF OCEANGENERAL CAPITAL FUNDBALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2009</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2008</u>
<u>ASSETS</u>			
Cash	C-2; C-3	\$ 3,051,866.95	\$ 4,409,899.07
Due Grant Fund		136,000.00	136,000.00
Deferred Charges to Future Taxation:			
Funded	C-5	19,439,309.76	21,027,743.38
Unfunded	C-6	<u>4,195,510.01</u>	<u>1,901,264.01</u>
		\$ <u><u>26,822,686.72</u></u>	\$ <u><u>27,474,906.46</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-10	\$ 19,366,000.00	\$ 20,937,000.00
Bond Anticipation Note	C-11	2,314,904.00	1,725,560.00
Green Acres Loan Payable	C-12	73,309.76	90,743.38
Contracts Payable	C-13	1,114,461.73	1,613,603.11
Various Reserves	C-14	382,907.16	180,467.18
Improvement Authorizations:			
Funded	C-8	878,378.34	1,552,806.49
Unfunded	C-8	2,507,146.41	1,162,025.25
Due Current Fund	C-4	1,656.23	4,328.98
Capital Improvement Fund	C-7	152,383.72	190,814.72
Fund Balance	C-1	<u>31,539.37</u>	<u>17,557.35</u>
		\$ <u><u>26,822,686.72</u></u>	\$ <u><u>27,474,906.46</u></u>

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

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - STATUTORY BASIS

	<u>REF.</u>		
Balance, December 31, 2008	C	\$	17,557.35
Increased by:			
Premium on Sale of Notes	C-2		<u>13,982.02</u>
Balance, December 31, 2009	C	\$	<u><u>31,539.37</u></u>

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

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PUBLIC ASSISTANCE TRUST FUND

TOWNSHIP OF OCEAN  
PUBLIC ASSISTANCE FUND  
BALANCE SHEETS - STATUTORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2009</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2008</u>
<u>ASSETS</u>			
Cash	E-1	\$ <u>62,693.81</u>	\$ <u>62,693.81</u>
<u>TOTAL ASSETS</u>		\$ <u><u>62,693.81</u></u>	\$ <u><u>62,693.81</u></u>
<u>LIABILITIES AND RESERVE</u>			
Reserve for Expenditures		\$ <u>62,693.81</u>	\$ <u>62,693.81</u>
<u>TOTAL LIABILITIES AND RESERVES</u>		\$ <u><u>62,693.81</u></u>	\$ <u><u>62,693.81</u></u>

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

GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF OCEAN  
GENERAL FIXED ASSETS ACCOUNT GROUP  
BALANCE SHEET - STATUTORY BASIS

	BALANCE DECEMBER <u>31, 2009</u>	BALANCE DECEMBER <u>31, 2008</u>
Fixed Assets:		
Land	\$ 16,277,918.00	\$ 16,277,918.00
Buildings	4,027,449.00	4,027,449.00
Machinery and Equipment	<u>10,931,447.80</u>	<u>10,136,823.01</u>
<u>Total Fixed Assets</u>	<u>\$ 31,236,814.80</u>	<u>\$ 30,442,190.01</u>
Reserve:		
Investments in General Fixed Assets	<u>\$ 31,236,814.80</u>	<u>\$ 30,442,190.01</u>

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF OCEAN

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2009 AND 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Township of Ocean conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Ocean are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account groups:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose for which each reserve was created.

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

Public Assistance Fund - receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

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

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

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

Interfunds - interfunds 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. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets – N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Property and equipment acquired by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized in their own respective funds.

The General Fixed Assets that have been acquired and that are utilized in the Current and General Capital Funds are instead accounted for in the General Fixed Asset Account Group. No depreciation has been provided on general fixed assets or reported in the financial statements.

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

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

Inventories of Supplies - the cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks, deposits in the New Jersey Cash Management Fund and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements for the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also requires public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of Ocean had the following cash and cash equivalents at December 31, 2009:

<u>Fund</u>	<u>Cash in Bank</u>	<u>Deposit in Transit</u>	<u>Outstanding Checks</u>	<u>Change Funds</u>	<u>Total</u>
Checking	\$7,852,614.56	\$411,715.03	\$835,437.46		\$7,428,892.13
Cert of Deposits	10,725,301.94				10,725,301.94
Investment Account	4,309,038.51				4,309,038.51
Money Market	786,462.53				786,462.53
N.J. Cash Management Fund	589,292.83				589,292.83
NJ Asset Rebate Management Fund	1,127.62				1,127.62
Change Funds				\$2,170.00	2,170.00
	<u>\$24,263,837.99</u>	<u>\$411,715.03</u>	<u>\$835,437.46</u>	<u>\$2,170.00</u>	<u>\$23,842,285.56</u>

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2009, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$24,263,837.99, \$569,912.89 was covered by Federal Depository Insurance, \$23,103,504.65 was covered under the provisions of NJGUDPA, \$589,292.83 was on deposit with the New Jersey Cash Management Fund and \$1,127.62 was on deposit with the New Jersey Asset & Rebate Management Program (NJARM).

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following types of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2009 the Township has \$618,095.87 on deposit with the New Jersey Cash Management Fund and \$498,840.68 on deposit with the New Jersey Asset & Rebate Management Program (NJARM). Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash Management Fund and the Investment Advisor of the NJARM, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risk for its deposits and investments.

The Township of Ocean's investment activities during the year were in accordance with the above New Jersey Statute.



NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION  
(ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .41%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
School District Debt	\$24,119,443.53	\$24,119,443.53	\$ -0-
General Debt	<u>23,634,819.77</u>	<u>300,000.35</u>	<u>23,334,819.42</u>
	<u>\$47,754,263.30</u>	<u>\$ -0-</u>	<u>\$23,334,819.42</u>

NET DEBT \$23,334,819.42 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.40A:2-2, \$5,656,264,886. EQUALS .41%.

BORROWING POWER UNDER N.J.S.40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2009	\$5,656,264,886.00
3-1/2 of Equalized Valuation Basis	197,969,271.01
Net Debt	<u>23,334,819.42</u>
Remaining Borrowing Power	<u>\$174,634,451.59</u>

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

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2009

<u>CALENDAR</u> <u>YEAR</u>	<u>GENERAL</u> <u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2010	\$1,647,000.00	\$849,605.00	\$2,496,605.00
2011	1,697,000.00	776,192.50	2,473,192.50
2012	1,778,000.00	699,992.50	2,477,992.50
2013	1,834,000.00	620,705.00	2,454,705.00
2014	1,843,000.00	539,867.50	2,382,867.50
2015	753,000.00	480,905.00	1,233,905.00
2016	793,000.00	443,255.00	1,236,255.00
2017	831,000.00	403,605.00	1,234,605.00
2018	874,000.00	362,055.00	1,236,055.00
2019	918,000.00	316,170.00	1,234,170.00
2020	954,000.00	279,450.00	1,233,450.00
2021	992,000.00	241,290.00	1,233,290.00
2022	1,047,000.00	189,210.00	1,236,210.00
2023	1,087,000.00	144,712.50	1,231,712.50
2024	1,133,000.00	98,515.00	1,231,515.00
2025	1,185,000.00	50,362.50	1,235,362.50
	<u>\$19,366,000.00</u>	<u>\$6,495,892.50</u>	<u>\$25,861,892.50</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

The General Improvement Bonds are comprised of the following issues:

<u>ISSUE</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2009</u>
\$10,925,000.00 in General Improvement Bonds dated May 1, 2002, due in remaining annual installments ranging between \$1,050,000.00 and \$1,125,000,000.00 beginning May 1, 2010 and ending May 1, 2014 with interest at 4.10%	\$5,525,000.00
\$15,033,000.00 in Loan Revenue Bonds dated December 1, 2008, due in remaining annual installments ranging between \$597,000.00 and \$1,185,000.00 beginning December 1, 2010 and ending December 1, 2025 with interest from 4.00% to 5.00%	<u>13,841,000.00</u>
Total	<u>\$19,366,000.00</u>

On May 8, 2004 the Township entered into a Green Trust Loan Agreement with the State of New Jersey for the Wastewater Treatment project totaling \$308,150.00. The loan is payable over 10 years. The loan is at an interest rate of 2.00%

Following are the maturities and debt schedule for the outstanding principal and interest on the loans:

CALENDAR <u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2010	\$17,784.04	\$1,377.72	\$19,161.76
2011	18,141.49	1,020.26	19,161.75
2012	18,506.13	655.61	19,161.74
2013	<u>18,878.11</u>	<u>283.64</u>	<u>19,161.75</u>
	<u>\$73,309.77</u>	<u>\$3,337.23</u>	<u>\$76,647.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2009, the Township has authorized but not issued bonds and notes as follows:

General Capital Fund \$1,880,606.01

BOND ANTICIPATION NOTES

Outstanding Bond Anticipation Notes are summarized as follows:

General Capital Fund:

<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
2100	12/23/08	12/22/09	12/21/10	1.50%	\$1,553,004.00
2133	12/22/09	12/22/09	12/21/10	1.50%	<u>761,900.00</u>
					<u>\$2,314,904.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2009, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2010, were as follows:

Current Fund \$7,487,690.00\*

\*Per introduced budget

NOTE 5: PROPERTY TAXES

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

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

	Balance December <u>31, 2009</u>	Balance December <u>31, 2008</u>
Prepaid Taxes	<u>\$858,271.45</u>	<u>\$746,276.08</u>

NOTE 6: PENSION PLANS

Township employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees' Retirement System, the Police and Firemen's Retirement System, and the Consolidated Police and Firemen's Pension Fund of New Jersey. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods.

Certain portions of the costs are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$947,062.00 for 2007, \$1,477,957.00 for 2008 and \$1,883,510.00 for 2009.

Certain Township employees are also covered by Federal Insurance Contribution Act.

Information as to the comparison of the actuarially computed value of vested benefits with the system's assets is not available from the State Retirement System and, therefore, is not presented.

**NOTE 7: LITIGATION**

The Township Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Township's insurance carrier or would have a material financial impact on the Township.

**NOTE 8: LOCAL DISTRICT SCHOOL TAXES**

Local District School Taxes have been raised on a calendar year basis thus there is no deferral of Local School District Taxes.

**NOTE 9: COMPENSATED ABSENCES**

Under the existing policy of the Township, employees are allowed to accumulate sick vacation and other compensated time, which may be taken as time off, or paid at a later date, at an agreed upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$1,877,350.43. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented. The Township has accumulated \$227,948.31 for this purpose in the Trust Other Fund and continues to budget funds to provide for these liabilities as they arise.

**NOTE 10: TAX APPEALS**

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for 2009 and prior. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.40A:2-51. The Township has made provision, from tax revenues, in the amount of \$397,928.61 for these appeals in the event that the tax reductions are granted.

**NOTE 11: CONTINGENT LIABILITIES**

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2009, the Township does not believe that any material liabilities will result from such audits.

