

*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, 2011*



TOWNSHIP OF OCEAN

I N D E X

	<u>PAGES</u>
<u>PART I</u>	
Independent Auditor's Report	1-2
	<u>EXHIBITS</u>
<u>Financial Statements - Regulatory Basis</u>	
<u>Current Fund:</u>	
Balance Sheets - Regulatory Basis	"A"
Statements of Operations and Change in Fund Balance - Regulatory Basis for the Years Ended December 31, 2011 and 2010	"A-1"
Statement of Revenues - Regulatory Basis for the Year Ended December 31, 2011	"A-2"
Statement of Expenditures - Regulatory Basis – Year Ended December 31, 2011	"A-3"
<u>Trust Fund:</u>	
Balance Sheets - Regulatory Basis	"B"
Statement of Fund Balance – Regulatory Basis	"B-1"
<u>General Capital Fund:</u>	
Balance Sheets - Regulatory Basis	"C"
Statement of Fund Balance - Regulatory Basis	"C-1"
<u>Public Assistance Fund</u>	
Balance Sheets - Regulatory Basis	"D"
<u>General Fixed Assets Account Group</u>	
Balance Sheet - Regulatory Basis	"E"
	<u>PAGES</u>
Notes to Financial Statements	3-20

TOWNSHIP OF OCEAN

I N D E X (CONTINUED)

Supplementary Schedules - All Funds

EXHIBITS

Current Fund:

Schedule of Cash-Treasurer	"A-4"
Schedule of Cash-Collector	"A-5"
Schedule of Change Fund	"A-6"
Schedule of Petty Cash	"A-7"
Schedule of Due to State of New Jersey for Senior Citizens and Veterans Deductions	"A-8"
Schedule of Taxes Receivable and Analysis of Property Tax Levy	"A-9"
Schedule of Tax Title Liens	"A-10"
Schedule of Property Acquired for Taxes (At Assessed Valuation)	"A-11"
Schedule of Revenue Accounts Receivable	"A-12"
Schedule of Schedule of Deferred Charges N.J.S. 40A:4-55 Special Emergency	"A-13"
Schedule of 2010 Appropriation Reserves	"A-14"
Schedule of Reserve for Encumbrances	"A-15"
Schedule of Accounts Payable	"A-16"
Schedule of Contracts Payable	"A-17"
Schedule of Prepaid Fees and Licenses	"A-18"
Schedule of Prepaid Taxes	"A-19"
Schedule of Tax Overpayments	"A-20"
Schedule of Reserve for Library Expenditures	"A-21"
Schedule of Reserve for Due Township of Ocean Sewerage Authority	"A-22"
Schedule of Reserve for Revaluation	"A-23"
Schedule of Tax Appeals	"A-24"
Schedule of Reserve for Sale of Municipal Assets	"A-25"
Schedule of Reserve Due State of New Jersey	"A-26"
Schedule of Local District School Tax	"A-27"
Schedule of County Taxes Payable	"A-28"
Schedule of Due County for Added Taxes	"A-29"
Schedule of Fire District Taxes Payable	"A-30"
Schedule of Interfunds	"A-31"
Schedule of Grants Receivable	"A-32"
Schedule of Reserve for Grants-Appropriated	"A-33"
Schedule of Reserve for Grants-Unappropriated	"A-34"

TOWNSHIP OF OCEAN

I N D E X (CONTINUED)

EXHIBITS

Trust Fund:

Schedule of Trust Cash-Treasurer	"B-2"
Schedule of Trust Cash-Collector	"B-3"
Analysis of Assessment Cash	"B-4"
Schedule of Assessments Receivable	"B-5"
Schedule of Due General Capital Fund	"B-6"
Schedule of Reserve for Assessments	"B-7"
Schedule of Animal License Fees Due State of New Jersey	"B-8"
Schedule of Reserve for Animal Control Fund Expenditures	"B-9"
Schedule of Reserve for Encumbrances	"B-10"
Schedule of Reserve for State Unemployment Insurance	"B-11"
Schedule of Reserve for Payroll Deductions Payable	"B-12"
Schedule of Reserve for Miscellaneous Deposits and Reserves	"B-13"
Schedule of Due Current Fund	"B-14"

General Capital Fund:

Schedule of General Capital Cash	"C-2"
Analysis of General Capital Cash and Investments	"C-3"
Schedule of Due Current Fund	"C-4"
Schedule of Deferred Charges to Future Taxation-Funded	"C-5"
Schedule of Deferred Charges to Future Taxation-Unfunded	"C-6"
Schedule of Capital Improvement Fund	"C-7"
Schedule of Improvement Authorizations	"C-8"
Schedule of Due Assessment Trust Fund	"C-9"
Schedule of General Serial Bonds	"C-10"
Schedule of Bond Anticipation Notes	"C-11"
Schedule of Green Acres Loan Payable	"C-12"
Schedule of Contracts Payable	"C-13"
Schedule of Various Reserves	"C-14"
Schedule of Grants Receivable	"C-15"
Schedule of Bonds and Notes Authorized But Not Issued	"C-16"

Public Assistance Trust Fund:

Schedule of Public Assistance Cash-Treasurer	"D-1"
Schedule of Public Assistance Cash and Reconciliation Per N.J.S.A. 40A:5-5	"D-2"
Schedule of Public Assistance Cash and Reconciliation for the Year Ended December 31, 2011	"D-3"

TOWNSHIP OF OCEAN

I N D E X (CONTINUED)

	<u>PAGES</u>
<u>PART II</u>	
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	21-22
Schedule of Expenditures of Federal Awards Year Ended December 31, 2011	23
Schedule of Expenditures of State Financial Assistance Year Ended December 31, 2011	24
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance Year Ended December 31, 2011	25-26
<u>PART III</u>	
Statistical Data	27-29
Officials in Office and Surety Bonds	30
Comments and Recommendations	31-34

TOWNSHIP OF OCEAN

PART I

INDEPENDENT AUDITOR'S REPORT ON  
AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES AND DATA

FINANCIAL STATEMENTS – REGULATORY BASIS – ALL FUNDS

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2011



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

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

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 - regulatory 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, 2011 and 2010 and for the year ended December 31, 2011, as listed as financial statements - regulatory basis in the foregoing table of contents. These financial statements - regulatory 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, 2011 and 2010 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, 2011.

However, in our opinion, the financial statements - regulatory basis present fairly, in all material respects, the financial position - regulatory basis of the various individual funds and account group of the Township of Ocean, County of Monmouth, as of December 31, 2011 and 2010, and the results of its operations and changes in fund balance - regulatory basis for the years then ended and the revenues, expenditures and changes in fund balance - regulatory basis for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated July 3, 2012 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 - regulatory basis taken as a whole. The information included in the schedules of expenditures of federal awards and 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

July 3, 2012

**THIS PAGE INTENTIONALLY LEFT BLANK**

CURRENT FUND

TOWNSHIP OF OCEAN

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2011</u>	<u>BALANCE DECEMBER 31, 2010</u>
Current Fund:			
Cash - Treasurer	A-4	\$ 12,744,524.71	\$ 13,812,288.94
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	1,828.08	1,324.65
		<u>\$ 12,748,472.79</u>	<u>\$ 13,815,733.59</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	\$ 1,108,375.14	\$ 1,394,363.41
Tax Title Liens Receivable	A-10	426,341.46	390,218.95
Property Acquired for Taxes - Assessed Valuation	A-11	849,381.00	849,381.00
Revenue Accounts Receivable	A-12	43,278.40	44,716.64
Interfunds Receivable	A-31	11,412.67	5,882.27
Prepaid School Taxes	A-27	6,944.64	
	A	<u>\$ 2,445,733.31</u>	<u>\$ 2,684,562.27</u>
Deferred Charges:			
Special Emergency Appropriation (40A:4-55)	A-13	\$ 162,000.00	\$ 216,000.00
		<u>\$ 162,000.00</u>	<u>\$ 216,000.00</u>
		<u>\$ 15,356,206.10</u>	<u>\$ 16,716,295.86</u>
Grant Fund:			
Cash	A-4	\$ 669.95	\$ 669.95
Grants Receivable	A-32	555,910.83	441,662.61
Interfunds Receivable	A-31	500,894.65	1,081,830.52
		<u>\$ 1,057,475.43</u>	<u>\$ 1,524,163.08</u>

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

TOWNSHIP OF OCEAN

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2011</u>	<u>BALANCE DECEMBER 31, 2010</u>
Current Fund:			
Liabilities:			
Interfunds Payable	A-31	\$ 671,186.51	\$ 1,100,297.58
Appropriation Reserves	A-3:A-14	1,724,932.27	2,076,743.01
Encumbrances Payable	A-15	613,498.45	525,036.74
Accounts Payable	A-16	275,400.99	192,518.66
Contracts Payable	A-17		171,864.82
Prepaid Fees & Permits	A-18	8,567.50	9,212.50
Prepaid Taxes	A-19	943,874.54	813,153.17
Tax Overpayments	A-20	39,600.13	287,128.20
Due Township of Ocean Sewerage Authority	A-22	285.04	285.04
Local District School Tax Payable	A-27		14,553.04
Reserve for:			
Security Deposit		2,500.00	2,500.00
Library Expenditures	A-21	42,041.88	46,339.40
Revaluation	A-23	46,300.00	46,300.00
Tax Appeals	A-24	455,822.35	450,000.00
Sale of Municipal Assets	A-25	53,620.85	36,420.85
Due State of New Jersey	A-26	5,477.01	2,163.00
Deposit on Sale of Land		8,000.00	8,000.00
County Taxes Payable	A-29	38,890.05	39,921.78
		\$ 4,929,997.57	\$ 5,822,437.79
Reserve for Receivables	A	2,445,733.31	2,684,562.27
Fund Balance	A-1	7,980,475.22	8,209,295.80
		\$ 15,356,206.10	\$ 16,716,295.86
Grant Fund:			
Reserve for Grants:			
Appropriated	A-33	\$ 846,737.00	\$ 640,418.48
Unappropriated	A-34	50,447.72	161,459.83
Encumbrances Payable	A-15	24,290.71	586,284.77
Due General Capital Fund		136,000.00	136,000.00
		\$ 1,057,475.43	\$ 1,524,163.08

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 - REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF.</u>	<u>YEAR 2011</u>	<u>YEAR 2010</u>
Fund Balance Utilized	A-2	\$ 7,249,437.00	\$ 7,487,690.00
Receipts from Delinquent Taxes	A-2	1,394,019.99	1,049,578.91
Receipts from Current Taxes	A-2	91,065,595.98	89,267,065.25
Miscellaneous Revenue Anticipated	A-2	6,264,702.36	6,221,089.10
Non-Budget Revenue	A-2	1,421,473.09	946,006.58
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	1,863,286.40	1,866,662.11
Interfunds Returned			4,047.87
<u>TOTAL INCOME</u>		<u>\$ 109,258,514.82</u>	<u>\$ 106,842,139.82</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations (Within "CAPS"):			
Operations (Including Contingent)	A-3	\$ 21,691,595.00	\$ 21,560,626.00
Deferred Charges and Statutory Expenditures Municipal Budget (Excluded from "CAPS"):	A-3	2,748,489.00	2,455,793.69
Operations	A-3	1,367,336.65	1,098,220.21
Capital Improvements	A-3	140,680.00	284,154.00
Municipal Debt Service	A-3	2,614,888.02	2,550,391.28
Deferred Charges - Municipal	A-3	54,000.00	54,000.00
Local District School Tax	A-27	56,096,822.54	54,575,836.25
County Taxes	A-28	14,238,468.52	15,076,055.91
Due County for Added and Omitted Taxes	A-29	38,890.05	39,921.81
Fire District Taxes	A-30	2,615,957.00	2,565,008.00
Refund of Prior Year's Revenue	A-4	1,039.34	985.00
Prior Years Tax Appeals	A-24	615,507.24	249,859.37
Interfunds Advanced		5,530.40	
Reserve for Prepaid School Tax		6,944.64	
Prior Year Senior Citizens Disallowed	A-8	1,750.00	
<u>TOTAL EXPENDITURES</u>		<u>\$ 102,237,898.40</u>	<u>\$ 100,510,851.52</u>
Excess in Revenue		\$ 7,020,616.42	\$ 6,331,288.30
<u>FUND BALANCE</u>			
Balance, January 1	A	8,209,295.80	9,365,697.50
		<u>\$ 15,229,912.22</u>	<u>\$ 15,696,985.80</u>
Decreased by:			
Utilized as Anticipated Revenue	A-1:A-2	<u>7,249,437.00</u>	<u>7,487,690.00</u>
Balance, December 31	A	<u>\$ 7,980,475.22</u>	<u>\$ 8,209,295.80</u>

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
		BUDGET	SPECIAL N.J.S. 40A: 4-87		
Fund Balance Appropriated	A-1	\$ 7,249,437.00		\$ 7,249,437.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-12	\$ 28,000.00		\$ 43,314.00	\$ 15,314.00
Other	A-2	33,200.00		70,177.25	36,977.25
Fees and Permits:					
Construction Code Official	A-12	350,000.00		568,975.00	218,975.00
Other	A-2	514,308.00		559,538.90	45,230.90
Fines and Costs:					
Municipal Court	A-2	370,000.00		613,649.99	243,649.99
Interest and Costs on Taxes	A-12	105,000.00		342,364.81	237,364.81
Interest on Investments and Deposits	A-12	182,327.00		138,810.37	(43,516.63)
Payment in Lieu of Taxes - Senior Citizens Housing	A-12	30,000.00		37,937.10	7,937.10
Swim Pool Membership Fees	A-2	145,000.00		161,653.25	16,653.25
Swim Pool Snack Bar Rental Fees	A-12	12,000.00		12,000.00	
Swim Pool Guest Fees	A-12	50,000.00		70,110.00	20,110.00
Colonial Terrace Golf Course	A-12	355,831.00		323,130.04	(32,700.96)
Consolidated Municipal Property Tax Relief Aid	A-12	137,793.00		137,793.00	
Energy Receipts Tax	A-12	2,390,751.00		2,390,751.00	
Sewerage Authority Interlocal Agreement	A-12	80,500.00		68,750.00	(11,750.00)
Recycling Tonnage Grant	A-32	55,235.00	57,682.10	112,917.10	
Clean Communities Program	A-32		50,406.55	50,406.55	
Municipal Alliance on Alcoholism and Drug Abuse	A-32	28,615.00	4,867.00	33,482.00	
Safe & Secure Communities	A-32	55,837.00		55,837.00	
Monmouth County Drug Abuse Council	A-32	42,812.00	1,687.00	44,499.00	
Outpatient Services Grant	A-32	44,960.00	4,480.00	49,440.00	
Body Armor Replacement Fund	A-32	2,038.00		2,038.00	
DYFS Parent/Child Visitation Grant	A-32	49,912.00	25,088.00	75,000.00	
Community Development Block Grant	A-32	12,783.00		12,783.00	
Municipal Recycling Service Improvement	A-32	150,000.00		150,000.00	
Reserve for Payment of Bonds	A-12	130,000.00		130,000.00	
Sustainable Land Use Planning Grant	A-32		4,500.00	4,500.00	
DARE Program	A-32		750.00	750.00	
Mid Jersey Municipal Joint Insurance Fund - 2011	A-32		4,095.00	4,095.00	
	A-1	\$ 5,356,902.00	\$ 153,555.65	\$ 6,264,702.36	\$ 754,244.71
Receipts From Delinquent Taxes	A-1	\$ 500,000.00		\$ 1,394,019.99	\$ 894,019.99
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Budget	A-2:A-9	\$ 19,171,988.00		\$ 21,869,663.87	\$ 2,697,675.87
<u>Budget Totals</u>		\$ 32,278,327.00	\$ 153,555.65	\$ 36,777,823.22	\$ 4,345,940.57
Non-Budget Revenue	A-2			1,421,473.09	1,421,473.09
		\$ 32,278,327.00	\$ 153,555.65	\$ 38,199,296.31	\$ 5,767,413.66
	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 - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>REF.</u>		
<u>ANALYSIS OF REALIZED REVENUE</u>			
Allocation of Current Tax Collections:			
Collections on a Cash Basis	A-1;A-9	\$	91,065,595.98
Allocated to:			
School and County Taxes			<u>72,990,138.11</u>
Balance for Support of Municipal Budget Appropriations		\$	18,075,457.87
Add: Appropriation "Reserve for Uncollected Taxes"	A-3		<u>3,794,206.00</u>
Amount for Support of Municipal Budget	A-2	\$	<u><u>21,869,663.87</u></u>
Licenses - Other			
Clerk	A-12	\$	37,997.25
Community Services	A-12		<u>32,055.00</u>
			70,052.25
Add: Prepaid Applied	A-18		<u>125.00</u>
	A-2	\$	<u><u>70,177.25</u></u>
Fees and Permits - Other:			
Clerk	A-12	\$	96,860.00
Police Department	A-12		61,040.25
Board of Adjustment	A-12		37,976.75
Planning Board	A-12		39,870.80
Construction Code - Local Fees	A-12		41,945.00
Recreation	A-12		161,604.60
Public Works	A-12		29,800.00
Human Services	A-12		84,496.50
Tax Collector	A-12		580.00
			<u>554,173.90</u>
Add: Prepaid Applied	A-18		<u>5,580.00</u>
			559,753.90
Less : Refunds Payable	A-16		<u>215.00</u>
	A-2	\$	<u><u>559,538.90</u></u>
Swim Pool Membership Fees	A-12	\$	156,825.75
Add: Prepaid Applied	A-18		<u>4,827.50</u>
	A-2	\$	<u><u>161,653.25</u></u>
Municipal Court	A-12	\$	613,724.99
Less: Refund Payable	A-16		<u>75.00</u>
	A-2	\$	<u><u>613,649.99</u></u>

