

**TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY

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## COMMENTS AND RECOMMENDATIONS



## Independent Auditors' Report

Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Monmouth County, New Jersey

We have audited the accompanying regulatory-basis financial statements of the Township of Marlboro (the "Township"), County of Monmouth, New Jersey, as of December 31, 2010 and 2009 and for the years then ended, listed as financial statement exhibits in the foregoing table of contents, except for the financial statements related to the Water Utility Fund which we have audited as of December 31, 2010 and for the period from February 1, 2010 (inception) through December 31, 2010. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

As described in Note 1, these financial statements were prepared in conformity with the accounting practices prescribed by the Division, which practices differ from accounting principles generally accepted in the United States of America. The effects of the differences from accounting principles generally accepted in the United States of America are not reasonably determinable. In addition, the financial statements of the Length of Services Award Program Trust Fund ("LOSAP") have not been audited and were not required by the Division to be audited and we were not engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Township's financial statements. The LOSAP Trust Fund financial activities are included in the Township's Trust Fund, and represent 2.44% and 2.10% of the assets and liabilities of the Township's Trust Funds as of December 31, 2010 and 2009, respectively.

In our opinion, because of the effects of the use of prescribed accounting practices that differ from accounting principles generally accepted in the United States of America as described in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2010 and 2009 or the results of its operations and changes in its fund balances for the years then ended, except for the financial statements related to the Water Utility Fund which we have audited as of December 31, 2010 and for the period from February 1, 2010 (inception) through December 31, 2010.

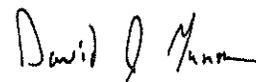
Also, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Trust Fund financial statements been audited, the financial statements referred to above present fairly, in all material respects, the financial position of the Township as of December 31, 2010 and 2009 and the results of its operations and changes in its fund balances for the years then ended, except for the financial statements related to the Water Utility Fund which we have audited as of December 31, 2010 and for the period from February 1, 2010 (inception) through December 31, 2010 in conformity with the accounting practices prescribed by the Division as described in Note 1.

Also discussed in Note 2 to the financial statements, a fixed asset inventory performed by the Township as of December 31, 2009 resulted in an understatement of fixed assets as of December 31, 2009. Accordingly, the 2009 financial statements have been restated to correct the fixed asset balances as of December 31, 2009.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 8, 2011 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the regulatory-basis financial statements. The accompanying supplementary schedules and comments section are presented for purposes of additional analysis as required by the Division and are not a required part of the regulatory-basis financial statements of the Township. Such supplementary information has been subjected to the auditing procedures applied in the audit of the 2010 regulatory-basis financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2010 regulatory-basis financial statements taken as a whole.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and is not a required part of the regulatory-basis financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respect in relation to the financial statements taken as a whole.