NOTE 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township participates in the Mid-Jersey Municipal Joint Fund covering each of those risks of loss. The Fund is operated in accordance with regulations of the New Jersey Department of Insurance and the Division of Local Government Services of the Department of Community Affairs. The Fund is also a member of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance coverage for each of the various risks noted above. The Township's contributions to the Fund for claim payments are based on actuarial assumption determined by the Fund's actuary. The Township also maintains coverage for all other risks of loss, including employee health insurance through the New Jersey State Health Benefits program. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township 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 Township is billed quarterly for amounts due to the State. Below is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2009	\$25,000.00	\$18,005.61	\$94.99	\$15,384.14	\$73,570.50
2008	10,000.00	17,044.04	359.56	27,532.22	45,854.04
2007	22,000.00	15,180.21	715.14	13,360.70	45,982.66

**NOTE 13: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2009, the following deferred charges are shown on the Balance Sheets of the Township:

	BALANCE DECEMBER 31, <u>2009</u>	2010 BUDGET <u>APPROPRIATION*</u>	BALANCE TO SUCCEEDING <u>YEARS</u>
Current Fund:			
40A:4-53 Revaluation	<u>\$270,000.00</u>	<u>\$54,000.00</u>	<u>\$216,000.00</u>

\* - Per Introduced Budget

**NOTE 14: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheet at December 31, 2009:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 9,930.14	\$ 865,104.90
Grant Fund	865,104.90	136,000.00
Assessment Trust Fund		5.87
Animal Control Fund		2.80
Trust Other Fund		8,265.24
General Capital Fund	<u>136,000.00</u>	<u>1,656.23</u>
	<u>\$ 1,011,035.04</u>	<u>\$ 1,011,035.04</u>

All balances resulted from the time lag between the dates that payments between funds are made.

NOTE 15: DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Township's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

All assets of the plan are held by an independent administrator, the I.C.M.A. Retirement Corporation.

The accompanying financial statements do not include the Township's Deferred Compensation Plan activities.

NOTE 16: GASB 45: OTHER POST-RETIREMENT BENEFITS

The Township provides a contribution for Post Retirement Benefits equal to 80% of the lowest cost State Health Benefits plan to certain employees, per the terms of their various labor agreements, which have retired from the Township. This benefit runs from the date of the employee's retirement until the age of sixty-five (65) at which point the Township provides reimbursement for 100% of the cost of Medicare Part B. The Township's contributions under these agreements for the years ended December 31, 2009, 2008 and 2007 were \$33,920.28 \$28,627.12 and \$18,629.85 respectively, which equaled the required contributions for each year.

Plan Description. The Township contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit post employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 *et seq.* to provide health benefits to State employees, retirees, and their dependents. The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP.



**NOTE 18: SUBSEQUENT EVENTS**

The Township has evaluated subsequent events occurring after the financial statement date through May 7, 2010 which is the date the financial statements were available to be issued. Based upon this evaluation, the Township has determined that no subsequent events have occurred which require disclosure in the financial statements.

TOWNSHIP OF OCEAN

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2009

## TOWNSHIP OF OCEAN

## CURRENT FUND

## SCHEDULE OF CASH-TREASURER

	REF.	GRANT FUND		CURRENT FUND	
Balance, December 31, 2008	A	\$	1,342.15	\$	14,814,074.56
Increased by Receipts:					
Collector	A-5	\$		\$	88,002,458.33
Change Fund	A-6				200.00
Petty Cash	A-7				1,600.00
State of New Jersey-Senior Citizens and Veterans Deductions (Chapter 20,P.L.1971)	A-8				272,895.43
Miscellaneous Revenue Not Anticipated	A-2				725,322.37
Appropriations Refunds	A-3				209,504.88
Revenue Accounts Receivable	A-12				5,957,324.35
New Jersey Sale and Use Tax Payable	A-13				5,375.61
Prepaid Fees and Licenses	A-18				4,812.50
Reserve for:					
Library Expenditures	A-21				8,000.00
Garden State Trust Fund	A-22				2,822.96
Sale of Municipal Assets	A-25				650.00
Due State of New Jersey	A-26				28,253.00
Interfunds Receivable	A-31		194,815.25		3,268,329.40
Grants Receivable	A-32		472,726.72		
Grants - Unappropriated	A-34		131,925.77		
			<u>799,467.74</u>		<u>98,487,548.83</u>
		\$	800,809.89	\$	113,301,623.39
Decreased by Disbursements:					
2009 Appropriations	A-3	\$		\$	24,403,493.30
Appropriation Reserves	A-14				583,329.52
Accounts Payable	A-16				31,280.00
Refund of Tax Overpayments	A-20				18,088.20
Reserve for:					
Library Expenditures	A-21				222.27
Revaluation	A-23				3,700.00
Tax Appeals	A-24				27,849.45
Due State of New Jersey	A-26				33,737.00
New Jersey Sale and Use Tax Payable	A-13				5,377.71
Local District School Tax	A-27				53,074,790.39
County Taxes	A-28				14,571,671.94
County Share for Added Taxes	A-29				88,572.20
Fire District Tax	A-30				2,512,901.00
Interfunds	A-31		328,605.69		3,104,350.31
Grants Appropriated	A-33		472,880.54		
Change Fund	A-6				200.00
Petty Cash	A-7				1,600.00
Budget Operations	A-1				810.00
			<u>801,486.23</u>		<u>98,461,973.29</u>
Balance, December 31, 2009 (Deficit)	A	\$	<u>(676.34)</u>	\$	<u>14,839,650.10</u>

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF CASH-COLLECTOR

	<u>REF.</u>			
Received:				
Taxes Receivable	A-9	\$	86,831,813.51	
Revenue Accounts Receivable	A-12		266,801.53	
2010 Taxes Prepaid	A-19		858,271.45	
Tax Overpayments	A-20		41,484.24	
State of New Jersey-Senior Citizens and Veterans Deductions	A-8		<u>4,087.60</u>	
				\$ <u>88,002,458.33</u>
				<u>88,002,458.33</u>
Decreased by Disbursements:				
Payments to Treasurer	A-4	\$		<u><u>88,002,458.33</u></u>

"A-6"

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF CHANGE FUND

	<u>REF.</u>		
Balance December 31, 2008	A	\$	2,120.00
Increase by:			
Disbursements	A-4	\$	<u>200.00</u>
			2,320.00
Decreased by:			
Receipts	A-4		<u>200.00</u>
Balance December 31, 2009	A	\$	<u><u>2,120.00</u></u>

ANALYSIS OF BALANCE

Tax Collector	\$	750.00
Police Department		20.00
Construction Code		250.00
Municipal Court		500.00
Colonial Terrace Golf Course		<u>600.00</u>
	\$	<u><u>2,120.00</u></u>

"A-7"

SCHEDULE OF PETTY CASH

Increased by:			
Disbursements	A-4	\$	<u>1,600.00</u>
			1,600.00
Decreased by:			
Receipts	A-4	\$	<u><u>1,600.00</u></u>

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF DUE FROM STATE OF NEW JERSEY  
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS

	<u>REF.</u>		
Balance, December 31, 2008	A	\$	3,943.30
Increased by:			
Senior Citizens and Veterans Deductions Per Duplicate		\$	272,500.00
Senior Citizens and Veterans Deductions Allowed			
by Tax Collector:			
Current Year			<u>4,500.00</u>
			<u>277,000.00</u>
			280,943.30
Decreased by:			
Received From State of New Jersey	A-4	\$	272,895.43
Senior Citizens and Veterans Deductions Disallowed			
by Tax Collector:			
Current Year			3,282.11
Prior Year	A-5		<u>4,087.60</u>
			<u>280,265.14</u>
Balance, December 31, 2009	A	\$	<u><u>678.16</u></u>

CALCULATION OF STATE SHARE OF  
2009 SENIOR CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens and Veterans Deductions:			
Per Tax Duplicate		\$	272,500.00
Allowed by Collector			<u>4,500.00</u>
			277,000.00
Less:			
Senior Citizens Deductions Disallowed by Collector			<u>3,282.11</u>
	A-9	\$	<u><u>273,717.89</u></u>

TOWNSHIP OF OCEAN  
CURRENT FUND

"A-9"

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2008	2009 LEVY	ADDED	CASH COLLECTIONS 2008	2009	TRANSFERRED TO TAX TITLE LIENS	CANCELLED	BALANCE DECEMBER 31, 2009
2006	\$ 10,650.12				\$ 3,492.55		\$ 24.96	7,157.57
2007	13,487.75		22,145.33		1,062,299.89	924.79	4,089.34	13,482.79
2008	1,048,890.90		22,145.33	746,276.08	1,065,792.44	924.79	4,114.30	3,722.21
2009	\$ 1,073,028.77	\$ 88,023,874.47		746,276.08	86,068,185.75	14,973.98	126,644.03	24,342.57
	\$ 1,073,028.77	\$ 88,023,874.47	\$ 22,145.33	\$ 746,276.08	\$ 87,133,958.19	\$ 15,898.77	\$ 130,758.33	\$ 1,067,814.83
REF.	A			A-2-A-19	A-2	A-10		A
Collector								
Overpayments Applied								
Senior Citizens Deductions								
					\$ 87,133,958.19			

ANALYSIS OF 2009 PROPERTY TAX LEVY

TAX YIELD	REF.	2009 LEVY	2008 CASH COLLECTIONS	2009 CASH COLLECTIONS	2009 CASH COLLECTIONS	2009 CASH COLLECTIONS
General Purpose Tax				\$ 87,605,306.54		
Added Taxes (54:4-63.1 et seq.)				418,567.93		
				\$ 88,023,874.47		
TAX LEVY						
Local District School Tax (Abstract)	A-27			\$ 53,074,790.39		
County Taxes:						
County Tax (Abstract)	A-28			14,571,671.94		
Due County for Added Taxes (54:4-63.1 et seq.)	A-29			69,646.40		
				14,641,318.34		
Fire District Taxes:						
Fire District Tax (Abstract)	A-30			2,512,901.00		
Local Tax for Municipal Purposes (Abstract)	A-2			\$ 17,397,123.00		
Add: Additional Tax Levied				397,741.74		
Local Tax for Municipal Purposes Levied				17,794,864.74		
				\$ 88,023,874.47		

"A-10"

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2008	A	\$	295,116.70
Increased by:			
Transfers From Taxes Receivable	A-9		<u>15,898.77</u>
Balance, December 31, 2009	A	\$	<u><u>311,015.47</u></u>

"A-11"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

Balance, December 31, 2008		\$	855,981.00
Decreased by:			
Sale of Property			<u>6,600.00</u>
Balance, December 31, 2009	A	\$	<u><u>849,381.00</u></u>

TOWNSHIP OF OCEAN  
CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

CLERK:	REF.	BALANCE DECEMBER 31, 2008	ACCRUED IN 2009	COLLECTED BY		BALANCE DECEMBER 31, 2009
				COLLECTOR	TREASURER	
Licenses:						
Alcoholic Beverage	A-2	\$	41,364.00 \$			41,364.00 \$
Other	A-2		34,613.00			34,613.00
Fees and Permits	A-2		88,210.00			88,210.00
Tax Collector:						
Fees and Permits	A-2		3,610.00	3,610.00		
Board of Adjustment						
Fees and Permits	A-2		17,395.25		17,395.25	
Planning Board						
Fees and Permits	A-2		23,110.00		23,110.00	
Community Development:						
Other Licenses	A-2		27,055.00		27,055.00	
Fees and Permits	A-2		31,045.00		31,045.00	
Recreation:						
Fees and Permits	A-2		152,526.00		152,526.00	
Police:						
Fees and Permits	A-2		25,613.54		25,613.54	
Public Works						
Fees and Permits	A-2		21,125.00		21,125.00	
Human Services:						
Fees and Permits	A-2		115,614.50		115,614.50	
Municipal Court						
Interest and Costs on Taxes	A-2	32,667.26	608,487.02		587,222.88	53,931.40
Interest on Investments and Deposits	A-2		263,191.53	263,191.53		
Payment in Lieu of Taxes-Senior Citizens	A-2		334,813.95		334,813.95	
Pool Tennis Club Membership Fees	A-2		44,412.33		44,412.33	
Pool Tennis Club Snack Bar Rental	A-2		142,628.75		142,628.75	
Pool Tennis Club Guest Fees	A-2		12,000.00		12,000.00	
Loch Arbor Policing & Court Contract	A-2		65,990.50		65,990.50	
Colonial Terrace Golf Course	A-2		165,000.00		165,000.00	
Consolidated Municipal Property Tax Relief Aid	A-2		326,281.65		326,281.65	
Energy Receipts Tax	A-2		394,963.00		394,963.00	
Uniform Construction Code Fees	A-2		2,783,597.00		2,783,597.00	
Reserve For Payment Of Bonds	A-2		425,183.00		425,183.00	
			97,560.00		97,560.00	
		\$	6,245,390.02 \$			
		32,667.26 \$		266,801.53 \$		5,957,324.35 \$
						53,931.40

REF.