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>REF.</u>		
<u>ANALYSIS OF NON-BUDGET REVENUE</u>			
Miscellaneous Revenue Not Anticipated:			
Treasurer:			
Sale Gasoline/Diesel		\$	73,421.37
Facility Rental			77,666.13
Billboard Rental			41,931.21
Tower Lease			117,492.64
Sale of Scrap and Mixed Paper			220,080.90
MCMJIF - Refund			24,798.00
Cable Franchise Fee			159,105.84
Police Internet Auction			44,989.65
Police Cars/ Township Vehicles Use			128,957.50
Boise Business Interiors Rent			53,416.26
Weldon Settlement			2,933.34
Township of Long Branch - Court Space			21,600.00
FEMA Reimbursements			257,344.51
Garbage Cart Lease			37,980.00
Miscellaneous			149,508.00
	A-4	\$	<u>1,411,225.35</u>
Animal Control Statutory Excess	A-31		<u>10,477.74</u>
			1,421,703.09
Less: Refunds Payable	A-16		<u>230.00</u>
	A-1:A-2	\$	<u><u>1,421,473.09</u></u>

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<u>GENERAL GOVERNMENT:</u>					
Official of the Governing Body					
Salaries & Wages	\$ 27,550.00	\$ 27,550.00	\$ 27,342.49	\$ 207.51	
Other Expenses	5,030.00	5,530.00	3,847.78	1,682.22	
Office of the Township Manager					
Salaries & Wages	276,816.00	276,816.00	269,609.27	7,206.73	
Other Expenses	40,850.00	50,850.00	35,648.25	15,201.75	
Office of the Township Clerk					
Salaries & Wages	157,745.00	157,745.00	156,362.73	1,382.27	
Other Expenses	60,125.00	61,125.00	57,324.91	3,800.09	
Financial Administration					
Salaries & Wages	261,300.00	261,300.00	256,584.54	4,715.46	
Other Expenses	15,950.00	20,950.00	16,492.55	4,457.45	
Audit	31,200.00	31,200.00		31,200.00	
Data Processing					
Salaries & Wages	64,912.00	66,912.00	66,605.92	306.08	
Other Expenses	72,950.00	92,950.00	86,960.48	5,989.52	
Collection of Taxes					
Salaries & Wages	129,119.00	129,119.00	125,309.84	3,809.16	
Other Expenses	5,350.00	7,850.00	7,450.55	399.45	
Assessment of Taxes					
Salaries & Wages	139,339.00	139,339.00	139,213.00	126.00	
Other Expenses	102,250.00	112,250.00	68,778.47	43,471.53	
Legal Services and Costs					
Other Expenses	302,240.00	377,240.00	332,289.43	44,950.57	
Engineering Services and Costs					
Other Expenses	50,300.00	74,300.00	62,902.50	11,397.50	
Planning Board					
Other Expenses	14,550.00	14,550.00	11,708.21	2,841.79	
Board of Adjustment					
Other Expenses	25,600.00	25,600.00	17,782.50	7,817.50	
Office of Planning Administration					
Salaries & Wages	231,158.00	231,158.00	221,594.26	9,563.74	
Other Expenses	11,550.00	11,550.00	10,465.78	1,084.22	
Insurance:					
General Liability	378,039.00	372,039.00	324,809.51	47,229.49	
Workers Compensation Insurance	642,976.00	642,976.00	642,476.48	499.52	
Employees Group	2,283,317.00	2,223,317.00	1,682,182.45	541,134.55	
Employee Health Benefits Waiver	54,000.00	54,000.00	43,229.20	10,770.80	
<u>PUBLIC SAFETY:</u>					
Police:					
Salaries & Wages	6,119,624.00	6,154,624.00	6,093,265.00	61,359.00	
Other Expenses	297,903.00	303,903.00	296,891.10	7,011.90	
Police Dispatch/911:					
Salaries & Wages	338,918.00	363,918.00	362,124.47	1,793.53	
Other Expenses	1,750.00	1,750.00		1,750.00	
Office of Emergency Management:					
Other Expenses	5,000.00	5,000.00	3,796.66	1,203.34	
Municipal Prosecutor:					
Salaries & Wages	34,815.00	34,815.00	33,486.00	1,329.00	
Other Expenses	2,100.00	2,100.00	775.00	1,325.00	
<u>PUBLIC WORKS:</u>					
Office of the Director:					
Salaries & Wages	299,435.00	239,435.00	223,182.40	16,252.60	
Other Expenses	16,050.00	16,050.00	8,957.56	7,092.44	
Street and Roads Maintenance:					
Salaries & Wages	723,805.00	723,805.00	644,645.61	79,159.39	
Other Expenses	169,500.00	169,500.00	126,446.02	43,053.98	
Maintenance of Equipment:					
Salaries & Wages	240,212.00	227,612.00	198,374.59	29,237.41	
Other Expenses	425,500.00	475,500.00	433,151.15	42,348.85	
Garbage and Trash Removal:					
Salaries & Wages	1,157,972.00	1,097,972.00	1,052,332.06	45,639.94	
Other Expenses	10,035.00	10,035.00	7,060.14	2,974.86	
Recycling					
Salaries & Wages	29,995.00	29,995.00	26,585.64	3,409.36	
Other Expenses	3,645.00	3,645.00	209.88	3,435.12	
Public Buildings and Grounds					
Salaries & Wages	706,755.00	706,755.00	651,866.16	55,088.84	
Other Expenses	313,000.00	263,000.00	213,493.99	49,506.01	
Community Services Act					
Other Expenses	40,000.00	40,000.00	31,307.43	8,692.57	
<u>HEALTH AND HUMAN SERVICES:</u>					
Board of Health:					
Salaries & Wages	66,162.00	70,162.00	69,800.57	361.43	
Other Expenses	190,550.00	190,550.00	183,770.40	6,779.60	
Animal Control Services:					
Other Expenses	34,100.00	34,100.00	25,575.00	8,525.00	
Office of the Director of Human Services					
Salaries & Wages	178,668.00	178,668.00	173,975.40	4,692.60	
Other Expenses	5,500.00	5,500.00	4,493.70	1,006.30	

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<u>HEALTH AND HUMAN SERVICES:</u>					
Community Services Department:					
Salaries & Wages	\$ 193,769.00	\$ 193,769.00	\$ 159,719.60	\$ 34,049.40	
Other Expenses	22,150.00	22,150.00	15,299.32	6,850.68	
Alliance to Prevent Alcoholism and Drug Abuse:					
Salaries & Wages	18,065.00	18,065.00	18,065.00		
Other Expenses	7,047.00	7,047.00	7,047.00		
<u>PARKS AND RECREATION:</u>					
Recreation :					
Salaries & Wages	385,886.00	385,886.00	376,897.95	8,988.05	
Other Expenses	77,135.00	77,135.00	70,329.99	6,805.01	
Senior Citizens Transportations:					
Other Expenses	18,550.00	18,550.00	15,007.00	3,543.00	
Pool And Tennis Club:					
Salaries & Wages	85,464.00	85,464.00	70,656.34	14,807.66	
Other Expenses	37,795.00	40,295.00	36,930.53	3,364.47	
Colonial Terrace Golf Course:					
Salaries & Wages	83,802.00	83,802.00	72,669.71	11,132.29	
Other Expenses	282,330.00	282,330.00	278,679.55	3,650.45	
Celebration of Public Events, Anniversary of Holiday:					
Other Expenses	17,000.00	17,000.00	15,999.36	1,000.64	
<u>EDUCATION FUNCTIONS:</u>					
Maintenance of Free Public Library					
Salaries & Wages	7,000.00	7,000.00		7,000.00	
Other Expenses	25,500.00	25,500.00		25,500.00	
<u>OTHER COMMON OPERATING FUNCTIONS:</u>					
Formula Participation in Deal Lake Commission					
Other Expenses	19,750.00	19,750.00	19,750.00		
Purchase of Township Vehicles					
Other Expenses	140,000.00	140,000.00	135,997.90	4,002.10	
Postage	45,000.00	49,000.00	48,776.06	223.94	
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	13,000.00	13,000.00	6,909.09	6,090.91	
Shade Tree Commission					
Other Expenses	1,500.00	1,500.00	760.69	739.31	
Environmental Commission (N.J.S.A. 40:56A-1 et. seq.) :					
Other Expenses	2,900.00	2,900.00	998.92	1,901.08	
<u>UTILITY EXPENSES AND BULK PURCHASES:</u>					
Electric	344,000.00	294,000.00	247,851.65	46,148.35	
Street Lighting	250,000.00	250,000.00	220,604.84	29,395.16	
Telephone	65,900.00	65,900.00	59,347.63	6,552.37	
Water	58,000.00	58,000.00	45,957.56	12,042.44	
Natural Gas	115,000.00	115,000.00	109,699.85	5,300.15	
Heating Oil	10,600.00	12,600.00	12,266.75	333.25	
Age Processing Disposal	13,960.00	18,560.00	18,485.60	74.40	
Fuel	500,050.00	540,050.00	512,745.20	27,304.80	
Landfill/Solid Waste Costs					
Other Expenses	911,500.00	871,500.00	791,348.16	80,151.84	
State Uniform Construction Code- Construction Official					
Salaries & Wages	316,575.00	316,575.00	307,776.97	8,798.03	
Other Expenses	77,425.00	77,425.00	62,445.62	14,979.38	
Municipal Court					
Salaries & Wages	237,707.00	237,707.00	235,685.05	2,021.95	
Other Expenses	18,625.00	18,625.00	13,102.45	5,522.55	
Public Defender (P.L. 1997, C. 256)					
Salaries & Wages	15,600.00	15,600.00	14,400.00	1,200.00	
Other Expenses	3,000.00	3,000.00		3,000.00	
Garbage and Trash Removal:					
Reimbursement to Multi-Family Dwellings:					
Other Expenses	270,000.00	275,300.00	275,280.00	20.00	
<u>TOTAL OPERATIONS WITHIN "CAPS"</u>	<u>21,696,795.00</u>	<u>21,686,595.00</u>	<u>20,019,828.37</u>	<u>1,666,766.63</u>	
<u>CONTINGENT</u>	<u>5,000.00</u>	<u>5,000.00</u>		<u>5,000.00</u>	
<u>TOTAL OPERATIONS (INCLUDING CONTINGENT) WITHIN "CAPS"</u>	<u>21,701,795.00</u>	<u>21,691,595.00</u>	<u>20,019,828.37</u>	<u>1,671,766.63</u>	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL</u>					
Contribution To:					
Public Employees Retirement System	655,585.00	659,785.00	659,768.74	16.26	
Social Security System (O.A.S.I.)	576,472.00	582,472.00	568,080.85	14,391.15	
Police & Firemen's Retirement System of N.J.	1,491,232.00	1,491,232.00	1,491,232.00		
Unemployment Trust Reserve Account	15,000.00	15,000.00	15,000.00		
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>	<u>2,738,289.00</u>	<u>2,748,489.00</u>	<u>2,734,081.59</u>	<u>14,407.41</u>	
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u>	<u>24,440,084.00</u>	<u>24,440,084.00</u>	<u>22,753,909.96</u>	<u>1,686,174.04</u>	

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
COPS Universal Hiring Program:					
Police:					
Salaries and Wages	\$ 102,111.00	\$ 102,111.00	\$ 102,110.88	\$ 0.12	
Other Expenses:	20,569.00	20,569.00		20,569.00	
Insurance:					
Employees Group	282,219.00	282,219.00	282,219.00		
Recycling Tax:					
Other Expenses	34,131.00	34,131.00	34,131.00		
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	<b>439,030.00</b>	<b>439,030.00</b>	<b>418,460.88</b>	<b>20,569.12</b>	
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>					
Sewage Authority Interlocal Agreement	80,500.00	80,500.00	78,506.89	1,993.11	
<b>TOTAL INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>	<b>80,500.00</b>	<b>80,500.00</b>	<b>78,506.89</b>	<b>1,993.11</b>	
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</b>					
County of Monmouth Drug Abuse Council: (N.J.S.A. 40A: 4-87 \$1,687.00)					
Department of Human Services:					
Salaries and Wages	42,812.00	44,499.00	44,499.00		
State of NJ - Supplemental Fire Services Program:					
Other Expenses	9,841.00	9,841.00	9,841.00		
State of NJ - Safe & Secure Communities Program:					
Police - Grant Portion:					
Salaries and Wages	55,837.00	55,837.00	55,837.00		
Police - Matching Portion:					
Salaries and Wages	164,296.00	164,296.00	164,296.00		
Other Expenses	41,355.00	41,355.00	41,355.00		
Community Development Block Grant					
Other Expenses	12,783.00	12,783.00	12,783.00		
Alliance To Prevent Drug And Alcohol Abuse					
Grant Portion:					
Salaries & Wages	28,615.00	28,615.00	28,615.00		
Matching Portion:					
Salaries & Wages	6,021.00	6,021.00	6,021.00		
Other Expenses (N.J.S.A. 40A: 4-87 \$4,867.00):	546.00	5,413.00	5,413.00		
Monmouth County Historic Grant:					
Matching Portion:					
Other Expenses (N.J.S.A. 40A: 4-87 \$2,500.00):	5,000.00	7,500.00	7,500.00		
Sustainable Land Use Planning Grant 2011 (N.J.S.A. 40A: 4-87 \$4,500.00):					
			4,500.00		
DARE 2011 Grant Award (N.J.S.A. 40A: 4-87 \$750.00):					
			750.00		
JIF Safety Awareness Program Grants (N.J.S.A. 40A: 4-87 \$4,095.00):					
			4,095.00		
Municipal Recycling Improvement Services Grant	150,000.00	150,000.00	150,000.00		
Body Armor Replacement Fund					
Salaries & Wages	2,038.00	2,038.00	2,038.00		
State of New Jersey:					
Clean Communities Program (N.J.S.A. 40A 4-87 \$50,406.55)		50,406.55	50,406.55		
Recycling Tonnage Grant (N.J.S.A. 40A 4-87 \$57,682.10):					
Other Expenses	55,235.00	112,917.10	112,917.10		
Outpatient Services Grant (N.J.S.A. 40A 4-87 \$4,480.00):					
Salaries & Wages	44,960.00	49,440.00	49,440.00		
DYFYS Parent Child Visitation Grant (N.J.S.A. 40A 4-87 \$25,088.00)					
Salaries & Wages	49,912.00	75,000.00	75,000.00		
Matching Funds for Grants	25,000.00	22,500.00	6,304.00	16,196.00	
<b>TOTAL PUBLIC AND PRIVATE PROGS. OFFSET BY REVENUES</b>	<b>694,251.00</b>	<b>847,806.65</b>	<b>831,610.65</b>	<b>16,196.00</b>	
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>					
Capital Improvement Fund					
New Jersey Transportation Trust Fund Auth. Act	140,680.00	140,680.00	140,680.00		
<b>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>	<b>140,680.00</b>	<b>140,680.00</b>	<b>140,680.00</b>		
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>					
Payment of Bond Principal	1,697,000.00	1,697,000.00	1,697,000.00		
Payment of Bond Anticipation Notes	66,000.00	66,000.00	65,644.00		356.00
Interest on Bonds	776,193.00	776,193.00	776,190.66		2.34
Interest on Notes	77,221.00	77,221.00	56,891.61		20,329.39
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>2,635,576.00</b>	<b>2,635,576.00</b>	<b>2,614,888.02</b>		<b>20,687.98</b>