A

A-5

A-4

A

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF NEW JERSEY SALE AND USE TAX PAYABLE

	<u>REF.</u>		
Balance, December 31, 2008	A	\$	2.10
Increased by:			
Cash Receipts	A-4	\$	<u>5,375.61</u>
		\$	5,377.71
Decreased by:			
Cash Disbursements	A-4	\$	<u><u>5,377.71</u></u>

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF 2008 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2008	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<b>SALARIES AND WAGES</b>				
Office of the Governing Body	\$ 31.00	\$ 31.00	\$	\$ 31.00
Office of the Township Manager	1,747.70	1,747.70	1,735.53	12.17
Office of the Township Clerk	1,390.36	1,390.36	1,310.00	80.36
Financial Administration	1,310.15	1,310.15	1,285.00	25.15
Data Processing	301.04	301.04	282.00	19.04
Collection of Taxes	1,060.15	1,060.15	1,031.00	29.15
Assessment of Taxes	815.17	815.17	750.00	65.17
Office of Planning Administration	2,190.07	2,190.07	1,647.80	542.27
Police	468,010.92	468,010.92	268,992.71	199,018.21
Police Dispatch / 911	3,136.08	3,136.08	3,121.60	14.48
Municipal Prosecutor	2,726.00	2,726.00	174.00	2,552.00
Office of the Director of Public Works	36,508.18	36,508.18	1,185.00	35,323.18
Streets and Roads Maintenance	93,175.78	93,175.78	1,400.06	91,775.72
Maintenance of Equipment	22,708.89	22,708.89	385.89	22,323.00
Garbage and Trash Removal	22,646.61	22,646.61	539.73	22,106.88
Recycling	2,190.30	2,190.30	186.60	2,003.70
Public Building and Grounds	53,093.27	53,093.27	52.00	53,041.27
Board of Health	11,092.77	11,092.77	947.32	10,145.45
Office of Director of Human Services	11,530.86	11,530.86	1,874.20	9,656.66
Community Services Department	3,411.76	3,411.76	3,233.00	178.76
Grant: Match Portion	8,143.64	8,143.64	2,196.00	5,947.64
Recreation	25,109.98	25,109.98	3,597.18	21,512.80
Pool and Tennis Club	4,845.81	4,845.81	354.00	4,491.81
Colonial Terrace Golf Course	12,899.58	12,899.58	377.00	12,522.58
Maintenance of Free Public Library	7,000.00	7,000.00		7,000.00
Construction Code Department	22,842.65	22,842.65	3,938.14	18,904.51
Municipal Court	28,880.49	28,880.49	1,980.67	26,899.82
Public Defender	600.00	600.00	75.00	525.00
<b>TOTAL SALARIES AND WAGES</b>	<b>\$ 849,399.21</b>	<b>\$ 849,399.21</b>	<b>\$ 302,651.43</b>	<b>\$ 546,747.78</b>
<b>OTHER EXPENSES</b>				
Office of the Governing Body	\$ 1,681.04	\$ 3,288.53	\$ 851.00	\$ 2,437.53
Office of the Township Manager	3,026.18	12,193.33	9,334.21	2,859.12
Office of the Township Clerk	27,289.66	27,888.53	470.51	27,418.02
Financial Administration	9,060.92	9,332.32	7,290.95	2,041.37
Annual Audit	30,000.00	30,000.00	30,000.00	
Data Processing	15,177.41	26,603.37	11,367.25	15,236.12
Collection of Taxes	1,242.61	1,664.15	472.37	1,191.78
Assessment of Taxes	36,174.66	36,443.72	11,069.63	25,374.09
Legal Services and Costs	7,782.14	24,295.32	23,429.90	865.42
Economic Development		7,500.00	7,500.00	
Engineering Services and Costs	24,437.50	24,437.50	10,795.00	13,642.50
Planning Board	6,349.25	7,678.00	1,841.25	5,836.75
Board of Adjustment	18,396.23	23,498.73	5,302.50	18,196.23
Office of Planning Administration	16,965.02	17,937.90	673.12	17,264.78
Police	43,075.35	104,191.28	56,291.50	47,899.78
Police Dispatch/911	795.57	795.57		795.57
Office of Emergency Management	1,108.13	2,809.12	1,690.27	1,118.85
Municipal Prosecutor	37.50	37.50		37.50
Office of Director of Public Works	7,106.66	7,438.78	800.94	6,637.84
Streets and Roads Maintenance	80,180.84	100,649.70	19,238.88	81,410.82
Maintenance of Equipment	73,014.84	130,536.79	39,119.77	91,417.02
Garbage and Trash Removal	3,458.68	5,187.16	1,598.47	3,588.69
Recycling	2,755.79	2,858.33	77.96	2,780.37
Public Building and Grounds	128,263.85	178,790.80	44,468.92	134,321.88
Community Services Act	22,363.76	22,363.76		22,363.76
Board of Health	6,788.81	6,897.00	108.19	6,788.81
Animal Control	7,375.00	7,375.00	7,375.00	

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF 2008 APPROPRIATION RESERVES

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2008</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>
<u>OTHER EXPENSES (CONTINUED)</u>				
Office of the Director of Human Services	\$ 13.57	\$ 2,843.69	\$ 2,843.69	
Community Services Department	1,148.98	4,622.00	4,153.70	468.30
Cops Universal Hiring Program	3,948.37	3,948.37		3,948.37
Recreation	16,706.90	25,795.58	9,204.93	16,590.65
Senior Citizen Transportation	490.00	3,150.28	2,435.84	714.44
Pool and Tennis Club	2,606.69	5,954.51	3,163.77	2,790.74
Colonial Terrace Golf Course	5,387.14	34,780.27	29,506.37	5,273.90
Celebration of Public Events	238.95	3,000.00	2,761.05	238.95
Maintenance of Free Public Library	5,155.00	6,100.00	945.00	5,155.00
Purchase of Township Vehicles	347.61	347.61		347.61
Postage	1,977.96	1,977.96		1,977.96
Shade Tree Commission	3,316.61	3,316.61		3,316.61
Environmental Commission	1,015.71	1,015.71		1,015.71
Utilities:				
Electric	27,765.92	29,665.92	23,612.46	6,053.46
Street Lighting	6,391.94	26,391.94	20,141.26	6,250.68
Telephone	11,162.32	15,100.06	3,997.69	11,102.37
Water	23,843.39	28,643.39	3,899.86	24,743.53
Natural Gas	32,428.01	44,228.01	39,630.47	4,597.54
Heating Oil	9,113.22	12,693.22	3,225.58	9,467.64
Sewerage Processing Disposal	13,704.55	13,704.55		13,704.55
Fuel	44,014.90	90,014.90	32,883.71	57,131.19
Landfill/Solid Waste Costs	290,652.84	383,252.84	71,318.77	311,934.07
Construction Code Department	13,122.70	16,441.68	8,065.38	8,376.30
Municipal Court	3,867.82	6,768.23	2,368.37	4,399.86
Public Defender	3,000.00	3,000.00		3,000.00
Contingent	5,000.00	5,000.00		5,000.00
Contribution to Social Security System (O.A.S.I.)	10,565.22	10,565.22	2,215.68	8,349.54
Reimbursement to Multi-Dwellings	37.60	37.60		37.60
Insurance :				
General Liability	4,783.86	4,783.86		4,783.86
Employee Group Insurance	254,782.06	254,902.06	256.86	254,645.20
Worker's Compensation Insurance	0.96	0.96		0.96
Matching Funds for Grants	10,500.00	10,500.00		10,500.00
<u>TOTAL OTHER EXPENSES</u>	<u>\$ 1,380,998.20</u>	<u>\$ 1,875,239.22</u>	<u>\$ 557,798.03</u>	<u>\$ 1,317,441.19</u>
 <u>GRAND TOTAL</u>	 <u>\$ 2,230,397.41</u>	 <u>\$ 2,724,638.43</u>	 <u>\$ 860,449.46</u>	 <u>\$ 1,864,188.97</u>
	<u>REF.</u>	<u>A</u>		<u>A-1</u>
Appropriation Reserves	A-14	\$ 2,230,397.41		
Reserve for Encumbrances	A-15	458,618.52		
Reserve for Contracts Payable	A-17	<u>35,622.50</u>		
		<u>\$ 2,724,638.43</u>		
 Disbursed	A-4		\$ 583,329.52	
Accounts Payable	A-16		274,342.44	
Reserve for Contracts Payable	A-17		<u>2,777.50</u>	
			<u>\$ 860,449.46</u>	

"A-15"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>			
Balance, December 31, 2008:				
Current Fund	A	\$	458,618.52	
Grant Fund	A		<u>123,409.20</u>	
				\$ 582,027.72
Increased by:				
Charged to 2009 Budget Appropriations	A-3	\$	467,487.86	
Charged to Reserve for Grants Appropriated	A-33		<u>311,067.14</u>	
				\$ 778,555.00
				<u>1,360,582.72</u>
Decreased by:				
Transferred to Appropriation Reserves	A-14	\$	458,618.52	
Transferred to Reserve for Grants Appropriated	A-33		<u>123,409.20</u>	
				\$ 582,027.72
Balance, December 31, 2009:				
Current Fund	A	\$	467,487.86	
Grant Fund	A		<u>311,067.14</u>	
				\$ 778,555.00

"A-16"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2008	A	\$		44,215.00
Increased by:				
Charged to:				
2008 Appropriation Reserves	A-14	\$	274,342.44	
Refund of Fees and Permits	A-2		1,110.00	
Refund of Tax Overpayments	A-20		<u>599.28</u>	
				\$ 276,051.72
				<u>320,266.72</u>
Decreased by:				
Cash Disbursements	A-4	\$	31,280.00	
Canceled	A-1		<u>12,935.00</u>	
				\$ 44,215.00
Balance, December 31, 2009	A	\$		<u>276,051.72</u>

"A-17"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>			
Balance, December 31, 2008	A		\$	57,053.71
Increased by:				
Charged to 2009 Budget Appropriations	A-3	\$	63,501.02	
Charged to 2008 Appropriation Reserves	A-14		2,777.50	
Transferred from Reserve for Revaluation	A-23		235,000.00	
				<u>301,278.52</u>
			\$	<u>358,332.23</u>
Decreased by:				
Transferred to Appropriation Reserves	A-14	\$	<u>35,622.50</u>	
				<u>35,622.50</u>
Balance, December 31, 2009	A		\$	<u><u>322,709.73</u></u>

"A-18"

SCHEDULE OF PREPAID FEES AND LICENSES

Balance, December 31, 2008	A		\$	8,750.00
Increased by:				
Cash Receipts	A-4			<u>4,812.50</u>
			\$	<u>13,562.50</u>
Decreased by:				
Applied to:				
Other Licenses	A-2	\$	100.00	
Other Fees and Permits	A-2		175.00	
Swim Pool Membership Fees	A-2		<u>4,755.00</u>	
				<u>5,030.00</u>
Balance, December 31, 2009	A		\$	<u><u>8,532.50</u></u>
Analysis of Balance				
Other Fees and Permits			\$	<u>4,020.00</u>
Swim Pool Membership Fees				<u>4,512.50</u>
			\$	<u><u>8,532.50</u></u>

"A-19"

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2008	A	\$	746,276.08
Increased by:			
Collection - 2010 Taxes	A-5		858,271.45
		\$	<u>1,604,547.53</u>
Decreased by:			
Applied to 2009 Taxes Receivable	A-9		<u>746,276.08</u>
Balance, December 31, 2009	A	\$	<u><u>858,271.45</u></u>

"A-20"

SCHEDULE OF TAX OVERPAYMENTS

Balance, December 31, 2008	A	\$	29,026.07
Increased by:			
Overpayments in 2009	A-5		41,484.24
		\$	<u>70,510.31</u>
Decreased by:			
Refunds	A-4	\$	18,088.20
Accounts Payable	A-16		599.28
Applied	A-9		<u>28,426.79</u>
			<u>47,114.27</u>
Balance, December 31, 2009	A	\$	<u><u>23,396.04</u></u>

"A-21"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF RESERVE FOR LIBRARY EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2008	A	\$	35,138.11
Increased by:			
Cash Receipts	A-4		<u>8,000.00</u>
			43,138.11
Decreased by:			
Cash Disbursements	A-4		<u>222.27</u>
Balance, December 31, 2009	A	\$	<u>42,915.84</u>

"A-22"

SCHEDULE OF RESERVE FOR GARDEN STATE TRUST FUND

Balance, December 31, 2008	A	\$	3,195.58
Increased by:			
Cash Receipts	A-4		<u>2,822.96</u>
		\$	6,018.54
Decreased by:			
Applied	A-2		<u>3,196.00</u>
Balance, December 31, 2009	A	\$	<u>2,822.54</u>

"A-23"

SCHEDULE OF RESERVE FOR REVALUATION

Balance, December 31, 2008	A	\$	15,000.00
Increased by:			
Transferred from 2009 Budget	A-3		<u>270,000.00</u>
			285,000.00
Decreased by:			
Cash Disbursements	A-4	\$	3,700.00
Transferred to Contracts Payable	A-17		<u>235,000.00</u>
			238,700.00
December 31, 2009	A	\$	<u>46,300.00</u>

"A-24"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF TAX APPEALS

REF.

Balance, December 31, 2008	A	\$	397,928.61
Decreased by:			
Cash Disbursements	A-4		<u>27,849.45</u>
Balance, December 31, 2009	A	\$	<u><u>370,079.16</u></u>

"A-25"

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

Balance, December 31, 2008	A	\$	35,770.85
Increased by:			
Cash Receipts	A-4		<u>650.00</u>
December 31, 2009	A	\$	<u><u>36,420.85</u></u>

TOWNSHIP OF OCEAN  
CURRENT FUND

SCHEDULE OF RESERVE DUE STATE OF NEW JERSEY

	BALANCE DECEMBER 31, 2008	CASH RECEIPTS	EXPENDED	BALANCE DECEMBER 31, 2009
DCA Training Fees	\$ 6,104.00	\$ 24,323.00	\$ 29,757.00	\$ 670.00
DYFS - Marriage License Fees	875.00	3,775.00	3,800.00	850.00
DYFS - Domestic Partner License Fees	25.00	25.00	25.00	25.00
DYFS - Civil Union License Fees	150.00	100.00	125.00	125.00
DYFS - Burial Fees		30.00	30.00	
	<u>\$ 7,154.00</u>	<u>\$ 28,253.00</u>	<u>\$ 33,737.00</u>	<u>\$ 1,670.00</u>

REF.

A

A-4

A-4

A

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

REF.

Increased by:			
Levy School Year	A-9	\$	53,074,790.39
Decreased by:			
Payments	A-1;A-4	\$	<u>53,074,790.39</u>

"A-28"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>REF.</u>		
Increased by:			
2009 Tax Levy	A-1:A-9	\$	14,571,671.94
Decreased by:			
Payments	A-4	\$	<u>14,571,671.94</u>

"A-29"

SCHEDULE OF DUE COUNTY FOR ADDED TAXES

Balance, December 31, 2008	A	\$	88,571.97
Increased by:			
County Share of 2009 Levy:			
Added Taxes (R.S.54:4-63.1 et.seq.)		\$	66,501.70
Prior Year			<u>3,144.70</u>
	A-1:A-9		<u>69,646.40</u>
		\$	<u>158,218.37</u>
Decreased by:			
Payments	A-4		<u>88,572.20</u>
Balance, December 31, 2009	A	\$	<u>69,646.17</u>

"A-30"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF FIRE DISTRICT TAXES PAYABLE

REF.

Increased by:  
2009 Tax Levy

A-1:A-9

\$ 2,512,901.00

Decreased by:  
Payments

A-4

\$ 2,512,901.00

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF INTERFUNDS

	REF.	TOTAL	ASSESSMENT TRUST FUND	ANIMAL CONTROL TRUST FUND	TRUST OTHER FUND	GENERAL CAPITAL FUND	GRANT FUND
Balance, December 31, 2008:							
Interfunds Receivable	A	40,118.79 \$	22.37 \$	22.38 \$	35,745.06 \$	4,328.98 \$	549,245.21
Interfunds Payable	A	549,245.21					328,605.69
Receipts	A-4	3,268,329.40	235,134.53	79.64	1,287,188.66	1,417,320.88	182,069.25
Grant Match		182,069.25					
Disbursements	A-4	3,104,350.31	235,118.03	60.06	1,259,708.84	1,414,648.13	194,815.25
Balance, December 31, 2009:							
Interfunds Receivable	A	9,930.14 \$	5.87 \$	2.80 \$	8,265.24 \$	1,656.23 \$	865,104.90
Interfunds Payable	A	865,104.90					

TOWNSHIP OF OCEAN  
CURRENT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2008	ANTICIPATED IN 2009 BUDGET	RECEIVED	UNAPPROPRIATED RESERVE APPLIED	BALANCE DECEMBER 31, 2009
Bulletproof Vest Grant - 2008	\$ 3,518.87		\$ 3,518.87	\$	7,193.00
Bulletproof Vest Grant - 2009		19,996.68		12,803.68	
COPS in Shops Grant - Summer Shore Initiative - 2008	1,600.00		1,600.00		200.00
COPS in Shops Grant - College/Fall Initiative - 2007	200.00			3,175.00	
COPS in Shops Grant - College/Fall Initiative - 2008		3,175.00			71,616.15
Community Development Block Grant	71,616.15				
Recycling Tonnage Grant		32,696.77	11,896.00	32,696.77	
Drunk Driving Enforcement Fund		21,653.23		21,653.23	
M.C. Drug Abuse Council - 2008	11,896.00		11,896.00		10,511.50
M.C. Drug Abuse Council - 2009		47,584.00	37,072.50		
M.C. Alliance to Prevent Alcoholism & Drug Abuse - 2008	6,963.13		6,963.13		6,484.64
M.C. Alliance to Prevent Alcoholism & Drug Abuse - 2009		24,086.00	17,601.36		
Safe & Secure Communities Grant- 2008	32,965.00		32,965.00		58,690.00
Safe & Secure Communities Grant- 2009		58,690.00			40,000.00
NJDOT - Sunset Ave FY2008	160,000.00		120,000.00		41,250.00
NJDOT - Sunset Ave FY2009		165,000.00	123,750.00		
Clean Communities Program		82,405.55		82,405.55	
Morrmouth County Jlf Safety Grant		4,559.00	4,556.31		2.69
M.C. - Armstrong Avenue Intersection Improvements	161,000.00		64,204.80		146,095.20
Outpatient Services 2009 Grant		49,300.00	33,798.75		15,641.25
Over the Limit Under Arrest 2007	150.00				150.00
Over the Limit Under Arrest 2008	5,000.00		5,000.00		200.00
Over the Limit Under Arrest 2009		6,000.00			3,000.00
Green Communities Grant	3,000.00		5,800.00		3,000.00
CDBG - ADA Improvements to Sunset & Brielle Avenues - 2009		118,250.00			118,250.00
N.J. Board of Public Utilities Clean Energy Program		22,260.75			22,260.75
Sustainable Jersey Municipal Certification Program - Wal-Mart Grant		10,000.00		5,000.00	5,000.00
Obey the Sign or Pay the Fine Speed Enforcement Grant		4,000.00	4,000.00		4,288.00
Mid Jersey Municipal Joint Insurance Fund		4,288.00			5,000.00
Emergency Management Assistance Program		5,000.00			25,845.00
Edward Byrne Memorial Justice Assistance Grant		25,845.00			

REF.	A	A-2	A-4	A-14	A
\$	457,909.15	754,229.98	472,126.72	157,794.23	581,678.18

TOWNSHIP OF OCEAN  
CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2008	MODIFIED	TRANSFERRED FROM 2009 BUDGET	PAID OR CHARGED	BALANCE DECEMBER 31, 2009
Bulletproof Vest Program - 2004 Grant	\$ 50.48	\$ 50.48		\$	50.48
Bulletproof Vest Program - 2008	3,426.69	7,638.19		5,895.83	1,742.36
Bulletproof Vest Program - 2009			19,996.68		19,996.68
You Drink, You Drive, You Lose	5,000.00	5,000.00		5,000.00	5,000.00
Drug Abuse Council - 2008	933.50	933.50		933.50	933.50
Drug Abuse Council - 2009			47,584.00	47,584.00	
Clean Communities Grant - 2005	2,452.94	2,452.94		1,412.75	1,040.19
Clean Communities Grant - 2006	4,469.54	4,469.54		2,323.78	2,145.76
Clean Communities Grant - 2007	9,662.38	9,662.38		9,662.38	9,662.38
Clean Communities Grant - 2009			82,405.55	28,427.72	53,977.83
Stormwater Regulation Grant - 2004	6,194.83	6,194.83		310.00	5,884.83
Drunk Driving Enforcement Fund - 2007	6,338.82	6,338.82	21,653.23	1,892.80	26,099.25
Body Armor Replacement Fund - 2004	3.41	3.41			3.41
Body Armor Replacement Fund - 2005	37.80	37.80			37.80
Body Armor Replacement Fund - 2006				1,848.75	
Body Armor Replacement Fund - 2007	3,439.15	1,848.75		4,047.10	1,754.80
Safe and Secure Communities - 2008 Grant	18,155.39	5,801.90		18,155.39	1,584.94
Safe and Secure Communities - 2009 Match	28,385.78	18,155.39		26,800.84	24,396.41
Safe and Secure Communities - 2009 Match		28,385.78	58,690.00	34,293.59	
Alcohol Education & Rehabilitation Fund:			161,127.00	46,452.90	114,674.10
New Jersey Transportation Trust Fund:	450.00	450.00		450.00	
Improvements to Sunset Ave. - FY 2009					
N.J. Substance Abuse Monitoring Program		1,500.00	165,000.00	165,000.00	107.50
COPS in Shops Grant - College/Fall Initiative - 2007	425.00	425.00		400.00	25.00
COPS in Shops Grant - College/Fall Initiative - 2008			3,175.00	2,800.00	375.00
C.D.B.G. - ADA Improvements	71,616.15	71,616.15			71,616.15
Recycling Tonnage Grant	408,325.08	408,325.08	32,696.77		441,021.85