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<u>DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"</u>					
Deferred Charges:					
Special Emergency Authorizations- 5 Years (N.J.S.A. 40A:4-55)	\$ 54,000.00	\$ 54,000.00	\$ 54,000.00	\$	
TOTAL DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"	54,000.00	54,000.00	54,000.00		
<u>TOTAL GENERAL APPROPRIATIONS EXCLUDED FROM "CAPS"</u>	<u>4,044,037.00</u>	<u>4,197,592.65</u>	<u>4,138,146.44</u>	<u>38,758.23</u>	<u>20,687.98</u>
SUB-TOTAL GENERAL APPROPRIATIONS	28,484,121.00	28,637,676.65	26,892,056.40	1,724,932.27	20,687.98
RESERVE FOR UNCOLLECTED TAXES	3,794,206.00	3,794,206.00	3,794,206.00		
<u>TOTAL GENERAL APPROPRIATIONS</u>	<u>\$ 32,278,327.00</u>	<u>\$ 32,431,882.65</u>	<u>\$ 30,686,262.40</u>	<u>\$ 1,724,932.27</u>	<u>\$ 20,687.98</u>
	REF. A-2		A-1	A:A-1	
Budget	A-3	\$ 32,278,327.00			
Appropriations by 40A:4-87	A-2	153,555.65			
		\$ 32,431,882.65			
Encumbrances	A-15		\$ 613,498.45		
Grants Programs	A-33		831,610.65		
Deferred Charges - 40a; 4-55	A-13		54,000.00		
Reserve for Uncollected Taxes	A-2		3,794,206.00		
Disbursed	A-4	\$ 25,691,975.78			
Less: Refunds	A-4	299,028.48			
			25,392,947.30		
			\$ 30,686,262.40		

**THIS PAGE INTENTIONALLY LEFT BLANK**

TRUST FUND

## TOWNSHIP OF OCEAN

## TRUST FUND

## BALANCE SHEETS-REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2011	BALANCE DECEMBER 31, 2010
<u>ASSETS</u>			
Assessment Fund:			
Cash	B-2	\$ 236,770.71	\$ 161,185.67
Assessments Receivable	B-5	186,327.43	160,321.08
		<u>\$ 423,098.14</u>	<u>\$ 321,506.75</u>
Animal Control Fund:			
Cash	B-2	\$ 29,724.61	\$ 18,994.83
		<u>\$ 29,724.61</u>	<u>\$ 18,994.83</u>
Other Funds:			
Cash	B-2	\$ 4,848,681.13	\$ 5,514,193.52
Due Current	B-14	170,291.86	
		<u>\$ 5,018,972.99</u>	<u>\$ 5,514,193.52</u>
		<u>\$ 5,471,795.74</u>	<u>\$ 5,854,695.10</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Fund:			
Due General Capital Fund	B-6	224,016.48	122,421.84
Due Current Fund	B-14	0.57	3.82
Reserve for Assessments Receivable	B-7	81,042.66	106,288.84
Fund Balance	B-1	118,038.43	92,792.25
		<u>\$ 423,098.14</u>	<u>\$ 321,506.75</u>
Animal Control Fund:			
Due Current Fund	B-14	10,478.01	1.83
Due State of New Jersey	B-8	4.20	
Reserve for Animal Control Fund Expenditures	B-9	19,242.40	18,838.00
Reserve for Encumbrances	B-10		155.00
		<u>\$ 29,724.61</u>	<u>\$ 18,994.83</u>
Other Funds:			
Reserve for Encumbrances	B-10	\$ 38,314.10	\$ 93,886.60
Reserve For:			
Unemployment Insurance	B-11	59,667.64	93,860.23
Payroll Deductions	B-12	122,295.88	167,188.92
Miscellaneous Deposits	B-13	4,798,695.37	5,153,381.15
Due Current Fund	B-14		5,876.62
		<u>\$ 5,018,972.99</u>	<u>\$ 5,514,193.52</u>
		<u>\$ 5,471,795.74</u>	<u>\$ 5,854,695.10</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-REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2010	B	\$	92,792.25
Increased by:			
Collections Applied	B-7		<u>25,246.18</u>
Balance, December 31, 2011	B	\$	<u><u>118,038.43</u></u>

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

**THIS PAGE INTENTIONALLY LEFT BLANK**

GENERAL CAPITAL FUND

"C"

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>
<u>ASSETS</u>			
Cash	C-2; C-3	\$ 4,373,728.76	\$ 3,524,881.22
Due Grant Fund		136,000.00	136,000.00
Due Current Fund	C-4		18,467.06
Due Assessment Trust Fund	C-9	224,016.48	122,421.84
Grant Receivable	C-15	160,000.00	
Deferred Charges to Future Taxation:			
Funded	C-5	16,059,384.23	17,774,525.72
Unfunded	C-6	8,326,768.52	6,546,841.17
		<u>\$ 29,279,897.99</u>	<u>\$ 28,123,137.01</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-10	\$ 16,022,000.00	\$ 17,719,000.00
Bond Anticipation Note	C-11	8,027,835.00	4,564,007.00
Green Acres Loan Payable	C-12	37,384.23	55,525.72
Contracts Payable	C-13	1,190,268.11	2,348,574.66
Various Reserves	C-14	545,744.29	558,060.29
Improvement Authorizations:			
Funded	C-8	54,096.19	660,785.18
Unfunded	C-8	2,895,928.33	2,073,035.07
Due Current Fund	C-4	934.09	
Capital Improvement Fund	C-7	118,781.72	93,211.72
Fund Balance	C-1	386,926.03	50,937.37
		<u>\$ 29,279,897.99</u>	<u>\$ 28,123,137.01</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 - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2010	C	\$	50,937.37
Increased by:			
Premium on Sale of Notes	C-2		77,348.19
Cancelation of Funded Improvement Authorizations	C-8		<u>658,640.47</u>
		\$	<u>786,926.03</u>
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-8		<u>400,000.00</u>
Balance, December 31, 2011	C	\$	<u><u>386,926.03</u></u>

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

**THIS PAGE INTENTIONALLY LEFT BLANK**

PUBLIC ASSISTANCE TRUST FUND

TOWNSHIP OF OCEAN

PUBLIC ASSISTANCE FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</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

"E"

TOWNSHIP OF OCEAN

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEET - STATUTORY BASIS

	BALANCE DECEMBER <u>31, 2011</u>	BALANCE DECEMBER <u>31, 2010</u>
Fixed Assets:		
Land	\$ 16,497,922.00	\$ 16,277,918.00
Buildings	4,027,449.00	4,027,449.00
Machinery and Equipment	<u>12,405,077.70</u>	<u>11,240,600.10</u>
<u>Total Fixed Assets</u>	\$ <u>32,930,448.70</u>	\$ <u>31,545,967.10</u>
Reserve:		
Investments in General Fixed Assets	\$ <u>32,930,448.70</u>	\$ <u>31,545,967.10</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, 2011 AND 2010

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, 2011:

<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	\$12,690,179.88	\$513,663.90	\$1,304,970.44		\$11,898,873.34
Cert. of Deposits	5,684,142.26				\$5,684,142.26
Money Market	4,169,481.47				\$4,169,481.47
N.J. Cash Management Fund	543,166.73				\$543,166.73
NJ Asset Rebate Management Fund	1,129.88				\$1,129.88
Change Funds				\$2,120.00	2,120.00
	<u>\$23,088,100.22</u>	<u>\$513,663.90</u>	<u>\$1,304,970.44</u>	<u>\$2,120.00</u>	<u>\$22,298,913.68</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, 2011, 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 \$23,088,100.22, \$675,356.46 was covered by Federal Depository Insurance, \$21,868,447.15 was covered under the provisions of NJGUDPA, \$543,166.73 was on deposit with the New Jersey Cash Management Fund and \$1,129.88 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, 2011 the Township has \$543,166.73 on deposit with the New Jersey Cash Management Fund and \$1,129.88 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

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT  
OPERATING DEBT AND TYPE II SCHOOL DEBT)

	<u>YEAR 2011</u>	<u>YEAR 2010</u>	<u>YEAR 2009</u>
Issued:			
General:			
Bonds, Notes and Loans	<u>\$24,087,219.23</u>	<u>\$22,338,532.72</u>	<u>\$21,754,213.76</u>
Net Issued	<u>\$24,087,219.23</u>	<u>\$22,338,532.72</u>	<u>\$21,754,213.76</u>
Less:			
Reserve for Payment of Bonds	<u>\$345,429.68</u>	<u>\$475,429.68</u>	<u>\$300,000.35</u>
Total Deductions	<u>345,429.68</u>	<u>475,429.68</u>	<u>300,000.35</u>
Net Debt Issued	<u>\$23,741,789.55</u>	<u>\$21,863,103.04</u>	<u>\$21,454,213.41</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>\$298,933.52</u>	<u>\$1,982,834.17</u>	<u>\$1,880,606.01</u>
Total Authorized but not Issued	<u>\$298,933.52</u>	<u>\$1,982,834.17</u>	<u>\$1,880,606.01</u>
Net Bonds and Notes Issued and and Authorized but not issued	<u>\$24,040,723.07</u>	<u>\$23,845,937.21</u>	<u>\$23,334,819.42</u>

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 .46%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
School District Debt	\$19,970,000.00	\$19,970,000.00	-0-
General Debt	<u>24,386,152.75</u>	<u>345,429.68</u>	<u>\$24,040,723.07</u>
	<u>\$44,356,152.75</u>	<u>-0-</u>	<u>\$24,040,723.07</u>

NET DEBT \$24,040,723.07 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.40A:2-2, \$5,147,842,337.00 EQUALS .46%.

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

Equalized Valuation Basis* - December 31, 2011	\$5,147,842,337.00
3-1/2 of Equalized Valuation Basis	180,174,481.80
Net Debt	<u>24,040,723.07</u>
Remaining Borrowing Power	<u>\$156,133,758.73</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, 2011

CALENDAR YEAR	GENERAL		TOTAL
	PRINCIPAL	INTEREST	
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
	\$16,022,000.00		\$20,892,095.00
	0	\$4,870,095.00	0

NOTE 3: MUNICIPAL DEBT (CONTINUED)

The General Improvement Bonds are comprised of the following issues:

<u>ISSUE</u>	<u>OUTSTANDING BALANCE DECEMBER 31, 2011</u>
\$10,925,000.00 in General Improvement Bonds dated May 1, 2002, due in remaining annual installments ranging between \$1,125,000.00 and \$1,150,000.00 beginning May 1, 2012 and ending May 1, 2014 with interest at 4.10%	\$3,400,000.00
\$15,033,000.00 in Loan Revenue Bonds dated December 1, 2008, due in remaining annual installments ranging between \$653,000.00 and \$1,185,000.00 beginning December 1, 2012 and ending December 1, 2025 with interest from 4.00% to 5.00%	<u>12,622,000.00</u>
Total	<u><u>\$16,022,000.00</u></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:

<u>CALENDAR YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
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><u>\$37,384.24</u></u>	<u><u>\$939.25</u></u>	<u><u>\$38,323.49</u></u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2011, the Township has authorized but not issued bonds and notes as follows:

General Capital Fund \$298,933.52

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	12/20/11	12/19/12	1.50%	\$1,487,360.00
2133	12/22/09	12/20/11	12/19/12	1.50%	761,900.00
2145	12/21/10	12/20/11	12/19/12	1.50%	1,859,603.00
2156	12/21/10	12/20/11	12/19/12	1.50%	389,500.00
2127	12/20/11	12/20/11	12/19/12	1.50%	1,630,802.00
2171	12/20/11	12/20/11	12/19/12	1.50%	<u>1,898,670.00</u>
					<u>\$8,027,835.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2011, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2012, were as follows:

Current Fund \$6,840,000.00

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, 2011</u>	Balance December <u>31, 2010</u>
Prepaid Taxes	<u>\$943,874.54</u>	<u>\$813,153.17</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 \$1,883,510.00 for 2009, \$1,886,515.79 for 2010 and \$2,151,000.74 for 2011.

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 \$2,141,977.08. 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 \$86,748.18 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 2011 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 \$455,822.35 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, 2011, 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>
2011	\$15,000.00	\$10,665.99	\$11.84	\$59,870.42	\$59,667.64
2010	25,000.00	18,112.54	37.93	22,860.74	93,860.23
2009	25,000.00	18,005.61	94.99	15,384.14	73,570.50

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, 2011, the following deferred charges are shown on the Balance Sheets of the Township:

	BALANCE DECEMBER 31, <u>2011</u>	2012 BUDGET <u>APPROPRIATION</u>	BALANCE TO SUCCEEDING <u>YEARS</u>
Current Fund:			
40A:4-53 Revaluation	<u>\$162,000.00</u>	<u>\$54,000.00</u>	<u>\$108,000.00</u>

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 11,412.67	\$ 671,186.51
Grant Fund	500,894.65	136,000.00
Assessment Trust Fund		224,017.05
Animal Control Fund		10,478.01
Trust Other Fund	170,291.86	
General Capital Fund	<u>360,016.48</u>	<u>934.09</u>
	<u>\$ 1,042,615.66</u>	<u>\$ 1,042,615.66</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, 2011, 2010 and 2009 were \$195,849.71, 134,878.94 and \$64,770.47 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 16: GASB 45: OTHER POST-RETIREMENT BENEFITS (CONTINUED)

Plan Description (Continued) The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions>.

Funding Policy Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Township on a monthly basis. Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. In accordance with Chapter 62, P.L. 1994, post-retirement medical benefits have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. The Township's contributions to SHBP for the years ended December 31, 2011, 2010 and 2009 were \$2,041,683.98, \$1,833,550.96 and \$1,538,018.01 respectively, which equaled the required contributions for each year.

NOTE 17: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after the financial statement date through July 3, 2012 which is the date the financial statements were available to be issued. Based upon this evaluation, the Township has determined that the following item requires disclosure in the financial statements:

On May 2, 2012, the Township adopted capital ordinance authorizing the issuance of \$1,861,585.00 of Bonds and Notes providing for Various Improvements.