TOWNSHIP OF OCEAN  
CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2008	MODIFIED	TRANSFERRED FROM 2009 BUDGET	PAID OR CHARGED	BALANCE DECEMBER 31, 2009
Alliance to Prevent Alcoholism & Drug Abuse:					
2006 Grant	\$ 0.02	\$ 0.02	\$	\$	0.02
2009 Grant			24,086.00	24,086.00	
2009 Match			6,022.00	6,022.00	
Mid Jersey Municipal Joint Insurance Fund:					
Municipal Safety Incentive Grant - 2007		567.00		567.00	
Municipal Safety Incentive Grant - 2009			4,559.00	4,559.00	
Reserve for Hepatitis Shots					
Monmouth County Prosecutor's Office -					
Emergency Response Team - 2002	5,000.00	5,000.00			5,000.00
Emergency Response Team - 2004	104.23	104.23		1,609.00	1,672.64
School NJEDA	3,281.64	3,281.64		22,145.00	264.13
M.C. - Armstrong Avenue Intersection Improvements	22,409.13	22,409.13		112,919.20	
2007 Physical Fitness Program Mini-Grant					
NJ Parks Trail Grant - Palatia Park	701.00	701.00			701.00
National Night Out Grant					
Outpatient Services 2007 Grant	1,100.00	1,100.00			1,100.00
Outpatient Services 2009 Grant	15,078.00	15,078.00	49,440.00	49,440.00	15,078.00
Over the Limit Under Arrest 2007	150.00	150.00		4,200.00	150.00
Over the Limit Under Arrest 2008	4,200.00	4,200.00	6,000.00	5,800.00	200.00
Over the Limit Under Arrest 2009					
Monmouth County Historical Commission - Match					
Green Communities Grant - State Share	3,000.00	3,000.00		3,000.00	
Green Communities Grant - Match	1,500.00	1,500.00		1,500.00	
CDBG - ADA Improvements to Sunset & Brielle Avenues - 2009			118,250.00	118,250.00	
Monmouth County Historic Grant - Match			2,500.00	2,500.00	
N. J. Board of Public Utilities Clean Energy Program:					
Grant Portion			22,260.75	22,260.75	
Matching Portion			7,420.25	7,420.25	

TOWNSHIP OF OCEAN  
CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2008	MODIFIED	TRANSFERRED FROM 2009 BUDGET	PAID OR CHARGED	BALANCE DECEMBER 31, 2009
Sustainable Jersey Municipal Certification Program - Wal-Mart Grant	\$		10,000.00		10,000.00
Obeys the Sign or Pay the Fine Speed Enforcement Grant			4,000.00	4,000.00	
Armstrong Boulevard Intersection Improvement Grant			49,300.00		49,300.00
Mid-Jersey Municipal Joint Insurance Fund			4,288.00	4,181.53	106.47
Edward Byrne Memorial Assist			25,845.00		25,845.00
Emergency Management Assistance			5,000.00		5,000.00
Emergency Management Assistance - Match			5,000.00		5,000.00
	\$ 625,890.96	\$ 749,300.16	\$ 936,299.23	\$ 783,947.68	\$ 901,651.71
Reserve for Grants Appropriated	A-33				
Reserve for Encumbrances	A-16				
		\$ 625,890.96			
		123,409.20			
		<u>749,300.16</u>			
Cash Disbursements	A-4			\$ 472,880.54	
Reserve for Encumbrances	A-16			311,067.14	
				<u>783,947.68</u>	

REF.

A

A-3

A

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED

	BALANCE DECEMBER 31, 2008	CASH RECEIPTS	ANTICIPATED IN 2009 BUDGET	BALANCE DECEMBER 31, 2009
Drunk Driving Enforcement Fund	\$ 13,208.76	\$ 14,111.10	\$ 21,653.23	\$ 5,666.63
Recycling Grant	32,696.77	63,335.16	32,696.77	63,335.16
Monmouth County Drug Abuse Council	7,766.70			7,766.70
Stormwater Management	20,619.00			20,619.00
Body Armor Replacement Fund	12,803.68		12,803.68	
Alcohol Education and Rehabilitation Fund	0.40			0.40
Clean Communities Program	32,926.04	49,479.51	82,405.55	
COPS in Shops Grant - College/Fall Initiative - 2008	3,175.00		3,175.00	
Sustainable Jersey Municipal Certification Program		5,000.00	5,000.00	
	<u>\$ 123,196.35</u>	<u>\$ 131,925.77</u>	<u>\$ 157,734.23</u>	<u>\$ 97,387.89</u>

REF. A A-4 A-32 A

TOWNSHIP OF OCEAN  
TRUST FUND  
SCHEDULE OF TRUST CASH - TREASURER

REF.	ASSESSMENT	ANIMAL CONTROL FEES	OTHER
B	\$ 223,625.70	\$ 17,684.97	\$ 5,944,520.59
Balance, December 31, 2008			
Increased by Receipts:			
B-3	\$ 46,087.44		
B-6			
B-7		179.40	
B-8		777.00	
B-9		7,066.20	
B-11			43,100.60
B-12			15,805,711.68
B-13			2,316,042.75
B-14			1,259,708.84
B-16		56.36	
	235,199.80	56.36	
	<u>281,287.24</u>	<u>8,078.96</u>	<u>19,424,563.87</u>
	\$ 504,912.94	\$ 25,763.93	\$ 25,369,084.46
Decreased by Disbursements:			
B-6	\$ 210,701.00		
B-8		757.20	
B-9		5,324.99	
B-11			15,384.14
B-12			15,804,919.83
B-13			2,453,612.23
B-14		75.94	1,287,188.66
	<u>235,216.30</u>	<u>6,158.13</u>	<u>19,561,104.86</u>
	445,917.30	6,158.13	
	<u>58,995.64</u>	<u>19,605.80</u>	<u>5,807,979.60</u>
B	\$	\$	\$
Balance, December 31, 2009			

"B-3"

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF TRUST CASH-COLLECTOR

	<u>REF.</u>	<u>ASSESSMENT</u>
Receipts:		
Assessments Receivable	B-5	\$ 46,087.44
Decreased by Disbursements:		
Payment to Treasurer	B-2	\$ <u>46,087.44</u>

"B-4"

ANALYSIS OF ASSESSMENT CASH

		<u>BALANCE DECEMBER 31, 2009</u>
Fund Balance		\$ 58,989.77
Due Current Fund		<u>5.87</u>
		\$ <u>58,995.64</u>
	<u>REF.</u>	B

TOWNSHIP OF OCEAN  
TRUST FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF CONFIRMATION	ANNUAL INSTALLMENTS	DUE DATES	BALANCE DECEMBER 31, 2008 (AS RESTATED)	COLLECTED	BALANCE DECEMBER 31, 2009	PLEDGED TO RESERVE
1958	Replacement of Sidewalk at Various Locations	12/08/04	5	2/1/2009	3,379.29 \$	3,379.29 \$	27,050.73	27,050.73
1990	Sidewalk, Curb & Driveway Apron Improvements - Alpeem Ave	6/16/2008	4	07/01/09-11	45,010.48	17,959.75	39,470.19	39,470.19
2021	Sidewalk, Curb & Driveway Apron Improvements - Lakeview Ave	6/16/2008	4	07/01/09-11	46,900.32	7,430.13	43,421.53	43,421.53
2028	Sidewalk, Curb & Driveway Apron Improvements - Lincoln Dr.	6/16/2008	4	07/01/09-11	55,781.61	12,360.08	12,803.17	12,803.17
2028	Sidewalk, Curb & Driveway Apron Improvements - Franklin Pkwy	6/16/2008	4	07/01/09-11	17,761.36	4,958.19		
					<u>168,833.06 \$</u>	<u>46,087.44 \$</u>	<u>122,745.62</u>	<u>122,745.62</u>

REF.

B

B-3

B

B-15

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ISSUE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2008</u>	<u>DECREASED</u>
Local Improvements:							
1958	Various Capital Improvements	12/17/04	12/23/08	12/22/09	1.25%	\$ 31,934.00	\$ 31,934.00
1990	Various Capital Improvements	12/23/08	12/23/08	12/22/09	1.25%	60,557.00	60,557.00
2021	Various Capital Improvements	12/23/08	12/23/08	12/22/09	1.25%	46,940.00	46,940.00
2028	Various Capital Improvements	12/23/08	12/23/08	12/22/09	1.25%	71,270.00	71,270.00
						<u>\$ 210,701.00</u>	<u>\$ 210,701.00</u>

REF. B B-2

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF PREPAID ANIMAL LICENSES

	<u>REF.</u>	
Increased by:		
Cash Receipts	B-2	\$ <u>179.40</u>
Balance, December 31, 2009	B	\$ <u><u>179.40</u></u>

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF ANIMAL LICENSE FEES DUE STATE OF NEW JERSEY

	<u>REF.</u>			
Increased by:				
Cash Receipts	B-2	\$	777.00	
Transferred from Encumbrances Payable	B-14		<u>1.20</u>	
				\$ <u>778.20</u>
				<u>778.20</u>
Decreased by:				
Cash Disbursements	B-2			<u>757.20</u>
Balance, December 31, 2009	B	\$		<u><u>21.00</u></u>

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2008	B	\$	17,044.39
Increased by:			
Animal Control Fees Collected	B-2	\$	6,473.20
Miscellaneous Fees	B-2		593.00
Encumbrances	B-10		<u>667.00</u>
			7,733.20
		\$	<u>24,777.59</u>
Decreased by:			
Expenditures Under R.S.4:19-15.11	B-2		<u>5,324.99</u>
Balance, December 31, 2009	B	\$	<u><u>19,452.60</u></u>

<u>LICENSE FEES COLLECTED</u>		
<u>YEAR</u>		<u>AMOUNT</u>
2007	\$	8,193.00
2008		<u>11,259.80</u>
	\$	<u><u>19,452.80</u></u>

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>		<u>ANIMAL CONTROL TRUST FUND</u>	<u>TRUST OTHER FUND</u>
Balance, December 31, 2008	B	\$	668.20 \$	253,754.94
Increased by:				
Transferred from Reserves	B-13	\$	<u>668.20</u> \$	<u>97,329.98</u> 351,084.92
Decreased by				
Transferred to Reserves	B-8, B-9;B-13		<u>668.20</u>	<u>253,754.94</u>
Balance, December 31, 2009	B	\$	<u><u>668.20</u></u> \$	<u><u>97,329.98</u></u>

"B-11"

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

	<u>REF.</u>		
Balance, December 31, 2008	B	\$	45,854.04
Increased by:			
Budget Appropriation		\$	25,000.00
Payroll Deductions			18,005.61
Interest			94.99
	B-2		<u>43,100.60</u>
		\$	<u>88,954.64</u>
Decreased by:			
Disbursements	B-2		<u>15,384.14</u>
Balance, December 31, 2009	B	\$	<u><u>73,570.50</u></u>

"B-12"

SCHEDULE OF RESERVE FOR PAYROLL DEDUCTIONS PAYABLE

Balance, December 31, 2008	B	\$	89,628.03
Increased by:			
Cash Receipts	B-2		15,805,711.68
		\$	<u>15,895,339.71</u>
Decreased by:			
Disbursements	B-2		<u>15,804,919.83</u>
Balance, December 31, 2009	B	\$	<u><u>90,419.88</u></u>

TOWNSHIP OF OCEAN  
TRUST FUND

"B-13"