**THIS PAGE INTENTIONALLY LEFT BLANK**

TOWNSHIP OF OCEAN

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2011

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF CASH-TREASURER

REF.	<u>GRANT FUND</u>	<u>CURRENT FUND</u>
Balance, December 31, 2010	\$ 669.95	\$ 13,812,288.94
Increased by Receipts:		
Collector	\$	\$ 92,538,295.45
Petty Cash		1,800.00
State of New Jersey-Senior Citizens and Veterans Deductions (Chapter 20,P.L. 1971)		256,074.65
Miscellaneous Revenue Not Anticipated		1,411,225.35
Appropriations Refunds		299,028.48
Revenue Accounts Receivable		5,315,767.40
Appropriation Reserve Refunds		132,893.69
Prepaid Fees and Licenses		9,887.50
Reserve for:		
Due Township of Ocean Sewerage Authority		460.00
Sale of Municipal Assets		17,200.00
Due State of New Jersey		42,578.25
Interfunds Receivable	1,187,286.19	3,188,661.28
Grants Receivable	349,226.43	
Grants - Unappropriated	<u>21,260.89</u>	
	<u>1,557,773.51</u>	<u>103,213,872.05</u>
	\$ <u>1,558,443.46</u>	\$ <u>117,026,160.99</u>
Decreased by Disbursements:		
2011 Appropriations	\$	\$ 25,691,975.78
Appropriation Reserves		875,800.03
Accounts Payable		25,040.17
Contracts Payable		60,049.33
Refund of Tax Overpayments		110,869.45
Due Township of Ocean Sewerage Authority		460.00
Reserve for:		
Library Expenditures		4,297.52
Tax Appeals		609,684.89
Due State of New Jersey		39,264.24
Local District School Tax		56,118,320.22
County Taxes		14,238,468.52
County Share for Added Taxes		39,921.78
Fire District Tax		2,615,957.00
Interfunds	370,487.32	3,848,688.01
Grants Appropriated	1,187,286.19	
Petty Cash		1,800.00
Budget Operations		<u>1,039.34</u>
	<u>1,557,773.51</u>	<u>104,281,636.28</u>
Balance, December 31, 2011	\$ <u>669.95</u>	\$ <u>12,744,524.71</u>

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF CASH-COLLECTOR

	<u>REF.</u>			
Received:				
Taxes Receivable	A-9	\$	91,097,858.32	
Tax Title Liens	A-10		3,018.86	
Revenue Accounts Receivable	A-12		342,944.81	
2012 Taxes Prepaid	A-19		943,874.54	
Tax Overpayments	A-20		<u>150,598.92</u>	
				\$ <u>92,538,295.45</u>
				<u>92,538,295.45</u>
Decreased by Disbursements:				
Payments to Treasurer	A-4	\$		<u><u>92,538,295.45</u></u>

"A-6"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF CHANGE FUND

REF.

Balance December 31, 2010 and  
December 31, 2011

A

\$ 2,120.00

ANALYSIS OF BALANCE

Tax Collector

\$ 750.00

Police Department

20.00

Construction Code

250.00

Municipal Court

500.00

Colonial Terrace Golf Course

600.00

\$ 2,120.00

"A-7"

SCHEDULE OF PETTY CASH

Increased by:

Disbursements

A-4

\$ 1,800.00

1,800.00

Decreased by:

Receipts

A-4

\$ 1,800.00

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, 2010	A	\$	1,324.65
Increased by:			
Senior Citizens and Veterans Deductions Per Duplicate		\$	256,750.00
Senior Citizens and Veterans Deductions Allowed			
by Tax Collector:			
Current Year			<u>2,750.00</u>
			<u>259,500.00</u>
			260,824.65
Decreased by:			
Received From State of New Jersey	A-4	\$	256,074.65
Senior Citizens and Veterans Deductions Disallowed			
by Tax Collector:			
Current Year			1,171.92
Prior Year	A-1		<u>1,750.00</u>
			<u>258,996.57</u>
Balance, December 31, 2011	A	\$	<u><u>1,828.08</u></u>

CALCULATION OF STATE SHARE OF  
2010 SENIOR CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens and Veterans Deductions:			
Per Tax Duplicate		\$	256,750.00
Allowed by Collector			<u>2,750.00</u>
			259,500.00
Less:			
Senior Citizens Deductions Disallowed by Collector			<u>1,171.92</u>
	A-9	\$	<u><u>258,328.08</u></u>

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE		ADDED	CASH COLLECTIONS		TRANSFERRED TO TAX TITLE LIENS	CANCELED	BALANCE DECEMBER 31, 2011
	DECEMBER 31, 2010	2011 LEVY		2010	2011			
2006	\$ 1,418.03	\$	\$	\$	\$	\$	\$	1,418.03
2007	13,462.79							13,462.79
2009	14,944.05				4,417.74			10,526.31
2010	1,364,538.54		31,867.73		1,386,583.39	603.78		9,219.10
	\$ 1,394,363.41	\$	\$ 31,867.73	\$	\$ 1,391,001.13	\$ 603.78	\$	\$ 34,626.23
2011		92,386,823.18		813,153.17	90,252,442.81	36,880.75	210,597.54	1,073,748.91
	\$ 1,394,363.41	\$ 92,386,823.18	\$ 31,867.73	\$ 813,153.17	\$ 91,643,443.94	\$ 37,484.53	\$ 210,597.54	\$ 1,108,375.14

REF.

A

A-2:A-19

A-2

A-10

A

REF.

Collector  
Overpayments Applied  
Senior Citizens Deductions

A-5 \$ 91,097,858.32  
A-20 287,257.54  
A-8 258,328.08  
\$ 91,643,443.94

ANALYSIS OF 2011 PROPERTY TAX LEVY

	REF.	
TAX YIELD		
General Purpose Tax		\$ 92,167,113.39
Added Taxes (54:4-63.1 et.seq.)		219,709.79
		\$ 92,386,823.18
TAX LEVY		
Local District School Tax (Abstract)	A-27	\$ 56,096,822.54
County Taxes:		
County Tax (Abstract)	A-28	\$ 14,238,468.52
Due County for Added Taxes (54:4-63.1 et.seq.)	A-29	33,869.76
		14,272,338.28
Fire District Taxes:		
Fire District Tax (Abstract)	A-30	2,615,957.00
Local Tax for Municipal Purposes (Abstract)	A-2	\$ 19,171,988.00
Add: Additional Tax Levied		229,717.36
Local Tax for Municipal Purposes Levied		19,401,705.36
		\$ 92,386,823.18

"A-10"

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 390,218.95
Increased by:			
Transfers From Taxes Receivable	A-9	\$ 37,484.53	
Added Lien		1,452.62	
Interest and Costs Accrued by Sale		<u>204.22</u>	
			<u>39,141.37</u>
			429,360.32
Decreased by:			
Cash Receipts	A-5		<u>3,018.86</u>
Balance, December 31, 2011	A		\$ <u><u>426,341.46</u></u>

"A-11"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

Balance, December 31, 2010 and December 31, 2011	A		\$ <u><u>849,381.00</u></u>
---	---	--	-----------------------------

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

REF.	BALANCE DECEMBER 31, 2010	ACCRUED IN 2011	COLLECTED BY		BALANCE DECEMBER 31, 2011
			COLLECTOR	TREASURER	
Clerk:					
Licenses:					
Alcoholic Beverage	\$	\$ 43,314.00	\$	43,314.00	\$
Other		37,997.25			37,997.25
Fees and Permits		96,860.00			96,860.00
Tax Collector:					
Fees and Permits		580.00	580.00		
Board of Adjustment					
Fees and Permits		37,976.75			37,976.75
Planning Board					
Fees and Permits		39,870.80			39,870.80
Community Development:					
Other Licenses		32,055.00			32,055.00
Fees and Permits		41,945.00			41,945.00
Recreation:					
Fees and Permits		161,604.60			161,604.60
Police:					
Fees and Permits		61,040.25			61,040.25
Public Works					
Fees and Permits		29,800.00			29,800.00
Human Services:					
Fees and Permits		84,496.50			84,496.50
Municipal Court	44,716.64	612,286.75			613,724.99
Interest and Costs on Taxes		342,364.81	342,364.81		
Interest on Investments and Deposits		138,810.37			138,810.37
Payment in Lieu of Taxes-Senior Citizens		37,937.10			37,937.10
Pool Tennis Club Membership Fees		156,825.75			156,825.75
Pool Tennis Club Snack Bar Rental		12,000.00			12,000.00
Pool Tennis Club Guest Fees		70,110.00			70,110.00
Colonial Terrace Golf Course		323,130.04			323,130.04
Consolidated Municipal Property Tax Relief Aid		137,793.00			137,793.00
Energy Receipts Tax		2,390,751.00			2,390,751.00
Uniform Construction Code Fees		568,975.00			568,975.00
Sewerage Authority Interlocal Agreement		68,750.00			68,750.00
Reserve For Payment Of Bonds		130,000.00			130,000.00
	\$ 44,716.64	\$ 5,657,273.97	\$ 342,944.81	\$ 5,315,767.40	\$ 43,278.40
REF.	A		A-5	A-4	A

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES  
N.J.S.40A:4-55 SPECIAL EMERGENCY

<u>DATE</u> <u>AUTHORIZED</u>	<u>PURPOSE</u>		<u>AMOUNT</u> <u>AUTHORIZED</u>	<u>1/5 OF</u> <u>NET AMOUNT</u> <u>AUTHORIZED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2010</u>	<u>DECREASED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u>
8/17/2009	Revaluation	\$	270,000.00 \$	54,000.00 \$	<u>216,000.00 \$</u>	<u>54,000.00 \$</u>	<u>162,000.00</u>
				\$	<u>216,000.00 \$</u>	<u>54,000.00 \$</u>	<u>162,000.00</u>
				<u>REF.</u>	A	A-3	A

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2010	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>				
Office Of The Governing Body	\$ 31.00	\$ 31.00	\$	31.00
Office Of The Township Manager	1,011.30	1,011.30	21.77	989.53
Office Of Township Clerk	10,791.63	10,791.63	25.68	10,765.95
Financial Administration	674.17	674.17		674.17
Data Processing	1,124.91	1,124.91	454.09	670.82
Collection Of Taxes	929.10	929.10	9.69	919.41
Assessment Of Taxes	727.15	727.15		727.15
Office Of Planning Administration	4,590.62	4,590.62		4,590.62
Police	342,764.96	342,764.96	65,131.57	277,633.39
Police Dispatch / 911	1,679.55	1,679.55	934.71	744.84
Municipal Prosecutor	6,260.00	6,260.00		6,260.00
Office Of The Director Of Public Works	86,730.38	86,730.38	8,320.10	78,410.28
Streets And Roads Maintenance	27,381.27	27,381.27	20,241.58	7,139.69
Maintenance Of Equipment	47,482.34	47,482.34	20,148.58	27,333.76
Garbage And Trash Removal	46,328.93	46,328.93	24,172.70	22,156.23
Recycling	6,659.55	6,659.55	6,659.55	
Public Building And Grounds	32,580.49	32,580.49	32,580.49	
Board Of Health	133.57	133.57	78.24	55.33
Office Of Director Of Human Services	1,575.79	1,575.79		1,575.79
Community Services Department	59,474.83	59,474.83	1,687.68	57,787.15
Recreation	17,757.25	17,757.25	1,925.81	15,831.44
Pool And Tennis Club	2,766.37	2,766.37		2,766.37
Colonial Terrace Golf Course	7,922.16	7,922.16		7,922.16
Maintenance of Free Public Library	7,000.00	7,000.00		7,000.00
Construction Code Department	25,511.81	25,511.81	1,566.80	23,945.01
Municipal Court	24,596.68	24,596.68	1,003.68	23,593.00
Public Defender	600.00	600.00		600.00
<u>TOTAL SALARIES AND WAGES</u>	\$ 765,085.81	\$ 765,085.81	\$ 184,962.72	\$ 580,123.09
<u>OTHER EXPENSES</u>				
Office Of The Governing Body	\$ 655.75	\$ 655.75	\$	655.75
Office Of The Township Manager	6,072.69	18,950.58	12,782.89	6,167.69
Office Of The Township Clerk	3,739.85	4,369.79	924.68	3,445.11
Financial Administration	9,290.44	9,604.04	2,831.08	6,772.96
Annual Audit	31,200.00	31,200.00	29,640.00	1,560.00
Data Processing	1,969.43	10,545.47	10,280.12	265.35
Collection Of Taxes	3,055.24	3,535.18	439.78	3,095.40
Assessment Of Taxes	2,691.65	64,368.95	64,368.31	0.64
Legal Services And Costs	11,578.08	49,029.82	8,673.74	40,356.08
Engineering Services And Costs	24,851.25	24,851.25	7,188.75	17,662.50
Planning Board	4,458.40	4,770.90	1,812.00	2,958.90
Board Of Adjustment	7,640.92	8,400.92	1,365.00	7,035.92
Office Of Planning Administration	4,917.93	5,401.37	1,781.44	3,619.93
Police	43,835.21	66,073.97	24,337.08	41,736.89
Police Dispatch / 911	1,394.64	1,529.61	134.97	1,394.64
Office Of Emergency Management	1,668.08	1,958.46	285.98	1,672.48
Municipal Prosecutor	2,100.00	2,100.00	1,575.00	525.00
Office Of Director Of Public Works	5,147.59	9,019.81	405.99	8,613.82
Streets And Roads Maintenance	32,243.74	81,073.70	64,799.03	16,274.67
Maintenance Of Equipment	44,030.17	101,892.48	39,263.19	62,629.29
Garbage And Trash Removal	6,116.95	6,660.69	303.22	6,357.47
Recycling	11,385.97	11,385.97		11,385.97
Public Building And Grounds	114,140.81	209,121.42	94,020.40	115,101.02
Community Services Act	8,508.35	8,508.35		8,508.35
Board Of Health	23,324.70	23,467.25	217.48	23,249.77
Animal Control	8,118.75	8,118.75	8,118.75	
Office Of Director Of Human Services	976.78	1,031.78	56.00	975.78
Community Services Department	3,241.17	9,528.38	5,993.66	3,534.72
Recreation	7,351.85	10,614.44	3,625.88	6,988.56
Senior Citizen Transportation	258.00	2,658.00	2,628.00	30.00

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2010	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED)</u>				
Pool And Tennis Club	\$ 2,061.09	\$ 9,534.09	\$ 6,769.00	\$ 2,765.09
Colonial Terrace Golf Course	6,689.15	15,193.41	6,631.75	8,561.66
Celebration Of Public Events	730.00	730.00		730.00
Maintenance Of Free Public Library	17,500.00	17,500.00		17,500.00
Purchase Of Township Vehicles	30,484.48	31,459.48	975.00	30,484.48
Citizen Information Bulletin	360.50	360.50		360.50
Postage	1,997.49	1,997.49		1,997.49
Shade Tree Commission	474.45	474.45		474.45
Environmental Commission	985.00	985.00		985.00
Utilities:				
Electric	20,221.43	57,501.43	41,365.00	16,136.43
Street Lighting	16,344.50	41,944.50	39,417.70	2,526.80
Telephone	5,528.01	5,598.01	5,528.01	70.00
Water	4,912.48	7,137.48	2,337.64	4,799.84
Natural Gas	37,614.76	63,564.76	38,097.45	25,467.31
Heating Oil	10,205.59	10,205.59		10,205.59
Sewerage Processing Disposal	3,994.70	3,994.70	3,994.70	
Fuel	61,389.97	97,389.97	39,505.52	57,884.45
Landfill / Solid Waste Costs	181,226.42	304,625.35	74,602.47	230,022.88
Construction Code Department	16,686.38	19,489.07	7,631.41	11,857.66
Municipal Court	2,657.78	4,718.44	2,087.91	2,630.53
Public Defender	3,000.00	3,000.00		3,000.00
Contingent	3,075.00	3,075.00		3,075.00
Contribution To : Social Security System (O.A.S.I.)	31,123.22	31,123.22		31,123.22
Contribution To: Public Employees Retirement	396.21	396.21		396.21
Reimbursement To Multi-Dwellings	41,503.20	41,503.20		41,503.20
Insurance :				
General Liability	800.62	800.62	144.15	656.47
Employee Group Insurance	358,729.98	358,779.98	8,405.99	350,373.99
Worker's Compensation Insurance	0.40	0.40		0.40
Matching Funds for Grants	25,000.00	25,000.00		25,000.00
<u>TOTAL OTHER EXPENSES</u>	<u>\$ 1,311,657.20</u>	<u>\$ 1,948,509.43</u>	<u>\$ 665,346.12</u>	<u>\$ 1,283,163.31</u>
 <u>GRAND TOTAL</u>	 <u>\$ 2,076,743.01</u>	 <u>\$ 2,713,595.24</u>	 <u>\$ 850,308.84</u>	 <u>\$ 1,863,286.40</u>
	REF.	A		A-1
Appropriation Reserves	A-14	\$ 2,076,743.01		
Reserve for Encumbrances	A-15	525,036.74		
Reserve for Contracts Payable	A-17	<u>111,815.49</u>		
		<u>\$ 2,713,595.24</u>		
 Disbursed	A-4		\$ 875,800.03	
Accounts Payable	A-16		<u>107,402.50</u>	
			983,202.53	
Less Refunds	A-4		<u>132,893.69</u>	
			<u>\$ 850,308.84</u>	

"A-15"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>			
Balance, December 31, 2010:				
Current Fund	A	\$	525,036.74	
Grant Fund	A		<u>586,284.77</u>	
				\$ 1,111,321.51
Increased by:				
Charged to 2011 Budget Appropriations	A-3	\$	613,498.45	
Charged to Reserve for Grants Appropriated	A-33		<u>24,290.71</u>	
				637,789.16
				\$ <u>1,749,110.67</u>
Decreased by:				
Transferred to Appropriation Reserves	A-14	\$	525,036.74	
Transferred to Reserve for Grants Appropriated	A-33		<u>586,284.77</u>	
				<u>1,111,321.51</u>
Balance, December 31, 2011:				
Current Fund	A	\$	613,498.45	
Grant Fund	A		<u>24,290.71</u>	
				\$ <u>637,789.16</u>

"A-16"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2010	A	\$		192,518.66
Increased by:				
Charged to:				
2010 Appropriation Reserves	A-14	\$	107,402.50	
Refund of Other Fees & Permits	A-2		215.00	
Refund of Municipal Court Fees	A-2		75.00	
Refund of Miscellaneous Revenue Not Anticipated	A-2		<u>230.00</u>	
				107,922.50
				\$ <u>300,441.16</u>
Decreased by:				
Cash Disbursements	A-4	\$	<u>25,040.17</u>	
				<u>25,040.17</u>
Balance, December 31, 2011	A	\$		<u>275,400.99</u>

"A-17"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2010	A		\$ 171,864.82
Decreased by:			
Transferred to Appropriation Reserves	A-14	\$ 111,815.49	
Cash Disbursements	A-4	<u>60,049.33</u>	
			\$ <u><u>171,864.82</u></u>

"A-18"

SCHEDULE OF PREPAID FEES AND LICENSES

Balance, December 31, 2010	A		\$ 9,212.50
Increased by:			
Cash Receipts	A-4		<u>9,887.50</u>
			\$ <u>19,100.00</u>
Decreased by:			
Applied to:			
Other Licenses	A-2	\$ 125.00	
Other Fees and Permits	A-2	5,580.00	
Swim Pool Membership Fees	A-2	<u>4,827.50</u>	
			<u>10,532.50</u>
Balance, December 31, 2011	A		\$ <u><u>8,567.50</u></u>
Analysis of Balance:			
Other Fees and Permits			\$ 2,640.00
Swim Pool Membership Fees			<u>5,927.50</u>
			\$ <u><u>8,567.50</u></u>

"A-19"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2010	A	\$	813,153.17
Increased by:			
Collection - 2012 Taxes	A-5		943,874.54
		\$	<u>1,757,027.71</u>
Decreased by:			
Applied to 2011 Taxes Receivable	A-9		813,153.17
Balance, December 31, 2011	A	\$	<u><u>943,874.54</u></u>

"A-20"

SCHEDULE OF TAX OVERPAYMENTS

Balance, December 31, 2010	A	\$	287,128.20
Increased by:			
Overpayments in 2011	A-5		150,598.92
		\$	<u>437,727.12</u>
Decreased by:			
Refunds	A-4	\$	110,869.45
Applied	A-9		<u>287,257.54</u>
			<u>398,126.99</u>
Balance, December 31, 2011	A	\$	<u><u>39,600.13</u></u>

"A-21"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF RESERVE FOR LIBRARY EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2010	A	\$	46,339.40
Decreased by:			
Cash Disbursements	A-4		<u>4,297.52</u>
Balance, December 31, 2011	A	\$	<u><u>42,041.88</u></u>

"A-22"

SCHEDULE OF RESERVE FOR DUE TOWNSHIP OF OCEAN SEWERAGE AUTHORITY

Balance, December 31, 2010 (Due To)	A	\$	285.04
Increased by:			
Cash Receipts	A-4		<u>460.00</u>
		\$	<u>745.04</u>
Decreased by:			
Cash Disbursements	A-4	\$	<u>460.00</u>
Balance, December 31, 2011 ( Due From)	A	\$	<u><u>285.04</u></u>

"A-23"

SCHEDULE OF RESERVE FOR REVALUATION

Balance, December 31, 2010 and December 31, 2011	A	\$	<u><u>46,300.00</u></u>
---	---	----	-------------------------

"A-24"

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF TAX APPEALS

REF.

Balance, December 31, 2010	A		\$	450,000.00
Increased by:				
Contested Amount of Tax Collected which are pending State Appeal Prior Year Taxes	A-1	\$	<u>615,507.24</u>	<u>615,507.24</u>
			\$	<u>1,065,507.24</u>
Decreased by:				
Cash Disbursements	A-4			<u>609,684.89</u>
Balance, December 31, 2011	A		\$	<u><u>455,822.35</u></u>

"A-25"

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

Balance, December 31, 2010	A		\$	36,420.85
Increased by:				
Cash Receipts	A-4			<u>17,200.00</u>
Balance, December 31, 2011	A		\$	<u><u>53,620.85</u></u>

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF RESERVE DUE STATE OF NEW JERSEY

	BALANCE DECEMBER 31, <u>2010</u>	CASH <u>RECEIPTS</u>	<u>EXPENDED</u>	BALANCE DECEMBER 31, <u>2011</u>
DCA Training Fees	\$ 1,463.00 \$	32,952.00 \$	29,563.00 \$	4,852.00
DYFS - Marriage License Fees	400.00	4,025.00	4,125.00	300.00
DYFS - Domestic Partner License Fees	25.00			25.00
DYFS - Civil Union License Fees	275.00	25.00		300.00
DYFS - Burial Fees		35.00	35.00	
Sales and Use Tax		5,541.25	5,541.24	0.01
	<u>\$ 2,163.00 \$</u>	<u>42,578.25 \$</u>	<u>39,264.24 \$</u>	<u>5,477.01</u>
<u>REF.</u>	A	A-4	A-4	A

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

	<u>REF.</u>		
Balance, December 31, 2010 (Payable)	A	\$	14,553.04
Increased by:			
Levy School Year	A-1; A-9		<u>56,096,822.54</u>
			56,111,375.58
Decreased by:			
Payments	A-4		<u>56,118,320.22</u>
Balance, December 31, 2011 ( Prepaid)	A	\$	<u><u>(6,944.64)</u></u>

"A-28"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

REF.

Increased by:			
2011 Tax Levy	A-1:A-9	\$	14,238,468.52
Decreased by:			
Payments	A-4	\$	<u>14,238,468.52</u>

"A-29"

SCHEDULE OF DUE COUNTY FOR ADDED TAXES

Balance, December 31, 2010	A	\$	39,921.78
Increased by:			
County Share of 2011 Levy:			
Added Taxes (R.S. 54:4-63.1 et. seq.)	A-9	\$	33,869.76
Prior Year			<u>5,020.29</u>
	A-1		<u>38,890.05</u>
		\$	<u>78,811.83</u>
Decreased by:			
Payments	A-4		<u>39,921.78</u>
Balance, December 31, 2011	A	\$	<u>38,890.05</u>

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF FIRE DISTRICT TAXES PAYABLE

REF.

Increased by: 2011 Tax Levy	A-1:A-9	\$	2,615,957.00
Decreased by: Payments	A-4	\$	<u>2,615,957.00</u>

TOWNSHIP OF OCEAN  
CURRENT FUND  
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>ASSESSMENT TRUST FUND</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>TRUST OTHER FUND</u>	<u>GENERAL CAPITAL FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2010:							
Interfunds Receivable	A	\$ 5,882.27	\$ 3.82	\$ 1.83	\$ 5,876.62	\$	
Interfunds Payable	A	1,100,297.58				18,467.06	1,081,830.52
Receipts							
Statutory Excess	A-4	3,188,661.28	23.47	11.22	1,826,429.36	991,709.91	370,487.32
Grant Match	A-2	10,477.74		10,477.74			
		235,863.00					235,863.00
Disbursements	A-4	<u>3,848,688.01</u>	<u>20.22</u>	<u>9.66</u>	<u>1,650,260.88</u>	<u>1,011,111.06</u>	<u>1,187,286.19</u>
Balance, December 31, 2011:							
Interfunds Receivable	A	\$ 11,412.67	\$ 0.57	\$ 10,478.01	\$	\$ 934.09	
Interfunds Payable	A	<u>671,186.51</u>			<u>170,291.86</u>		<u>500,894.65</u>

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER <u>31, 2010</u>	ANTICIPATED IN 2011 <u>BUDGET</u>	<u>RECEIVED</u>	UNAPPROPRIATED RESERVE <u>APPLIED</u>	BALANCE DECEMBER <u>31, 2011</u>
M.C. Alliance to Prevent Alcoholism & Drug Abuse - 2010	\$ 12,074.47		\$ 12,074.47		
M.C. Alliance to Prevent Alcoholism & Drug Abuse - 2011		33,482.00	21,832.40		11,649.60
Safe & Secure Communities Grant - 2010	34,615.39				34,615.39
Safe & Secure Communities Grant - 2011		55,837.00			55,837.00
Body Armor Replacement Fund		2,038.00		2,038.00	
Drunk Driving Enforcement Fund	0.37				0.37
Clean Communities Program		50,406.55	50,406.55		
DARE Grant		750.00	750.00		
Bulletproof Vest Grant - 2009	3,337.42				3,337.42
COPS in Shops Grant - College/Fall Initiative	200.00				200.00
NJDOT - Sunset Ave Reconstruction II	41,250.00				41,250.00
NJDOT - Sunset Ave Reconstruction III	32,500.00				32,500.00
Mid Jersey Municipal Joint Insurance Fund - 2008	2.69				2.69
Mid Jersey Municipal Joint Insurance Fund - 2009	93.04				93.04
Mid Jersey Municipal Joint Insurance Fund - 2010	137.62				137.62
Mid Jersey Municipal Joint Insurance Fund - 2011		4,095.00			4,095.00
M.C. Drug Abuse Council - 2009	2,519.00				2,519.00
M.C. Drug Abuse Council - 2010	11,980.48		11,980.48		
M.C. Drug Abuse Council - 2011		44,499.00	32,518.54		11,980.46
CDBG - ADA Improvements (2006)	71,616.15				71,616.15
CDBG - ADA Improvements to Sunset & Brielle Avenues - 2009	7,419.00				7,419.00
CDBG - ADA Improvements to Senior Center		12,783.00			12,783.00
M.C. -Armstrong Avenue Intersection Improvements	146,095.20				146,095.20
M.C. - Municipal Recycling Service Improvements		150,000.00		75,000.00	75,000.00
Recycling Tonnage Grant		112,917.10	57,682.10	55,235.00	

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER <u>31, 2010</u>	ANTICIPATED IN 2011 <u>BUDGET</u>	<u>RECEIVED</u>	UNAPPROPRIATED RESERVE <u>APPLIED</u>	BALANCE DECEMBER <u>31, 2011</u>
Over the Limit Under Arrest 2007	\$ 150.00	\$	\$	\$	150.00
Over the Limit Under Arrest 2009	200.00				200.00
Outpatient Services 2009 Grant	10.00				10.00
Outpatient Services 2010 Grant	13,503.78		13,309.93		193.85
Outpatient Services 2011 Grant (ASAM Level I)		49,440.00	49,440.00		
DYFS Parent/Child Visitation Grant (ASAM Level II)		75,000.00	41,563.46		33,436.54
Sustainable Jersey Municipal Certification Program-Walmart Grant	5,000.00				5,000.00
Edward Byrne Memorial Justice Assistance Grant	25,845.00		25,844.50		0.50
DYFS Parent/Child Visitation Grant	28,540.00		27,251.00		1,289.00
Healthy Community Development Grant	4,573.00		4,573.00		
Sustainable Land Use Planning Grant		4,500.00			4,500.00
	<u>\$ 441,662.61</u>	<u>\$ 595,747.65</u>	<u>\$ 349,226.43</u>	<u>\$ 132,273.00</u>	<u>\$ 555,910.83</u>
<u>REF.</u>	A	A-2	A-4	A-34	A

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER <u>31, 2010</u>	<u>MODIFIED</u>	TRANSFERRED FROM <u>2011 BUDGET</u>	PAID OR <u>CHARGED</u>	BALANCE DECEMBER <u>31, 2011</u>
Bulletproof Vest Program - 2004 Grant	\$ 50.48	\$ 50.48			50.48
Bulletproof Vest Program - 2009	6,784.54	6,784.54		2,509.29	4,275.25
You Drink, You Drive, You Lose	4,800.00	4,800.00			4,800.00
M.C. Drug Abuse Council - 2008	933.50	933.50			933.50
M.C. Drug Abuse Council - 2011			44,499.00	42,812.00	1,687.00
Clean Communities Grant - 2005	899.32	899.32		862.63	36.69
Clean Communities Grant - 2006	1,279.07	1,279.07		1,130.52	148.55
Clean Communities Grant - 2007	8,695.38	8,695.38		4,442.35	4,253.03
Clean Communities Grant - 2009	24,359.47	24,392.49		10,120.78	14,271.71
Clean Communities Grant - 2010	43,242.92	43,242.92		30,213.92	13,029.00
Clean Communities Grant - 2011			50,406.55	5,505.15	44,901.40
Alcohol Education & Rehabilitation Fund	351.91	351.91		301.91	50.00
Stormwater Regulation Grant - 2004	5,884.83	5,884.83			5,884.83
Drunk Driving Enforcement Fund	27,682.25	27,682.25		4,340.10	23,342.15
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 - 2009	12,407.60	12,407.60		2,509.36	9,898.24
Body Armor Replacement Fund- 2010	5,309.67	5,309.67			5,309.67
Body Armor Replacement Fund- 2011			2,038.00		2,038.00
Safe And Secure Communities - 2009 Match	53,513.55	53,513.55			53,513.55
Safe And Secure Communities - 2008 Match	1,584.94	1,584.94			1,584.94
Safe And Secure Communities - 2010 Grant	25,384.50	25,384.50		23,077.00	2,307.50
Safe And Secure Communities - 2010 Match	80,946.06	80,946.06		74,250.67	6,695.39
Safe And Secure Communities - 2011 Grant			55,837.00	34,361.20	21,475.80
Safe And Secure Communities - 2011 Match			205,651.00	124,112.15	81,538.85
State of NJ- Supplemental Fire Services Program			9,841.00	9,841.00	
NJTTF - Sunset Ave. Ph. III		130,000.00		130,000.00	
N.J. Substance Abuse Monitoring Program	107.50	107.50			107.50
COPS in Shops Grant - College/Fall Initiative - 2007	25.00	25.00			25.00
COPS in Shops Grant- 2010	4,000.00	4,000.00		4,000.00	