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS AND RESERVES

	BALANCE DECEMBER 31, 2008	MODIFIED	CASH RECEIPTS	CASH DISBURSEMENTS	ENCUMBRANCES	BALANCE DECEMBER 31, 2009
Review Fees	\$ 197,532.89	\$ 197,532.89	\$ 82,156.16	\$ 106,211.24	\$	\$ 173,477.81
Inspection Fees	508,655.80	508,655.80	281,216.02	276,643.40		513,228.42
Performance Bonds	3,007,497.08	3,007,497.08	836,446.46	906,430.86		2,937,512.68
Public Defender	78,123.72	78,623.72	35,106.20	23,834.95		89,394.97
Joint Insurance Fund Refunds	305,810.40	322,038.80	30,068.60	22,649.40		326,762.89
Rezoning Requests	4,976.25	4,976.25	4,000.00	1,781.25		7,195.00
Parking Offense Adjudication Act	1,383.10	1,383.10	84.00			1,467.10
Tax Sale Premium	20,400.00	20,400.00	114,200.00	3,900.00		130,700.00
Shade Trees	83,867.97	83,867.97	10,025.00	2,336.20		91,427.77
Deferred Vacation	74,677.97	74,677.97	60,447.26	38,223.86		96,901.37
Deferred Sick Leave	167,345.90	167,345.90	157,930.03	194,229.19		131,046.74
Street Opening	27,500.00	27,500.00	3,500.00	2,000.00		29,000.00
Municipal Alliance	3,461.80	3,461.80	704.55	35.00		4,131.35
Bid Deposits	31,844.89	31,844.89		1,220.00		30,624.89
Affordable Housing	330,000.00	330,000.00	12,598.05	25,633.60	92,401.95	224,562.50
Unclaimed Monies	1,430.68	2,980.68	374.99	1,662.00		1,693.67
Multiple Dwellings	172,135.33	172,135.33	1,206.75	57.21		173,284.87
Workers Compensation	1,583.64	1,583.64	33,322.09	33,260.09		1,645.64
Law Enforcement	88,003.98	91,276.95	10,272.44	30,446.60		70,973.29
TORTA (Recreation Trust)	64,738.40	68,064.70	100,865.00	70,651.52	1,444.42	96,833.76
TTL's (Outside Liens)	9,786.67	9,816.67	195,380.83	195,380.83	30.00	9,786.67
Off Duty Police	18,780.50	18,780.50	269,043.75	270,058.75		17,765.50
Development Impact Fees	187,700.00	187,700.00				187,700.00
Snow Removal	5,223.24	5,223.24				5,223.24
Animal House Bond	4,000.00	4,000.00				4,000.00
Sales Tax			5,287.09	5,287.09		
Stormwater Management	19,693.56	19,693.56	28,370.24	123,000.00		48,063.80
Wayside Woods Sections 4 & 5		123,000.00				
Margaret Crawford Donation	300.00	300.00				300.00
Joe Palata Park	93,960.64	93,960.64	30,605.32			124,565.96
Colonial Terrace Golf Course Donations	9,124.11	9,124.11				9,124.11
MGO Northwoods Road Paving		105,847.27	12,831.92	105,847.27		
	\$ 5,519,538.52	\$ 5,773,293.46	\$ 2,316,042.75	\$ 2,453,612.23	\$ 97,329.98	\$ 5,538,394.00
REF.	B		B-2	B-2	B-10	B
Reserves	\$ 5,519,538.52	\$ 5,519,538.52				
Reserve for Encumbrances	\$ 253,754.94	\$ 253,754.94				
	\$	\$ 5,773,293.46				

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	<u>ASSESSMENT TRUST FUND</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>TRUST OTHER FUND</u>
Balance, December 31, 2008:				
Interfunds Payable	B	\$ 22.37 \$	22.38 \$	35,745.06
Receipts	B-4	235,199.80	56.36	1,259,708.84
Disbursements	B-4	<u>235,216.30</u>	<u>75.94</u>	<u>1,287,188.66</u>
Balance, December 31, 2009:				
Interfunds Payable	B	<u>\$ 5.87 \$</u>	<u>2.80 \$</u>	<u>8,265.24</u>

"B-15"

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR ASSESSMENTS

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2009</u>	<u>BALANCE DECEMBER 31, 2008 (AS RESTATED)</u>
Assessments Receivable:			
1958	Replacement of Sidewalk at Various Locations	\$	\$ 3,379.29
1990	Sidewalk, Curb & Driveway Apron Improvements - Alpern Ave	27,050.73	45,010.48
2021	Sidewalk, Curb & Driveway Apron Improvements - Lakeview Ave	39,470.19	46,900.32
2028	Sidewalk, Curb & Driveway Apron Improvements - Lincoln Dr.	43,421.53	55,781.61
2028	Sidewalk, Curb & Driveway Apron Improvements - Franklin Pkwy	12,803.17	17,761.36
		<u>\$ 122,745.62</u>	<u>\$ 168,833.06</u>
	<u>REF.</u>	B:B-5	B:B-5

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH

	<u>REF.</u>		
Balance, December 31, 2008	C		\$ 4,409,899.07
Increased by Receipts:			
2009 Budget Appropriations:			
Capital Improvement Fund	C-7	\$ 139,599.00	
Premium on Sale of Notes	C-1	13,982.02	
Bond Anticipation Note	C-11	2,314,904.00	
Various Reserves	C-14	300,000.00	
Due Assessment Trust Fund	C-9	210,701.00	
Due Current Fund	C-4	<u>1,452,766.18</u>	
			\$ <u>4,431,952.20</u>
			\$ <u>8,841,851.27</u>
Decreased by Disbursements:			
Contracts Payable	C-13	\$ 2,570,840.39	
Due Current Fund	C-4	1,455,438.93	
Due Assessment Trust Fund	C-9	210,701.00	
Bond Anticipation Note	C-11	<u>1,553,004.00</u>	
			<u>5,789,984.32</u>
Balance, December 31, 2009	C		\$ <u><u>3,051,866.95</u></u>

"C-3"

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS

BALANCE  
DECEMBER  
31, 2009

Fund Balance	\$	31,539.37
Capital Improvement Fund		152,383.72
Improvement Authorizations Funded as Set Forth on "C-8"		878,378.34
Unexpended Proceeds of Bond Anticipation Notes		1,353,579.74
Unfunded Improvements Expended - Listed on "C-6"		(727,039.34)
Due Current Fund		1,656.23
Due Grant Fund		(136,000.00)
Various Reserves		382,907.16
Contracts Payable		<u>1,114,461.73</u>
	\$	<u><u>3,051,866.95</u></u>

C

"C-4"

TOWNSHIP OF OCEAN  
GENERAL CAPITAL FUND  
SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, December 31, 2008 (Due To)	C	\$	4,328.98
Increased by:			
Cash Receipts	C-2		1,452,766.18
		\$	<u>1,457,095.16</u>
Decreased by:			
Cash Disbursements	C-2		<u>1,455,438.93</u>
Balance December 31, 2009 ( Due To )	C	\$	<u><u>1,656.23</u></u>

"C-5"

SCHEDULE OF DEFERRED CHARGES TO FUTURE  
TAXATION-FUNDED

Balance, December 31, 2008	C	\$	21,027,743.38
Decreased by:			
2009 Budget Appropriation to Pay Bonds	C-10	\$	1,571,000.00
2009 Budget Appropriation to Pay Loans	C-12		<u>17,433.62</u>
			<u>1,588,433.62</u>
Balance, December 31, 2009	C	\$	<u><u>19,439,309.76</u></u>

TOWNSHIP OF OCEAN  
GENERAL CAPITAL FUND

"C-6"

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2008		INCREASED BY NEW ORDINANCES	DECREASED BY NOTES PAID BY BUDGET	BALANCE DECEMBER 31, 2009		BOND ANTICIPATION NOTE	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
1990	Curbs, Sidewalks and Driveway Aprons	\$ 11,443.25	\$			\$ 11,443.25			\$	11,443.25
2021	Sidewalk, Curb & Driveway Apron Improvements	25,580.76				25,580.76				25,580.76
2022	Sidewalk, Curb & Driveway Apron Improvements	16,150.00				16,150.00			16,150.00	
2100	Various Capital Improvements	1,725,580.00			172,556.00	1,553,024.00	1,553,004.00		110,999.45	1,100.55
2106	Curb and Sidewalk Improvements	112,100.00				112,100.00			533,789.89	10,450.00
2107	Curb and Sidewalk Improvements	10,450.00				10,450.00			66,100.00	1,097,012.11
2127	Various Improvements			1,630,802.00		1,630,802.00				8,000.00
2131;2136	Curb & Sidewalk Improvements			74,100.00		74,100.00				
2133	Acquisition of Machinery & Equipment			761,900.00		761,900.00	761,900.00			
		\$ 1,901,264.01	\$	2,466,802.00	172,556.00	4,195,510.01	2,314,904.00		727,039.34	1,153,566.67
	REF. C			C-8	C-11	C	C-11		C-3	
	Improvement Authorizations Unfunded									\$ 2,507,146.41
	Unexpended Proceeds of Bond Anticipation Notes									\$ 1,353,579.74
										\$ 1,153,566.67

ANALYSIS OF BALANCE:  
DECEMBER 31, 2009

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2008	C	\$	190,814.72
Increased by:			
2009 Appropriations	C-2	\$	<u>139,599.00</u>
			\$ 330,413.72
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-8		<u>178,030.00</u>
Balance, December 31, 2009	C	\$	<u><u>152,383.72</u></u>

TOWNSHIP OF OCEAN  
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	ORDINANCE AMOUNT	BALANCE 12/31/2008		2009 AUTHORIZATIONS	CONTRACTS PAYABLE	BALANCE 12/31/2009	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
1647	Installation of Repairs of Improvements-Wayside Estates	7/21/93	146,171.73	14,262.02	\$	\$	\$	14,262.02	
1912,1935	Various Capital Improvements	1/09/02 & 8/14/02	6,880,000.00	76,823.51			70,000.00	6,823.51	
1982	Various Capital Improvements	4/14/04	3,200,000.00	315,400.50			167,328.43	148,072.07	
1990	Sidewalk, Curb & Driveway Apron Improvements	8/25/04	100,000.00	5,000.00	11,443.25			5,000.00	11,443.25
2012	Various Capital Improvements	5/25/05	2,765,000.00	8,491.75			789.06	7,722.69	
2021	Sidewalk, Curb & Driveway Apron Improvements	7/13/05	100,000.00	5,000.00	25,560.76			5,000.00	25,560.76
2028	Sidewalk, Curb & Driveway Apron Improvements	9/6/05	100,000.00						
2045	Various Capital Improvements	4/26/06	8,117,850.00	759,019.53			169,043.91	589,975.62	
2074	Various Capital Improvements	9/6/05	3,395,387.00	323,625.60			321,548.00	1,977.60	
2100	Various Capital Improvements	5/19/08	1,816,380.00		1,125,021.24		533,341.50		591,679.74
2101,2134	Purchase of Equipment	05/19/08;08/17/09	127,364.00	45,183.58		44,155.00	30,443.75	58,894.83	1,100.55
2106	Curb and Sidewalk Improvements	7/8/08	118,000.00				(1,100.55)		10,450.00
2107	Curb and Sidewalk Improvements	8/11/08	11,000.00				(11,000.00)		1,097,012.11
2127	Various Improvements	7/13/09	1,720,677.00			1,720,677.00	623,664.89		8,000.00
2131,2136	Curb & Sidewalk Improvements	07/13/09-09/27/09	78,000.00			78,000.00	70,000.00		
2133	Acquisition of Machinery & Equipment	8/17/09	802,000.00			802,000.00		40,100.00	761,900.00
			\$	1,552,806.49	1,162,025.25	2,644,832.00	1,974,138.99	878,378.34	2,507,146.41
	Capital Improvement Fund								
	Deferred Charges to Future Taxation-Unfunded								
						\$			
						2,644,832.00			
	Contracts Payable					\$	1,986,239.54		
	Less: Contracts Payable Cancelled						12,100.55		
							\$		\$
							1,974,138.99		

"C-9"

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF DUE ASSESSMENT TRUST FUND

	<u>REF.</u>		
Increased by:			
Cash Disbursements	C-2	\$	210,701.00
Decreased by:			
Cash Receipts	C-2	\$	<u>210,701.00</u>