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER <u>31, 2010</u>	<u>MODIFIED</u>	TRANSFERRED FROM <u>2011 BUDGET</u>	PAID OR <u>CHARGED</u>	BALANCE DECEMBER <u>31, 2011</u>
C.D.B.G. - ADA Improvements - 2006	\$ 71,616.15	\$ 71,616.15	\$	\$	71,616.15
Recycling Tonnage Grant	60,005.33	501,026.33	112,917.10	512,936.25	101,007.18
Monmouth County Recycling Improvement Grant			150,000.00		150,000.00
Alliance To Prevent Alcoholism & Drug Abuse:					
2006 Grant	0.02	0.02			0.02
2010 Grant			33,482.00	33,481.90	0.10
2010 Match			8,371.00	8,370.99	0.01
Mid Jersey Municipal Joint Insurance Fund:					
Municipal Safety Incentive Grant - 2010	0.52	137.52		137.52	
Municipal Safety Incentive Grant - 2011			4,095.00	2,747.88	1,347.12
Reserve For Hepatitis Shots	5,000.00	5,000.00			5,000.00
Community Development Block Grant			12,783.00		12,783.00
Monmouth County Prosecutor's Office -					
Emergency Response Team - 2002	104.23	104.23			104.23
Emergency Response Team - 2004	622.64	622.64		622.64	
School NJEDA	264.13	12,791.63		12,527.50	264.13
Sustainable Land Use Grant					
2011 Grant			4,500.00	4,500.00	
2011 Match			4,500.00	4,500.00	
M.C. -Armstrong Avenue Intersection Improvements	91,601.70	91,601.70			91,601.70
2006 Physical Fitness Program Mini-Grant	701.00	701.00			701.00
National Night Out Grant	100.02	100.02			100.02
Outpatient Services 2007 Grant	15,078.00	15,078.00			15,078.00
Outpatient Services 2011 Grant (ASAM Level I)			49,440.00	49,439.98	0.02
DYFS Parent/Child Visitation Grant (ASAM Level II)			75,000.00	75,000.00	
Over the Limit Under Arrest 2007	150.00	150.00			150.00
Over the Limit Under Arrest 2009	200.00	200.00			200.00
Green Communities Grant - State Share		1,066.25		1,066.25	
Green Communities Grant - Match		1,500.00		1,500.00	
CDBG - ADA Improvements to Sunset & Brielle Avenues - 2009	7,419.00	7,419.00			7,419.00
Monmouth County Historic Grant - Match			7,500.00		7,500.00

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

		BALANCE DECEMBER 31, 2010	MODIFIED	TRANSFERRED FROM 2011 BUDGET	PAID OR CHARGED	BALANCE DECEMBER 31, 2011
Sustainable Jersey Municipal Certification Program - Walmart Grant	\$	10,000.00	\$ 10,000.00	\$	\$	10,000.00
D.A.R.E Program		500.00	500.00	750.00		1,250.00
2010 Healthy Community Development Grant		8,746.00	8,746.00		355.96	8,390.04
Armstrong Boulevard Intersection Improvement Grant - 2009		49,300.00	49,300.00			49,300.00
Mid Jersey Municipal Joint Insurance Fund		93.04	93.04			93.04
Edward Byrne Memorial Assist		633.00	633.00			633.00
Emergency Mgmt Assistance		5,000.00	5,000.00			5,000.00
Emergency Mgmt Assistance - Match		5,000.00	5,000.00			5,000.00
	\$	<u>640,418.48</u>	\$ <u>1,226,703.25</u>	\$ <u>831,610.65</u>	\$ <u>1,211,576.90</u>	\$ <u>846,737.00</u>
<u>REF.</u>		A		A-3		A
Reserve for Grants Appropriated	A-33		\$ 640,418.48			
Reserve for Encumbrances	A-16		<u>586,284.77</u>			
			\$ <u>1,226,703.25</u>			
Cash Disbursements	A-4			\$	1,187,286.19	
Reserve for Encumbrances	A-16				<u>24,290.71</u>	
				\$	<u>1,211,576.90</u>	

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED

	BALANCE DECEMBER <u>31, 2010</u>	CASH <u>RECEIPTS</u>	ANTICIPATED IN <u>2011 BUDGET</u>	BALANCE DECEMBER <u>31, 2011</u>
Drunk Driving Enforcement Fund	\$	\$ 10,478.03	\$	\$ 10,478.03
Recycling Tonnage Grant	55,235.40		55,235.00	0.40
Monmouth County Drug Abuse Council	7,766.70			7,766.70
Stormwater Management	20,619.00			20,619.00
Body Armor Grant	2,038.73	5,782.86	2,038.00	5,783.59
Monmouth County Recycling	75,000.00		75,000.00	
COPs in Shops	800.00			800.00
Emergency Management Assistance Grant		<u>5,000.00</u>		<u>5,000.00</u>
	\$ <u>161,459.83</u> \$	<u>21,260.89</u> \$	<u>132,273.00</u> \$	<u>50,447.72</u>

REF.

A

A-4

A-32

A

TOWNSHIP OF OCEAN  
TRUST FUND  
SCHEDULE OF TRUST CASH - TREASURER

	REF.	ASSESSMENT	ANIMAL CONTROL FEES	OTHER
Balance, December 31, 2010	B	\$ 161,185.67	\$ 18,994.83	\$ 5,514,193.52
Increased by Receipts:				
Collector	B-3	\$ 75,588.29	\$	\$
Due State of New Jersey	B-8		1,285.20	
Animal Control Fees	B-9		12,208.80	
State Unemployment Insurance	B-11			25,677.83
Payroll Deductions	B-12			17,268,871.87
Miscellaneous Deposits	B-13			2,659,680.94
Change Fund				
Due Current Fund	B-14	<u>20.22</u>	<u>9.66</u>	<u>1,650,414.56</u>
		\$ <u>75,608.51</u>	\$ <u>13,503.66</u>	\$ <u>21,604,645.20</u>
		\$ <u>236,794.18</u>	\$ <u>32,498.49</u>	\$ <u>27,118,838.72</u>
Decreased by Disbursements:				
Due State of New Jersey	B-8	\$	\$ 1,281.00	\$
Expenditures Under R.S.4:19-15.11	B-9		1,481.66	
Encumbrances	B-10			477,634.10
State Unemployment Insurance	B-11			59,870.42
Payroll Deductions	B-12			17,313,764.91
Miscellaneous Deposits	B-13			2,592,305.12
Due Current Fund	B-14	<u>23.47</u>	<u>11.22</u>	<u>1,826,583.04</u>
		<u>23.47</u>	<u>2,773.88</u>	<u>22,270,157.59</u>
Balance, December 31, 2011	B	\$ <u><u>236,770.71</u></u>	\$ <u><u>29,724.61</u></u>	\$ <u><u>4,848,681.13</u></u>

"B-3"

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF TRUST CASH-COLLECTOR

	<u>REF.</u>	<u>ASSESSMENT</u>
Receipts:		
Assessments Receivable	B-5	\$ 75,588.29
Decreased by Disbursements:		
Payment to Treasurer	B-2	\$ <u>75,588.29</u>

"B-4"

ANALYSIS OF ASSESSMENT CASH

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2011</u>
Fund Balance		\$ 118,038.43
Cash Deficit		(105,284.77)
Due General Capital Fund		224,016.48
Due Current Fund		<u>0.57</u>
		\$ <u>236,770.71</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	CONFIRMED	COLLECTED	BALANCE	PLEGGED TO	
					DECEMBER 31, 2010			DECEMBER 31, 2011	RESERVE	CAPITAL
1990	Sidewalk, Curb & Driveway Apron Improvements - Alpea Ave	06/16/08	4	07/01/09-11	\$ 15,664.14	\$	\$ 8,835.74	\$ 6,828.40	\$ 6,828.40	\$
2021	Sidewalk, Curb & Driveway Apron Improvements - Lakeview Ave	06/16/08	4	07/01/09-11	31,575.32		9,229.43	22,345.89	22,345.89	
2028	Sidewalk, Curb & Driveway Apron Improvements - Lincoln Dr.	06/16/08	4	07/01/09-11	32,566.23		5,394.56	27,171.67	27,171.67	
2028	Sidewalk, Curb & Driveway Apron Improvements - Franklin Pkwy	06/16/08	4	07/01/09-11	9,137.45		1,786.45	7,351.00	7,351.00	
2106	Sidewalk, Curb & Driveway Apron Improvements	04/19/10	5	06/01/10-14	66,612.69		26,296.18	40,316.51	17,345.70	22,970.81
2107	Sidewalk, Curb & Driveway Apron Improvements	04/19/10	5	06/01/10-14	4,765.25		2,495.41	2,269.84		2,269.84
2146	Sidewalk, Curb & Driveway Apron Improvements	09/12/11	4	12/01/11-14		101,594.64	21,550.52	80,044.12		80,044.12
					\$ 160,321.08	\$ 101,594.64	\$ 75,588.29	\$ 186,327.43	\$ 81,042.66	\$ 105,284.77
				REF	B	B-6	B-3	B	B-7	

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF DUE GENERAL CAPITAL FUND

	<u>REF.</u>		
Balance, December 31, 2010	B	\$	122,421.84
Increased by:			
Assessments Confirmed	B-5	\$	<u>101,594.64</u>
Balance, December 31, 2011	B	\$	<u><u>224,016.48</u></u>

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR ASSESSMENTS

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>COLLECTIONS APPLIED</u>	<u>BALANCE DECEMBER 31, 2011</u>	
Assessments Receivable:					
1990	Sidewalk, Curb & Driveway Apron Improvements - Alpern Ave	\$ 15,664.14	\$ 8,835.74	6,828.40	
2021	Sidewalk, Curb & Driveway Apron Improvements - Lakeview Ave	31,575.32	9,229.43	22,345.89	
2028	Sidewalk, Curb & Driveway Apron Improvements - Lincoln Dr.	32,566.23	5,394.56	27,171.67	
2028	Sidewalk, Curb & Driveway Apron Improvements - Franklin Pkwy	9,137.45	1,786.45	7,351.00	
2106	Curb & Sidewalk Improvements	<u>17,345.70</u>	<u>                    </u>	<u>17,345.70</u>	
		\$ <u>106,288.84</u>	\$ <u>25,246.18</u>	\$ <u>81,042.66</u>	
		<u>REF.</u>	B	B-1	B:B-5

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF ANIMAL LICENSE FEES DUE STATE OF NEW JERSEY

	<u>REF.</u>	
Increased by:		
Cash Receipts	B-2	\$ 1,285.20
Decreased by:		
Cash Disbursements	B-2	<u>1,281.00</u>
Balance, December 31, 2011	B	\$ <u><u>4.20</u></u>

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2010	B	\$	18,838.00
Increased by:			
Animal Control Fees Collected	B-2	\$	12,208.80
Reestablish Encumbrances	B-10		<u>155.00</u>
			<u>12,363.80</u>
		\$	<u>31,201.80</u>
Decreased by:			
Expenditures Under R.S.4:19-15.11	B-2	\$	1,481.66
Statutory Excess Due Current	B-14		<u>10,477.74</u>
			<u>11,959.40</u>
Balance, December 31, 2011	B	\$	<u><u>19,242.40</u></u>

<u>LICENSE FEES COLLECTED</u>	
<u>YEAR</u>	<u>AMOUNT</u>
2009	\$ 7,733.20
2010	<u>11,509.20</u>
	\$ <u><u>19,242.40</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, 2010	B	\$	155.00	\$ 93,886.60
Increased by:				
Transferred from Reserves	B-13			465,015.75
		\$	<u>155.00</u>	<u>558,902.35</u>
Decreased by				
Disbursements	B-2			477,634.10
Transferred to Reserves	B-9:B-13		<u>155.00</u>	<u>42,954.15</u>
Balance, December 31, 2011	B	\$	<u><u>155.00</u></u>	<u><u>38,314.10</u></u>

"B-11"

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

	<u>REF.</u>		
Balance, December 31, 2010	B	\$	93,860.23
Increased by:			
Budget Appropriation		\$	15,000.00
Payroll Deductions			10,665.99
Interest			11.84
	B-2		<u>25,677.83</u>
		\$	<u>119,538.06</u>
Decreased by:			
Disbursements	B-2		<u>59,870.42</u>
Balance, December 31, 2011	B	\$	<u><u>59,667.64</u></u>

"B-12"

SCHEDULE OF RESERVE FOR PAYROLL DEDUCTIONS PAYABLE

Balance, December 31, 2010	B	\$	167,188.92
Increased by:			
Cash Receipts	B-2		<u>17,268,871.87</u>
		\$	<u>17,436,060.79</u>
Decreased by:			
Disbursements	B-2		<u>17,313,764.91</u>
Balance, December 31, 2011	B	\$	<u><u>122,295.88</u></u>

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS AND RESERVES

	BALANCE DECEMBER 31, 2010	MODIFIED	CASH RECEIPTS	CASH DISBURSEMENTS	ENCUMBRANCES	BALANCE DECEMBER 31, 2011
Review Fees	\$ 180,591.31	\$ 180,591.31	\$ 117,313.34	\$ 94,717.50	\$	\$ 203,187.15
Inspection Fees	467,126.55	467,126.55	141,968.58	189,313.44		419,781.69
Performance Bonds	2,710,423.87	2,710,423.87	418,969.52	682,605.64		2,446,787.75
Public Defender	97,524.82	97,524.82	21,618.55	1,000.00		118,143.37
Joint Insurance Fund Refunds	281,329.62	284,529.62	38,923.29	139,835.94	10,554.00	173,062.97
Rezoning Requests	8,007.50	8,007.50		2,406.25		5,601.25
Parking Offense Adjudication Act	1,643.10	1,643.10	336.00			1,979.10
Tax Sale Premium	170,000.00	170,000.00	173,500.00	18,500.00	71,300.00	253,700.00
Shade Trees	95,191.77	95,191.77	5,325.00	1,434.60	3,102.00	95,980.17
Deferred Vacation	84,775.08	84,775.08	60,147.18	78,767.22		66,155.04
Deferred Sick Leave	84,135.95	84,135.95	150,093.28	199,866.22	13,769.87	20,593.14
Street Opening	31,000.00	31,000.00	2,000.00	1,000.00		32,000.00
Municipal Alliance	4,131.35	4,131.35				4,131.35
Bid Deposits	30,624.89	30,624.89	5,774.00	5,379.00		31,019.89
Affordable Housing	6,535.60	22,726.99	52,382.05	73,621.06	1,487.74	0.24
Unclaimed Monies	1,846.07	2,006.07	425.94	160.00		2,272.01
Multiple Dwellings	173,744.00	173,744.00	196.64			173,940.64
Workers Compensation	984.24	984.24	9,763.89	10,648.49		99.64
Law Enforcement	129,833.99	148,693.12	11,762.12	73,514.73	7,616.18	79,324.33
TORTA (Recreation Trust)	127,428.46	129,276.69	93,210.61	56,825.81	12,803.37	152,858.12
TTL's (Outside Liens)	10,187.16	12,882.56	757,009.57	411,150.93	344,382.59	14,358.61
Off Duty Police	22,083.00	22,083.00	538,933.00	532,397.50		28,618.50
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
Stormwater Management	67,481.51	67,481.51	331.40			67,812.91
Margaret Crawford Donation	300.00	300.00				300.00
Joe Palaia Park - Cell Tower Lease	160,403.96	160,403.96	43,027.04	6,113.89		197,317.11
Sales and Use Tax			5,519.94	5,021.90		498.04
Logan Road Paving			11,150.00			11,150.00
Colonial Terrace Golf Course Donations	9,124.11	9,124.11		8,025.00		1,099.11
	<u>\$ 5,153,381.15</u>	<u>\$ 5,196,335.30</u>	<u>\$ 2,659,680.94</u>	<u>\$ 2,592,305.12</u>	<u>\$ 465,015.75</u>	<u>\$ 4,798,695.37</u>
REF.	B		B-2	B-2	B-10	B
Reserves	B-13	\$ 5,153,381.15				
Reserve for Encumbrances	B-10	<u>42,954.15</u>				
		<u>\$ 5,196,335.30</u>				