TOWNSHIP OF OCEAN  
 GENERAL CAPITAL FUND  
 SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2008	DECREASED	BALANCE DECEMBER 31, 2009
			DATE	AMOUNT				
General Improvement Bonds	5/1/2002	\$ 10,925,000.00	5/1/2010	\$ 1,050,000.00	4.10%			
			5/1/2011	1,075,000.00	4.10%			
			5/1/2012	1,125,000.00	4.10%			
			5/1/2013	1,150,000.00	4.10%			
			5/1/2014	1,125,000.00	4.10%	\$ 6,500,000.00	\$ 975,000.00	\$ 5,525,000.00
Loan Revenue Bonds	12/1/2007	15,342,000.00	12/1/2010	597,000.00	5.000%			
			12/1/2011	622,000.00	5.000%			
			12/1/2012	653,000.00	5.000%			
			12/1/2013	684,000.00	5.000%			
			12/1/2014	718,000.00	5.000%			
			12/1/2015	753,000.00	5.000%			
			12/1/2016	793,000.00	5.000%			
			12/1/2017	831,000.00	5.000%			
			12/1/2018	874,000.00	5.250%			
			12/1/2019	918,000.00	4.000%			
			12/1/2020	954,000.00	4.000%			
			12/1/2021	992,000.00	5.250%			
			12/1/2022	1,047,000.00	4.250%			
			12/1/2023	1,087,000.00	4.250%			
			12/1/2024	1,133,000.00	4.250%			
			12/1/2025	1,185,000.00	4.250%			
						\$ 14,437,000.00	\$ 595,000.00	\$ 13,841,000.00
						\$ 20,937,000.00	\$ 1,571,000.00	\$ 19,366,000.00

REF. C C-5 C





TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2008	C		\$ 1,613,603.11
Increased by:			
Contracts Payable			
Improvement Authorizations	C-8	\$ 1,986,239.54	
Various Reserves	C-14	<u>97,560.02</u>	
			\$ 2,083,799.56
			3,697,402.67
Decreased by:			
Cancelled	C-8	\$ 12,100.55	
Cash Disbursements	C-2	<u>2,570,840.39</u>	
			<u>2,582,940.94</u>
Balance, December 31, 2009	C		\$ <u><u>1,114,461.73</u></u>

TOWNSHIP OF OCEAN  
GENERAL CAPITAL FUND

SCHEDULE OF VARIOUS RESERVES

	BALANCE DECEMBER 31, 2008	INCREASED	DECREASED	BALANCE DECEMBER 31, 2009
Reserve For:				
Purchase of EDP Equipment	\$ 1,317.83			\$ 1,317.83
Contribution For Road Repairs	66,589.00		0.02	66,588.98
Payment of Bonds	97,560.35	300,000.00	97,560.00	300,000.35
Drainage Improvements	5,000.00			5,000.00
Traffic Improvements	10,000.00			10,000.00
	\$ 180,467.18	\$ 300,000.00	\$ 97,560.02	\$ 382,907.16

REF.

C

C-2

C-13

C

"C-15"

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2009</u>
1990	Sidewalk, Curb and Driveway Apron Improvements	\$ 11,443.25
2021	Sidewalk, Curb and Driveway Apron Improvements	25,560.76
2022	Sidewalk, Curb and Driveway Apron Improvements	16,150.00
2106	Curb and Sidewalk Improvements	112,100.00
2107	Curb and Sidewalk Improvements	10,450.00
2127	Various Improvements	1,630,802.00
2131;2136	Curb & Sidewalk Improvements	<u>74,100.00</u>
		\$ <u><u>1,880,606.01</u></u>

TOWNSHIP OF OCEAN

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH-TREASURER

	<u>REF.</u>	<u>P.A.T.F. I</u>	<u>FUND TOTAL</u>
Balance, December 31, 2008 and December 31, 2009	E	\$ <u>62,693.81</u> \$	<u>62,693.81</u>

TOWNSHIP OF OCEAN

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND  
RECONCILIATION PER N.J.S.A.40A:5-5

	<u>REF.</u>		
Balance, December 31, 2009 and March 31, 2010	E-1	\$	<u>62,693.81</u>

<u>RECONCILIATION - MARCH 31, 2010</u>	<u>P.A.T.F. I ACCOUNT</u>		<u>TOTAL</u>
Balance on Deposit Per Statement of: TD Bank Account #36551228	\$	<u>62,693.81</u>	\$ <u>62,693.81</u>
Balance, March 31, 2010	\$	<u>62,693.81</u>	\$ <u>62,693.81</u>

TOWNSHIP OF OCEAN

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND  
RECONCILIATION FOR THE YEAR ENDED DECEMBER 31, 2009

Balance, December 31, 2008 and  
December 31, 2009 \$ 62,693.81

<u>RECONCILIATION - DECEMBER 31, 2009</u>	<u>P.A.T.F. II ACCOUNT</u>	<u>TOTAL</u>
Balance on Deposit Per Statement of: TD Bank Account #36551228	\$ <u>62,693.81</u>	\$ <u>62,693.81</u>
Balance, December 31, 2009	\$ <u>62,693.81</u>	\$ <u>62,693.81</u>

TOWNSHIP OF OCEAN

PART II

INDEPENDENT AUDITOR'S 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

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and Members  
of the Township Committee  
Township of Ocean  
County of Monmouth  
Ocean, New Jersey 07059

We have audited the accompanying financial statements - statutory basis of the Township of Ocean, County of Monmouth, New Jersey as of and for the year ended December 31, 2009, and have issued our report thereon dated May 7, 2010. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Ocean prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. We conducted our audit in accordance with U.S. generally accepted auditing standards, audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

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

## SUPLEE, CLOONEY & COMPANY

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

### Compliance and Other Matters

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

This report is intended solely for the information of the Township of Ocean, County of Monmouth, New Jersey, the Division of Local Government Services and state and state audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

May 7, 2010

SCHEDULE 1

TOWNSHIP OF OCEAN  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FISCAL YEAR ENDED DECEMBER 31, 2009

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTORS NUMBER	GRANT AWARD AMOUNT	GRANT PERIOD		RECEIVED FISCAL YEAR 2009	EXPENDITURES FISCAL YEAR 2009	CUMULATIVE EXPENDITURES JUNE 30, 2009
				FROM	TO			
U.S. Department of Transportation								
Pass Through the State of New Jersey:								
Division of Highway Traffic Safety:								
You Drink, You Drive, You Lose								
Over the Limit, Under Arrest - 2007	20.602	AL07-10-04-26	5,000.00	12/04/06	02/17/07	\$ 5,000.00	\$ -0-	\$ -0-
Over the Limit, Under Arrest - 2008	20.601	AL08-10-04-42	5,000.00	12/07/07	02/15/08	-0-	-0-	4,850.00
Over the Limit, Under Arrest - 2009	20.601	AL09-10-04-56	5,000.00	12/08/08	01/02/09	5,000.00	4,200.00	5,000.00
Obey the Sign or pay the Fine	20.601	AL09-10-04-56	6,000.00	08/21/09	09/07/09	5,800.00	5,800.00	5,800.00
			4,000.00			4,000.00	4,000.00	4,000.00
						\$ 19,800.00	\$ 14,000.00	\$ 19,650.00
U.S. Department of Justice:								
Pass Through the State of New Jersey:								
Department of Law and Public Safety								
COPs in Shops Program - College/Fall Initiative								
COPs in Shops Program - Summer Shore Initiative	16.710	AL-08-10-05-01	3,200.00	11/15/07	06/15/08	-0-	400.00	3,175.00
COPs in Shops Program - College/Fall Initiative	16.710	AL-08-10-05-02	1,600.00	05/23/08	09/15/08	1,600.00	-0-	1,600.00
Bulletproof Vest Program - 2004	16.607		3,175.00	01/01/04	12/31/04	-0-	2,800.00	2,800.00
Bulletproof Vest Program - 2008	16.607		8,025.00	01/01/08	12/31/08	-0-	-0-	7,974.52
Bulletproof Vest Program - 2009	16.607		8,462.40	01/01/08	12/31/08	3,518.87	1,684.33	6,720.04
Passed Through the County of Monmouth:			19,996.68			-0-	-0-	-0-
Edward J. Byrne Memorial Justice Assistance Grant	16.579		25,845.00			-0-	-0-	-0-
						\$ 5,118.87	\$ 4,884.33	\$ 22,269.56
						\$ 24,918.87	\$ 137,134.33	\$ 276,444.41

SCHEDULE 2

TOWNSHIP OF OCEAN

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FISCAL YEAR ENDED DECEMBER 31, 2009

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	RECEIVED FISCAL YEAR 2009	EXPENDITURES FISCAL YEAR 2009	CUMULATIVE EXPENDITURES 2009
		FROM	TO				
<u>Pass Through From County of Monmouth</u>							
Alliance to Prevent Alcoholism and Drug Abuse	08A-25	1/1/08	12/31/08	\$ 25,863.00	\$ 6,963.13	\$ -0-	\$ 25,863.00
Drug Abuse Council	09A-25	1/1/09	12/31/09	24,086.00	17,601.36	24,086.00	24,086.00
Drug Abuse Council	200-475-99151120-60	1/1/08	12/31/08	47,584.00	11,896.00	-0-	46,651.00
Drug Abuse Council	200-475-99151120-60	1/1/09	12/31/09	47,584.00	37,072.50	47,584.00	47,584.00
					<u>73,532.99</u>	<u>71,670.00</u>	<u>144,184.00</u>
<u>Department of Environmental Protection</u>							
Clean Communities Program	4900-765-042004-6020	1/1/05	12/31/05	27,403.95	-0-	1,412.75	26,363.76
Clean Communities Program	4900-765-042004-6020	1/1/06	12/31/06	28,732.03	-0-	2,323.78	26,586.27
Clean Communities Program	4900-765-042004-6020	1/1/07	12/31/07	36,237.19	-0-	-	26,574.81
Clean Communities Program	4900-765-042004-6020	1/1/09	12/31/09	82,405.55	-0-	28,427.72	28,427.72
Recycling Tonnage Grant	4900-752-042-4900	1/1/09	Continuous	441,021.85	-0-	-0-	-0-
Municipal Stormwater Regulation Program	04-100-042-4850-118	3/01/04	02/28/07	20,619.00	-0-	310.00	14,734.17
2008 Green Communities Phase I Grant	07-100-042-4870-038	7/1/2008	6/30/2010	3,000.00	-0-	3,000.00	3,000.00
Green Acres Grant - Ocean Township Planning Incentive	1337-97-111		Continuous	3,000,000.00	300,000.00	-0-	3,000,000.00
					<u>300,000.00</u>	<u>35,474.25</u>	<u>3,125,686.73</u>
<u>Department of Law and Public Safety</u>							
Drunk Driving Enforcement Fund - 2007	1110-101-030000-129040	11/10-101-030000-129040	Continuous	10,001.41	-0-	1,892.80	5,555.39
Drunk Driving Enforcement Fund - 2009	1110-101-030000-129040	1110-101-030000-129040	Continuous	21,653.23	-0-	-0-	-0-
Safe and Secure Communities Program	08-100-066-1020-232	5/4/2008	5/31/2009	56,515.00	32,965.00	18,155.39	56,515.00
Safe and Secure Communities Program	08-100-066-1020-232	5/4/2009	5/31/2010	58,690.00	-0-	34,293.59	34,293.59
Body Armor Replacement Fund	1020-718-066-1020-001-V-CJS-6120	9/1/06	8/31/07	5,801.90	-0-	1,684.35	4,047.10
					<u>32,965.00</u>	<u>56,026.13</u>	<u>100,411.08</u>
<u>Department of Community Affairs</u>							
Alcohol Education and Rehabilitation Fund	9735-760-098-6020		Continuous	1,409.51	-0-	450.00	1,409.51
					<u>1,409.51</u>	<u>450.00</u>	<u>1,409.51</u>
<u>Department of Transportation</u>							
Improvements to Sunset Avenue Phase I	08-480-078-6320-AJ3-6010	08-480-078-6320-AJ3-6010	Continuous	160,000.00	120,000.00	-0-	160,000.00
Improvements to Sunset Avenue Phase II	09-480-078-6320-AKE-6010	09-480-078-6320-AKE-6010	Continuous	165,000.00	123,750.00	165,000.00	165,000.00
					<u>243,750.00</u>	<u>165,000.00</u>	<u>325,000.00</u>
					<u>650,247.99</u>	<u>328,620.38</u>	<u>3,696,691.32</u>

TOWNSHIP OF OCEAN

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2009 AND 2008

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial assistance present the activity of all federal and state financial assistance programs of the Township of Ocean, County of Monmouth, New Jersey. All federal and state financial assistance received directly from federal or state agencies, as well as federal and state financial assistance passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than generally accepted accounting principles. The basis of accounting, with exceptions, is described in Note 1 to the Township's financial statements - statutory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

**NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - STATUTORY BASIS**

Amounts reported in the accompanying schedules agree with amounts reported in the Township's statutory basis financial statements. These amounts are reported in the Grant Fund.