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	<u>ASSESSMENT</u> <u>TRUST FUND</u>	<u>ANIMAL</u> <u>CONTROL</u> <u>TRUST FUND</u>	<u>TRUST</u> <u>OTHER</u> <u>FUND</u>
Balance, December 31, 2010:				
Interfunds Payable	B	\$ 3.82 \$	1.83 \$	5,876.62
Receipts	B-2	20.22	9.66	1,650,414.56
Statutory Excess	B-9		10,477.74	
Disbursements	B-2	<u>23.47</u>	<u>11.22</u>	<u>1,826,583.04</u>
Balance, December 31, 2011:				
Interfunds Receivable	A	\$ \$	\$	170,291.86
Interfunds Payable	B	\$ <u>0.57</u> \$	<u>10,478.01</u> \$	

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH

	<u>REF.</u>		
Balance, December 31, 2010	C	\$	3,524,881.22
Increased by Receipts:			
2011 Budget Appropriations:			
Capital Improvement Fund	C-7	\$	140,680.00
Premium on Sale of Notes	C-1		77,348.19
Bond Anticipation Note	C-11		8,027,835.00
Various Reserves	C-14		117,684.00
Due Current Fund	C-4		<u>1,068,534.53</u>
			9,432,081.72
		\$	<u>12,956,962.94</u>
Decreased by Disbursements:			
Contracts Payable	C-13	\$	2,905,737.80
Reserve for Payment of Bonds	C-14		130,000.00
Due Current Fund	C-4		1,049,133.38
Bond Anticipation Note	C-11		<u>4,498,363.00</u>
			<u>8,583,234.18</u>
Balance, December 31, 2011	C	\$	<u><u>4,373,728.76</u></u>

"C-3"

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS

		BALANCE DECEMBER <u>31, 2011</u>
Fund Balance	\$	386,926.03
Capital Improvement Fund		118,781.72
Improvement Authorizations Funded as Set Forth on "C-8"		54,096.19
Unexpended Proceeds of Bond Anticipation Notes		2,698,644.81
Unfunded Improvements Expended - Listed on "C-6"		(101,650.00)
Due Current Fund		934.09
Due Grant Fund		(136,000.00)
Grants Receivable		(160,000.00)
Due Assessment Trust Fund		(224,016.48)
Various Reserves		545,744.29
Contracts Payable		<u>1,190,268.11</u>
	\$	<u>4,373,728.76</u>
<u>REF.</u>		C

"C-4"

TOWNSHIP OF OCEAN  
GENERAL CAPITAL FUND  
SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, December 31, 2010 (Due From)	C	\$	(18,467.06)
Increased by:			
Cash Receipts	C-2		1,068,534.53
		\$	<u>1,050,067.47</u>
Decreased by:			
Cash Disbursements	C-2		<u>1,049,133.38</u>
Balance December 31, 2011 ( Due To )	C	\$	<u><u>934.09</u></u>

"C-5"

SCHEDULE OF DEFERRED CHARGES TO FUTURE  
TAXATION-FUNDED

Balance, December 31, 2010	C	\$	17,774,525.72
Decreased by:			
2011 Budget Appropriation to Pay Bonds	C-10	\$	1,697,000.00
2011 Budget Appropriation to Pay Loans	C-12		<u>18,141.49</u>
			<u>1,715,141.49</u>
Balance, December 31, 2011	C	\$	<u><u>16,059,384.23</u></u>

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ANALYSIS OF BALANCE,  
DECEMBER 31, 2010

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010	INCREASED BY NEW ORDINANCES	REDUCED BY ASSESSMENTS CONFIRMED	NOTES PAID BY BUDGET	CANCELED	BALANCE DECEMBER 31, 2011	ANALYSIS OF BALANCE, DECEMBER 31, 2010		
								BOND ANTICIPATION NOTE	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
1990	Curbs, Sidewalks and Driveway Aprons	\$ 11,443.25	\$	\$	\$	11,443.25	\$	\$	\$	
2021	Sidewalk, Curb & Driveway Apron Improvements	25,560.76				25,560.76				
2022	Sidewalk, Curb & Driveway Apron Improvements	16,150.00					16,150.00	16,150.00		
2100	Various Capital Improvements	1,553,004.00			65,644.00		1,487,360.00	1,487,360.00		
2107	Curb and Sidewalk Improvements	128.16					128.16		128.16	
2127	Various Improvements	1,630,802.00					1,630,802.00	1,630,802.00		
2131;2136	Curb & Sidewalk Improvements	74,100.00					74,100.00		74,100.00	
2133	Acquisition of Machinery & Equipment	761,900.00					761,900.00	761,900.00		
2145	Various Improvements	1,859,603.00					1,859,603.00	1,859,603.00		
2146	Curb & Sidewalk Improvements	224,650.00		101,594.64			123,055.36		123,055.36	
2156	Curb & Sidewalk Improvements	389,500.00					389,500.00	389,500.00		
2171	Various Capital Improvements		1,898,670.00				1,898,670.00	1,898,670.00		
2174	Curb and Sidewalk Improvements		85,500.00				85,500.00		85,500.00	
		<u>\$ 6,546,841.17</u>	<u>\$ 1,984,170.00</u>	<u>\$ 101,594.64</u>	<u>\$ 65,644.00</u>	<u>\$ 37,004.01</u>	<u>\$ 8,326,768.52</u>	<u>\$ 8,027,835.00</u>	<u>\$ 101,650.00</u>	<u>\$ 197,283.52</u>
REF.		C	C-8	C-9	C-11	C-8	C	C-11	C-3	
Improvement Authorizations Unfunded										\$ 2,895,928.33
Unexpended Proceeds of Bond Anticipation Notes										<u>2,698,644.81</u>
										<u>\$ 197,283.52</u>

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2010	C	\$	93,211.72
Increased by:			
2011 Appropriations	C-2	\$	<u>140,680.00</u>
			233,891.72
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-8		<u>115,110.00</u>
Balance, December 31, 2011	C	\$	<u><u>118,781.72</u></u>

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	ORDINANCE AMOUNT	BALANCE 12/31/2010		2011 AUTHORIZATIONS	CONTRACTS PAYABLE	AUTHORIZATIONS CANCELLED	BALANCE 12/31/2011	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
1647	Installation of Repairs of Improvements-Wayside Estates	7/21/93	\$ 146,171.73	\$ 14,262.02	\$	\$	(2,975.38)	17,237.40	\$	
1885	Various Improvements	4/24/02	4,450,000.00				(5,052.50)	5,052.50		
1912;1935	Various Capital Improvements	1/09/02 & 8/14/02	6,880,000.00	6,823.51			(7,960.18)	14,783.69		
1982	Various Capital Improvements	4/14/04	3,200,000.00	59,087.79				59,087.79		
1990	Sidewalk, Curb & Driveway Apron Improvements	8/25/04	100,000.00	5,000.00	11,443.25			16,443.25		
2012	Various Capital Improvements	5/25/05	2,765,000.00	44,895.39			(7,173.80)	52,069.19		
2021	Sidewalk, Curb & Driveway Apron Improvements	7/13/05	100,000.00	5,000.00	25,560.76			30,560.76		
2028	Sidewalk, Curb & Driveway Apron Improvements	9/6/05	100,000.00							
2045	Various Capital Improvements	4/26/06	8,117,850.00	470,342.24			(30,067.66)	500,409.90		
2074	Various Capital Improvements	5/7/07	3,355,387.00	1,977.60				1,977.60		
2100	Various Capital Improvements	5/19/08	1,816,380.00		204,453.03		193,896.48			10,556.55
2101;2134	Purchase of Equipment	05/19/08,08/17/09	127,354.00	29,232.38			21,189.73		8,042.65	
2106	Curb and Sidewalk Improvements	7/8/08	118,000.00		1,100.55				1,100.55	
2107	Curb and Sidewalk Improvements	8/11/08	11,000.00	550.00	10,450.00				10,871.84	128.16
2127	Various Improvements	7/13/09	1,720,677.00		397,880.14		101,706.64			296,173.50
2131;2136	Curb & Sidewalk Improvements	07/13/09,09/21/09	78,000.00	3,900.00	74,100.00				3,900.00	74,100.00
2133	Acquisition of Machinery & Equipment	8/17/09	802,000.00		238,002.68		(3,185.04)			241,187.72
2145	Various Improvements	6/14/10	2,040,604.00		720,544.66		231,648.86			488,895.80
2146	Curb and Sidewalk Improvements	6/14/10	236,475.00				(134,880.36)		11,825.00	123,055.36
2156	Curb and Sidewalk Improvements	10/4/10	410,000.00	19,714.25	389,500.00		1,358.10		18,356.15	389,500.00
2171	Various Capital Improvements	5/16/11	2,569,280.00			2,569,280.00	1,296,948.76			1,272,331.24
2174	Curb and Sidewalk Improvements	9/12/11	90,000.00			90,000.00	90,000.00			
				\$ 660,785.18	\$ 2,073,035.07	\$ 2,659,280.00	\$ 1,747,431.25	\$ 695,644.48	\$ 54,096.19	\$ 2,895,928.33
		REF.		C	C				C, C-3	C, C-6
Capital Improvement Fund		C-7			\$ 115,110.00					
Capital Surplus		C-1			400,000.00					
Grants		C-15			160,000.00					
Deferred Charges to Future Taxation-Unfunded		C-6			1,984,170.00					
					\$ 2,659,280.00					
Contracts Payable		C-13				\$ 1,938,726.17				
Contracts Payable Canceled		C-13				191,294.92				
						\$ 1,747,431.25				
Capital Surplus		C-1					\$ 658,640.47			
Deferred Charges to Future Taxes Unfunded		C-6					37,004.01			
							\$ 695,644.48			

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF DUE ASSESSMENT TRUST FUND

	<u>REF.</u>		
Balance December 31, 2010 ( Due From )	C	\$	122,421.84
Increased by:			
Assessments Confirmed	C-6	\$	<u>101,594.64</u>
Balance December 31, 2011 ( Due From )	C	\$	<u><u>224,016.48</u></u>

TOWNSHIP OF OCEAN  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2011</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2010</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2011</u>
			<u>DATE</u>	<u>AMOUNT</u>				
General Improvement Bonds	5/1/2002	\$ 10,925,000.00	5/1/2012	\$ 1,125,000.00	4.10%	\$ 4,475,000.00	\$ 1,075,000.00	\$ 3,400,000.00
			5/1/2013	1,150,000.00	4.10%			
			5/1/2014	1,125,000.00	4.10%			
Loan Revenue Bonds	12/1/2007	15,342,000.00	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%			
						<u>\$ 17,719,000.00</u>	<u>\$ 1,697,000.00</u>	<u>\$ 16,022,000.00</u>
<u>REF.</u>						C	C-5	C

TOWNSHIP OF OCEAN

GENERAL CAPITAL 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, 2010</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2011</u>
General Improvements:									
2100	Various Capital Improvements	12/23/08	12/21/10	12/20/11	1.25%	\$ 1,553,004.00	\$	\$ 1,553,004.00	\$
2100	Various Capital Improvements	12/23/08	12/20/11	12/19/12	1.50%		1,487,360.00		1,487,360.00
2133	Acquisition of Machinery & Equipment	12/22/09	12/21/10	12/20/11	1.25%	761,900.00		761,900.00	
2133	Acquisition of Machinery & Equipment	12/22/09	12/20/11	12/19/12	1.50%		761,900.00		761,900.00
2145	Various Improvements	12/21/10	12/21/10	12/20/11	1.25%	1,859,603.00		1,859,603.00	
2145	Various Improvements	12/21/10	12/20/11	12/19/12	1.50%		1,859,603.00		1,859,603.00
2156	Curb and Sidewalk Improvements	12/21/10	12/21/10	12/20/11	1.25%	389,500.00		389,500.00	
2156	Curb and Sidewalk Improvements	12/21/10	12/20/11	12/19/12	1.50%		389,500.00		389,500.00
2127	Various Improvements	12/20/11	12/20/11	12/19/12	1.50%		1,630,802.00		1,630,802.00
2171	Various Improvements	12/20/11	12/20/11	12/19/12	1.50%		1,898,670.00		1,898,670.00
						<u>\$ 4,564,007.00</u>	<u>\$ 8,027,835.00</u>	<u>\$ 4,564,007.00</u>	<u>\$ 8,027,835.00</u>
					<u>REF.</u>	C	C-2		C
	Cash Disbursements				C-2			\$ 4,498,363.00	
	Notes Paid By Budget				C-6			65,644.00	
								<u>\$ 4,564,007.00</u>	

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOAN PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2011		INTEREST RATE	BALANCE DECEMBER 31, 2010	DECREASED	BALANCE DECEMBER 31, 2011
			DATE	AMOUNT				
General Improvements	05/08/94	\$ 308,150.00	05/08/12	\$ 9,207.03	2.00%	\$ 55,525.72	\$ 18,141.49	\$ 37,384.23
			11/08/12	9,299.10				
			05/08/13	9,392.09				
			11/08/13	9,486.01				
					\$	\$	\$	
					\$	\$	\$	
					REF.	C	C-5	C

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2010	C		\$ 2,348,574.66
Increased by:			
Contracts Payable			
Improvement Authorizations	C-8	\$ <u>1,938,726.17</u>	\$ <u>1,938,726.17</u>
			<u>4,287,300.83</u>
Decreased by:			
Canceled	C-8	\$ 191,294.92	
Cash Disbursements	C-2	<u>2,905,737.80</u>	
			<u>3,097,032.72</u>
Balance, December 31, 2011	C		\$ <u><u>1,190,268.11</u></u>

TOWNSHIP OF OCEAN  
GENERAL CAPITAL FUND  
SCHEDULE OF VARIOUS RESERVES

	BALANCE DECEMBER <u>31, 2010</u>	<u>INCREASED</u>	<u>DECREASED</u>	BALANCE DECEMBER <u>31, 2011</u>
Reserve For:				
Purchase of EDP Equipment	\$ 1,041.63	\$	\$	\$ 1,041.63
Contribution For Road Repairs	66,588.98			66,588.98
Payment of Bonds	475,429.68		130,000.00	345,429.68
Paving of Logan Road		117,684.00		117,684.00
Drainage Improvements	5,000.00			5,000.00
Traffic Improvements	10,000.00			10,000.00
	<u>\$ 558,060.29</u>	<u>\$ 117,684.00</u>	<u>\$ 130,000.00</u>	<u>\$ 545,744.29</u>
<u>REF.</u>	C	C-2	C-2	C

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

	<u>REF.</u>	
Increased by:		
Improvement Authorizations (Ord 2171)	C-8	\$ <u>160,000.00</u>
Balance, December 31, 2011	C	\$ <u><u>160,000.00</u></u>

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2011</u>
2022	Sidewalk, Curb and Driveway Apron Improvements	\$ 16,150.00
2107	Curb and Sidewalk Improvements	128.16
2131;2136	Curb and Sidewalk Improvements	74,100.00
2146	Curb and Sidewalk Improvements	123,055.36
2174	Curb and Sidewalk Improvements	<u>85,500.00</u>
		\$ <u><u>298,933.52</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, 2010 and December 31, 2011	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, 2011 and April 30, 2012	E-1	\$	<u>62,693.81</u>

	<u>P.A.T.F. I ACCOUNT</u>		<u>TOTAL</u>
RECONCILIATION - APRIL 30, 2012			
Balance on Deposit Per Statement of: TD Bank Account #36551228	\$	<u>62,693.81</u>	\$ <u>62,693.81</u>
Balance, April 30, 2012	\$	<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, 2011

Balance, December 31, 2010 and  
December 31, 2011 \$ 62,693.81

RECONCILIATION - DECEMBER 31, 2011	<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, 2011	\$ <u>62,693.81</u>	\$ <u>62,693.81</u>

**THIS PAGE INTENTIONALLY LEFT BLANK**

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

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

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 07055-1589

We have audited the accompanying financial statements - regulatory basis of the Township of Ocean, County of Monmouth, New Jersey as of and for the year ended December 31, 2011, and have issued our report thereon dated July 3, 2012. 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. However, we noted an immaterial matter involving internal control that we have reported to the Township of Ocean in the General Comments and Recommendations Section of this report.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Ocean's financial statements - regulatory 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.

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

July 3, 2012

TOWNSHIP OF OCEAN

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FISCAL YEAR ENDED DECEMBER 31, 2011

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTORS NUMBER	GRANT AWARD AMOUNT	GRANT PERIOD		RECEIVED FISCAL YEAR 2011	EXPENDITURES FISCAL YEAR 2011	CUMULATIVE EXPENDITURES JUNE 30, 2011
				FROM	TO			
Department of Housing and Urban Development								
Pass Through From County of Monmouth:								
Community Development Block Grant								
ADA Improvements	14.218	G-14-56-892-060-282	\$ 187,891.00	08/23/07	08/23/08	\$ -0-	\$ -0-	\$ 116,274.85
ADA Improvements to Sunset & Brielle Avenues	14.218	G-14-5-892-090-466	118,250.00	11/20/09	11/20/10	-0-	-0-	110,831.00
						\$ 0.00	\$ 0.00	\$ 227,105.85
U.S. Department of Transportation								
Pass Through the State of New Jersey:								
Division of Highway Traffic Safety:								
You Drink, You Drive, You Lose	20.602	AL07-10-04-26	5,000.00	12/04/06	02/17/07	\$ -0-	\$ -0-	\$ 200.00
Over the Limit, Under Arrest - 2007	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	6,000.00	08/21/09	09/07/09	-0-	-0-	5,800.00
						\$ 0.00	\$ 0.00	\$ 10,850.00
U.S. Department of Health and Human Services								
Pass Through the State of New Jersey:								
Department of Health and Senior Services								
Health Community Development Grant - FY2010	93.993	4535-129-6140-2070	4,572.00	06/25/10	06/24/11	\$ -0-	\$ 355.96	\$ 754.96
Health Community Development Grant - FY2011	93.993	4535-459-6140-2180	4,573.00	06/25/10	06/24/11	4,573.00	-0-	-0-
						\$ 4,573.00	\$ 355.96	\$ 754.96
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	16.710	AL-08-10-05-01	3,200.00	11/15/07	06/15/08	\$ -0-	\$ -0-	\$ 3,175.00
COPS in Shops Grant - College/Fall Initiative	16.710		2,400.00			-0-	2,400.00	2,400.00
COPS in Shops Grant - Summer Shore Initiative	16.710		1,600.00			-0-	1,600.00	1,600.00
Bulletproof Vest Program - 2004	16.607		8,025.00	01/01/04	12/31/04	-0-	-0-	7,974.52
Bulletproof Vest Program - 2008	16.607		8,462.40	01/01/08	12/31/08	-0-	2,100.83	8,462.40
Bulletproof Vest Program - 2009	16.607		7,589.08			-0-	408.46	3,313.83
Passed Through the County of Monmouth:								
Edward J. Byrne Memorial Justice Assistance Grant	16.579		25,845.00			25,844.50	-0-	25,212.00
						\$ 25,844.50	\$ 6,509.29	\$ 52,137.75
						\$ 30,417.50	\$ 6,865.25	\$ 290,848.56

TOWNSHIP OF OCEAN

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FISCAL YEAR ENDED DECEMBER 31, 2011

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	RECEIVED FISCAL YEAR 2011	EXPENDITURES FISCAL YEAR 2011	CUMULATIVE EXPENDITURES 2011
		FROM	TO				
<u>Pass Through From County of Monmouth</u>							
Alliance to Prevent Alcoholism and Drug Abuse	10A-25	1/1/10	12/31/10	\$ 24,086.00	\$ 12,074.47	\$ -0-	\$ 24,086.00
Alliance to Prevent Alcoholism and Drug Abuse	11A-18	1/1/11	12/31/11	33,482.00	21,832.40	33,481.90	33,481.90
Drug Abuse Council	200-475-99151120-60	1/1/08	12/31/08	47,584.00	-0-	-0-	46,651.00
Drug Abuse Council	200-475-99151120-60	1/1/10	12/31/10	44,499.00	11,980.48	-0-	44,499.00
Drug Abuse Council	200-475-99151120-60	1/1/11	12/31/11	44,499.00	32,518.54	42,812.00	42,812.00
					\$ 78,405.89	\$ 76,293.90	\$ 191,529.90
<u>Department of Environmental Protection</u>							
Clean Communities Program	4900-765-042004-6020	1/1/05	12/31/05	27,403.95	\$ -0-	\$ 862.63	\$ 27,367.26
Clean Communities Program	4900-765-042004-6020	1/1/06	12/31/06	28,732.03	-0-	1,130.52	28,583.48
Clean Communities Program	4900-765-042004-6020	1/1/07	12/31/07	36,237.19	-0-	4,442.35	31,984.16
Clean Communities Program	4900-765-042004-6020	1/1/09	12/31/09	82,405.55	-0-	10,087.76	68,133.84
Clean Communities Program	4900-765-042004-6020	1/1/10	12/31/10	51,244.32	-0-	30,213.92	38,215.32
Clean Communities Program	4900-765-042004-6020	1/1/11	12/31/11	50,406.55	50,406.55	5,505.15	5,505.15
Recycling Tonnage Grant	4900-752-042-4900		Continuous	504,356.85	-0-	60,005.33	504,356.85
Recycling Tonnage Grant - 2010	4900-752-042-4900		Continuous	55,235.00	-0-	11,909.92	11,909.92
Recycling Tonnage Grant - 2011	4900-752-042-4900		Continuous	57,682.10	57,682.10	-0-	-0-
Municipal Stormwater Regulation Program	04-100-042-4850-118	3/01/04	02/28/07	20,619.00	-0-	-0-	14,734.17
2008 Green Communities Phase I Grant	07-100-042-4870-038	7/1/2008	6/30/2010	3,000.00	-0-	-0-	3,000.00
					\$ 108,088.65	\$ 124,157.56	\$ 733,790.15
<u>Department of Law and Public Safety</u>							
Drunk Driving Enforcement Fund - 2007	1110-101-030000-129040		Continuous	10,001.41	\$ -0-	\$ 362.20	\$ 10,001.41
Drunk Driving Enforcement Fund - 2009	1110-101-030000-129040		Continuous	21,653.23	-0-	3,977.90	3,977.90
Drunk Driving Enforcement Fund - 2010	1110-101-030000-129040		Continuous	5,667.00	-0-	-0-	-0-
Safe and Secure Communities Program	10-100-066-1020-232	5/4/2010	5/3/2011	60,000.00	-0-	25,384.50	60,000.00
Safe and Secure Communities Program	11-100-066-1020-232	5/4/2011	5/3/2012	55,837.00	-0-	32,053.70	32,053.70
Body Armor Replacement Fund - Prior	1020-718-066-1020-001-YCJS-6120		Continuous	18,250.71	-0-	2,509.36	8,311.26
Body Armor Replacement Fund - 2010	1020-718-066-1020-001-YCJS-6120		Continuous	5,309.67	-0-	-0-	-0-
Body Armor Replacement Fund - 2011	1020-718-066-1020-001-YCJS-6120		Continuous	2,038.00	-0-	-0-	-0-
					\$ 64,287.66	\$ 114,344.27	
<u>Department of Community Affairs</u>							
Alcohol Education and Rehabilitation Fund	9735-760-098-6020		Continuous	351.91	\$ -0-	\$ 301.91	\$ 301.91
					\$ 301.91	\$ 301.91	\$ 301.91
<u>Department of Human Services</u>							
ASAM Level I - Outpatient Services	10S-13	1/1/2010	12/31/2011	49,440.00	13,309.93	-0-	49,440.00
ASAM Level II - Intensive Outpatient Services	10C-13KNC	1/1/2009	10/31/2010	44,116.00	27,251.00	-0-	44,116.00
ASAM Level I - Outpatient Services	11S-13	1/1/2011	12/31/2011	49,440.00	\$ 49,440.00	\$ 49,439.98	\$ 49,439.98
ASAM Level II - Intensive Outpatient Services	11S-13	1/1/2011	12/31/2011	75,000.00	41,563.46	75,000.00	75,000.00
					\$ 131,564.39	\$ 124,439.98	\$ 217,995.98
<u>Department of Transportation</u>							
Improvements to Sunset Avenue Phase II	09-480-078-6320-AKE-6010		Continuous	165,000.00	\$ -0-	\$ -0-	\$ 165,000.00
Improvements to Sunset Avenue Phase III	10-480-078-6320-AKN-6010		Continuous	130,000.00	-0-	-0-	130,000.00
Improvements to Sunset Avenue Phase IV	11-480-078-6320-AK3-6010		Continuous	160,000.00	-0-	-0-	-0-
					\$ 295,000.00	\$ 295,000.00	\$ 295,000.00
					\$ 318,058.93	\$ 389,481.03	\$ 1,552,962.21

TOWNSHIP OF OCEAN

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

YEAR ENDED DECEMBER 31, 2011 AND 2010

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 - regulatory 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 - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory 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	\$ <u>30,417.50</u>	\$ <u>318,058.93</u>	\$ <u>750.00</u>	\$ <u>349,226.43</u>
	\$ <u><u>30,417.50</u></u>	\$ <u><u>318,058.93</u></u>	\$ <u><u>750.00</u></u>	\$ <u><u>349,226.43</u></u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ <u>6,865.25</u>	\$ <u>389,481.03</u>	\$ <u>228,945.85</u>	\$ <u>625,292.13</u>
	\$ <u><u>6,865.25</u></u>	\$ <u><u>389,481.03</u></u>	\$ <u><u>228,945.85</u></u>	\$ <u><u>625,292.13</u></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.

**THIS PAGE INTENTIONALLY LEFT BLANK**

PART III

TOWNSHIP OF OCEAN

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2011

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

	<u>YEAR 2011</u>		<u>YEAR 2010</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 7,249,437.00	6.64%	\$ 7,487,690.00	7.01%
Miscellaneous-From Other Than Local				
Property Tax Levies	9,549,461.85	8.74%	9,037,805.66	8.46%
Collection of Delinquent Taxes and Tax				
Title Liens	1,394,019.99	1.28%	1,049,578.91	0.98%
Collection of Current Tax Levy	<u>91,065,595.98</u>	<u>83.35%</u>	<u>89,267,065.25</u>	<u>83.55%</u>
<u>Total Income</u>	<u>\$ 109,258,514.82</u>	<u>100.00%</u>	<u>\$ 106,842,139.82</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 28,616,988.67	27.99%	\$ 28,003,185.18	27.86%
County Taxes	14,277,358.57	13.96%	15,115,977.72	15.04%
Local School Taxes	56,096,822.54	54.87%	54,575,836.25	54.30%
Fire District Taxes	2,615,957.00	2.56%	2,565,008.00	2.55%
Other Expenditures	<u>630,771.62</u>	<u>0.62%</u>	<u>250,844.37</u>	<u>0.25%</u>
<u>Total Expenditures</u>	<u>\$ 102,237,898.40</u>	<u>100.00%</u>	<u>\$ 100,510,851.52</u>	<u>100.00%</u>
Excess in Revenue	\$ 7,020,616.42		\$ 6,331,288.30	
Fund Balance, January 1	<u>8,209,295.80</u>		<u>9,365,697.50</u>	
	\$ 15,229,912.22		\$ 15,696,985.80	
Less: Utilization as Anticipated Revenue	<u>7,249,437.00</u>		<u>7,487,690.00</u>	
<u>Fund Balance, December 31</u>	<u>\$ 7,980,475.22</u>		<u>\$ 8,209,295.80</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Tax Rate	<u>2.082</u>	<u>2.041</u>	<u>1.824</u>
Apportionment of Tax Rate:			
Municipal	0.446	0.428	0.373
County	0.331	0.350	0.313
Regional School	1.305	1.263	1.138

ASSESSED VALUATIONS:

2011	<u>\$4,300,144,068.00</u>		
2010		<u>\$4,320,258,852.00</u>	
2009			<u>\$4,664,549,276.00</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>CURRENTLY</u>	
		<u>CASH COLLECTION</u>	<u>PERCENTAGE OF COLLECTIONS</u>
2011	\$92,386,823.18	\$91,065,595.98	98.56%
2010	90,987,168.02	89,327,065.25	98.17%
2009	88,023,874.47	86,814,441.83	98.62%

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>
2011	\$426,341.46	\$1,108,375.14	\$1,534,716.60	1.66%
2010	390,218.95	1,394,363.41	1,784,582.36	1.96%
2009	324,541.89	1,092,157.20	1,416,699.09	1.61%

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>
2011	\$849,381.00
2010	\$849,381.00
2009	\$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	2011	\$7,980,475.22	\$6,840,000.00
	2010	8,209,295.80	7,249,437.00
	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

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 to 1/11/11	Deputy Mayor	*	
Christopher P. Siciliano from 1/18/12	Deputy Mayor	*	
William J. Garofalo	Councilmember	*	
Donna L. Schepiga	Councilmember	*	
Christopher P. Siciliano to 1/18/12	Councilmember	*	
W. Michael Evans from 1/18/12	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	*	
Dr. Richard Ponton	Director of Human	*	
Marianne Wilensky	Director of Community Development	*	
Joel Kreizman	Municipal Court Judge	*	
Jacqueline Dowd	Court Administrator	*	
Lillian Specht	Deputy Court Administrator	*	
Gloria Walker	Deputy Court Administrator	*	
Paul Vitale	Construction	*	
Edward Mullane	Tax Assessor	*	
Kathy Reiser	Recreation	*	

\*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.

**THIS PAGE INTENTIONALLY LEFT BLANK**

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 January 1, 2011, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$17,500.00 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 Services
- Removal Of Compost Leaves
- Bulk Material & Recycling Recovery Facilities
- Recapping of Tires, Accessories and Road Service
- Motor Oil and 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 \$17,500.00 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.A. 40A:11-6.

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
- 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 January 10, 2011 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).

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 2012 Taxes	25
Payments of 2011 Taxes	25
Delinquent Taxes	25

TAX TITLE LIENS

The last tax sale was held on October 19, 2011 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>
2011	6
2010	6
2009	4

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 requires 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

Our examination of the bank reconciliations disclosed that reconciling items were not properly investigated on a timely basis.

The above issue appears to have been resolved as an examination of the May 2012 bank reconciliations for the accounts in question showed the records to be properly reconciled and agreed to the General Ledger.

## RECOMMENDATIONS

We recommend that all reconciling items on the bank reconciliations be investigated on a timely basis.