Revenues:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 19,918.87	\$ 414,452.79	\$ 38,355.06	\$ 472,726.72
General Capital Fund		<u>300,000.00</u>		<u>300,000.00</u>
	<u>\$ 19,918.87</u>	<u>\$ 714,452.79</u>	<u>\$ 38,355.06</u>	<u>\$ 772,726.72</u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ 137,134.33	\$ 328,512.88	\$ 194,891.27	\$ 660,538.48
Prior Year Accounts Payables Cancelled		<u>107.50</u>		<u>107.50</u>
	<u>\$ 137,134.33</u>	<u>\$ 328,620.38</u>	<u>\$ 194,891.27</u>	<u>\$ 660,645.98</u>

**NOTE 5. OTHER**

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

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PART III  
TOWNSHIP OF OCEAN  
STATISTICAL DATA  
LIST OF OFFICIALS  
COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2009

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE - CURRENT FUND

	YEAR 2009		YEAR 2008	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 7,401,146.00	7.06%	\$ 7,000,000.00	6.81%
Miscellaneous-From Other Than Local				
Property Tax Levies	9,618,106.85	9.17%	9,602,883.30	9.34%
Collection of Delinquent Taxes and Tax				
Title Liens	1,065,792.44	1.02%	977,537.52	0.95%
Collection of Current Tax Levy	<u>86,814,441.83</u>	<u>82.76%</u>	<u>85,283,363.07</u>	<u>82.91%</u>
<u>Total Income</u>	<u>\$ 104,899,487.12</u>	<u>100.00%</u>	<u>\$ 102,863,783.89</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 28,275,833.49	28.70%	\$ 26,697,070.56	27.75%
County Taxes	14,641,318.34	14.86%	15,036,561.00	15.63%
Local School Taxes	53,074,790.39	53.88%	52,013,439.01	54.07%
Fire District Taxes	2,512,901.00	2.55%	2,437,231.00	2.53%
Other Expenditures	<u>810.00</u>	<u>0.00%</u>	<u>17,874.30</u>	<u>0.02%</u>
<u>Total Expenditures</u>	<u>\$ 98,505,653.22</u>	<u>100.00%</u>	<u>\$ 96,202,175.87</u>	<u>100.00%</u>
Excess in Revenue	\$ 6,393,833.90		\$ 6,661,608.02	
Adjustments to Income Before Fund Balance:				
Expenditures Included above which are Deferred				
Charges to Budget of Succeeding Year	<u>270,000.00</u>			
Statutory Excess to Fund Balance	\$ <u>6,663,833.90</u>		\$ <u>6,661,608.02</u>	
Fund Balance, January 1	<u>10,103,009.60</u>		<u>10,441,401.58</u>	
	\$ 16,766,843.50		\$ 17,103,009.60	
Less: Utilization as Anticipated Revenue	<u>7,401,146.00</u>		<u>7,000,000.00</u>	
<u>Fund Balance, December 31</u>	<u>\$ 9,365,697.50</u>		<u>\$ 10,103,009.60</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	<u>1.824</u>	<u>1.799</u>	<u>1.733</u>
Apportionment of Tax Rate:			
Municipal	0.373	0.355	0.308
County	0.313	0.323	0.320
Regional School	1.138	1.121	1.105

ASSESSED VALUATIONS:

2009	<u>\$4,664,549,276.00</u>		
2008		<u>\$4,639,365,876.00</u>	
2007			<u>\$4,598,474,695.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH</u> <u>COLLECTION</u>	<u>CURRENTLY</u> <u>PERCENTAGE OF</u> <u>COLLECTIONS</u>
2009	\$88,023,874.47	\$86,814,441.83	98.62%
2008	\$86,385,299.30	\$85,283,363.07	98.72%
2007	\$82,714,915.85	\$81,708,782.55	98.78%

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last three years.

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2009	\$324,541.89	\$1,092,157.20	\$1,416,699.09	1.61%
2008	\$295,116.70	\$1,073,028.77	\$1,368,145.47	1.58%
2007	\$281,572.46	\$958,120.79	\$1,239,693.25	1.50%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>YEAR</u>	<u>AMOUNT</u>
2009	\$849,381.00
2008	\$855,981.00
2007	\$855,981.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2009	\$9,365,697.50	\$7,487,690.00 *
	2008	\$10,103,009.60	\$7,401,146.00
	2007	\$10,441,401.58	\$7,000,000.00
	2006	\$10,216,863.20	\$6,480,000.00
	2005	\$10,944,613.76	\$6,213,025.00

\* - Per Introduced Budget

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT</u>	<u>NAME OF CORPORATE SURETY</u>
William F. Larkin	Mayor	*	
J. David Hiers	Deputy Mayor	*	
William J. Garofalo	Councilmember	*	
Donna L. Schepiga	Councilmember	*	
Christopher P. Siciliano	Councilmember	*	
Andrew G. Brannen	Township Manager	*	
Vincent Buttiglieri	Township Clerk	*	
Stephen O. Gallagher	Director of Finance/Chief Financial Officer	*	
Stephen O. Gallagher	Tax Collector	*	
Antonio V. Amodio Jr.	Chief of Police	*	
William McMahan	Director of Public Works	*	
Dr. Richard Ponton	Director of Human Services	*	
Marianne Wilensky	Director of Community Development	*	
Joel Kreizman	Municipal Court Judge	*	
Jacqueline Dowd	Court Administrator	*	
Suzanne Thompson	Deputy Court Administrator	*	
Paul Vitale	Construction Official	*	
Edward Mullane	Tax Assessor	*	
Kathy Reiser	Recreation Administrator	*	

\*Public employees bonded by blanket performance bonds of the Mid-Jersey Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund in force covering each employee for a total of \$1,000,000.00.

All of the bonds were examined and were properly executed.

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COMMENTS AND RECOMMENDATIONS

CONTRACTS AND AGREEMENTS REQUIRED TO BE  
ADVERTISED FOR (N.J.S.A. 40A:11-4)

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (C.40A:11-3), except by contract or agreement.

Effective July 1, 2005 the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$21,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$21,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

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

- Road Construction Materials
- Towing Contract
- Mobile Computing Systems
- Half-Track Drive Windrow Turner
- Recycling Materials Recovery
- Recapping of Tires, Accessories and Road Service
- Motor Oil & Lubricants
- Improvements to Various Streets and Roads

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$21,000.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.40A:11-6.

CONTRACTS AND AGREEMENTS REQUIRED TO BE  
ADVERTISED FOR (N.J.S.A. 40A:11-4) (CONTINUED)

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" as required by N.J.S.A. 40:11-14:

Planner  
Engineering Services  
Attorney  
Appraisal Services  
Architect  
Reassessment Services  
Labor Council  
Bond Council

COLLECTION OF INTEREST ON DELINQUENT  
TAXES AND ASSESSMENTS

The statute provides the method for authorizing interest and the maximum rate to be charged for the non-payment of taxes or assessments on or before the date when they would become delinquent.

The governing body on March 16, 2009 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

"NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Ocean County of Monmouth that:

The rate of interest on unpaid taxes, assessments or other municipal charges shall be eight (8%) percent per annum on the first One Thousand Five Hundred (\$1,500.00) Dollars of delinquent taxes, assessments or other municipal charges that become delinquent after the due date and eighteen (18%) percent per annum on any amount in excess of One Thousand Five Hundred (\$1,500.00) Dollars to be calculated from the date the tax, assessments or other municipal charges was payable until the date of actual payment, provided that no interest shall be charged if payment of any installment is made on or before the tenth calendar day following the date upon which the same became payable and, where the 10<sup>th</sup> falls on a Saturday, Sunday or legal holiday, than they will be payable the next working day; and,

In addition to the interest provided above, on all delinquencies in excess of Ten Thousand (\$10,000.00) Dollars not paid prior to the end of the fiscal year, the Tax Collector shall also collect a penalty of six (6%) percent of the amount of the delinquency in excess of Ten Thousand (\$10,000.00)

COLLECTION OF INTEREST ON DELINQUENT  
TAXES AND ASSESSMENTS (CONTINUED)

For all taxes, assessments, and other municipal charges sold as tax liens to outside lien holders or struck to the Township of Ocean, a redemption penalty shall be charge for an additional two (2%) percent when the redemption is over \$200.00 but not over \$5,000.00; four (4%) percent when the redemption is over \$5,000.00 but less than \$10,000.00 and six (6%) percent for redemptions in excess of \$10,000.

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

VERIFICATION OF DELINQUENT TAXES  
AND OTHER CHARGES

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

<u>TYPE</u>	
Payments of 2010 Taxes	25
Payments of 2009 Taxes	25
Delinquent Taxes	25

TAX TITLE LIENS

The last tax sale was held on October 21, 2009 and was complete.

An examination of the tax sale certificates revealed all certificates were on file and available for audit.

The following is a comparison of the number of tax title liens receivable on December 31 of the last five years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2009	4
2008	3
2007	3

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

## OTHER COMMENTS

### Interfund Balances

Transactions invariably occur in one fund which require a corresponding entry to be made in another fund, thus creating interfund balances. Reference to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year. It is the Township's policy to review and liquidate all interfund balances on a periodic basis.

### Treasurer

On July 13, 2009 the Township adopted Ordinance #2127. It was later discovered that the Supplemental Debt Statement related to this Ordinance that had been submitted to the New Jersey Division of Local Government Services had not been approved prior to the adoption as required by N.J.S.A. 40A:2-10. The Township, on the advice of Bond Council adopted the Ordinance again on November 9, 2009.

### Township Clerk

Our examination of Professional Service Contract Awards revealed that the Township is not obtaining the C. 271 Political Contribution Disclosure form prior to awarding contracts under the "Non-Fair and Open" format. The Township did obtain the required Business Entity Disclosure Certification

### Purchasing

During the course of our audit we noted two vendors that were paid in excess of the bid threshold for items cover by State Contracts, but were not awarded by resolution of the governing body.

During the course of our audit we noted bid awards that did not provide a maximum amount but rather were awarded on a "per ton" basis. In order to comply with NJAC 5:30-5.5(b) the Chief Financial Officer must certify that funds are available. To do this a maximum amount must be defined within the award.

## RECOMMENDATIONS

That a Supplemental Debt Statement be approved by the Division of Local Government Services prior to final adoption of all Capital Ordinances.

That the required C. 271 Political Contribution Disclosure Form be obtained prior to the award of Professional Service Contracts under the "Non-Fair and Open" format.

That all contract awards in excess of the Bid Threshold be awarded by resolution of the governing body and that those awards specify either a specific price or a maximum amount to be expended.