David J. Gannon  
Registered Municipal Accountant  
No. 520



WISS & COMPANY, LLP

**FINANCIAL STATEMENTS**

**CURRENT AND GRANT FUND**

**EXHIBITS**



TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCES

Years ended December 31, 2010 and 2009

<u>Revenue and Other Income Realized</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Fund Balance Utilized	A-2	\$ 1,291,773.80	\$ 5,200,000.00
Miscellaneous Revenue Anticipated	A-2	10,320,913.79	6,953,520.83
Receipts From Delinquent Taxes	A-2	1,388,891.04	1,400,019.38
Receipts From Current Taxes	A-2	138,598,918.85	133,787,392.95
Non-Budget Revenue	A-2	458,252.28	93,154.37
Other Credits To Income:			
Due From Monmouth County Improvement Authority	5-A	266,810.04	12,706.57
Interfunds Returned	8-A	8,100.00	3,300.00
County Tax Payable Canceled	15-A		246,588.41
Unexpended Balance of Appropriation Reserves	10-A	1,137,899.34	1,331,692.02
Special District Tax Canceled	18-A	47,788.54	
Grant Appropriated Reserves Canceled	25-A	738,035.45	
		<u>154,257,383.13</u>	<u>149,028,374.53</u>
<u>Expenditures</u>			
Budget Appropriations Within CAPS:			
Operations:			
Salaries and Wages	A-3	14,034,350.00	14,200,000.00
Other Expenses	A-3	9,603,160.00	9,198,903.19
Deferred Charges and Statutory Expenditures	A-3	2,444,584.77	2,261,058.50
Budget Appropriations Excluded From CAPS:			
Operations:			
Salaries and Wages	A-3	682,500.00	660,000.00
Other Expenses	A-3	1,974,281.47	987,526.64
Municipal Debt Service	A-3	2,599,508.52	2,874,127.65
Deferred Charges	A-3	675,000.00	305,000.00
County Taxes	15-A	21,042,506.92	20,357,300.35
Amount Due For Added and Omitted Taxes	15-A	43,774.19	107,471.35
Local District School Taxes	16-A	65,583,088.00	65,898,624.00
Regional High School Taxes	17-A	26,686,337.53	26,492,547.87
Special District Taxes	18-A	2,665,440.54	2,535,298.75
Municipal Open Space Taxes	19-A	693,724.97	625,456.67
Grants Receivable Canceled	24-A	721,099.87	
Prior Year Senior Citizens Deduction Disallowed	2-A	3,069.86	250.00
Due From Monmouth County Improvement Authority	5-A	254,310.80	29,899.34
Advance To Fire District # 1			5,000.00
Interfund Advances			8,100.00
Refund of Prior Year Revenue			11,622.71
		<u>149,706,737.44</u>	<u>146,558,187.02</u>
Excess in Revenues Over Expenditures		4,550,645.69	2,470,187.51
Adjustment to Income Before Fund Balance:			
Expenditures Included Above Which Are By Statute Deferred Charges To Budgets of Succeeding Years	22-A	<u>370,000.00</u>	
Statutory Excess To Fund Balance		4,920,645.69	2,470,187.51
Fund Balance, January 1	A	<u>2,893,148.61</u>	<u>5,622,961.10</u>
		7,813,794.30	8,093,148.61
Decreased By:			
Utilized as Anticipated Revenue	A-1,A-2	<u>1,291,773.80</u>	<u>5,200,000.00</u>
Fund Balance, December 31	A	<u>\$ 6,522,020.50</u>	<u>\$ 2,893,148.61</u>

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND  
STATEMENT OF REVENUES  
Year ended December 31, 2010

	Reference	Anticipated Budget	Chapter 159s	Amount Realized	(Deficit)/ Excess
Fund Balance Anticipated	A-1	\$ 1,291,773.80		\$ 1,291,773.80	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	7-A	20,000.00		240.00	\$ (19,760.00)
Other	7-A	20,000.00		20,000.00	
Fees and Permits	7-A	580,000.00		573,760.24	(6,239.76)
Municipal Court	7-A	440,000.00		453,788.68	13,788.68
Interest and Costs on Taxes	7-A	280,000.00		304,999.91	24,999.91
Interest on Investments and Deposits	7-A	400,000.00		201,904.83	(198,095.17)
Cable Franchise Fees	7-A	115,000.00		144,540.72	29,540.72
Cell Tower Rental	7-A	175,000.00		182,207.52	7,207.52
Energy Receipts Tax	7-A	2,158,955.00		2,158,955.00	
Consolidated Municipal Property Tax Relief Act	7-A	109,994.00		109,994.00	
Uniform Fire Safety Act	7-A	54,000.00		66,465.65	12,465.65
Aquatic Center Lease	7-A	70,000.00		70,000.00	
Capital Surplus	7-A	450,500.00		450,500.00	
Utility Operating Surplus of Prior Year	7-A	5,450,000.00		5,450,000.00	
Click It or Ticket Grant	24-A	4,000.00		4,000.00	
Recycling Tonnage Grant	24-A	51,127.94		51,127.94	
Smart Growth Grant	24-A	5,000.00		5,000.00	
NJ Forest Service Grant	24-A	6,967.00		6,967.00	
Body Armor Replacement Grant	24-A	1,625.00		1,625.00	
Body Armor	24-A		\$ 6,367.00	6,367.00	
Over the Limit / Under Arrest	24-A		5,000.00	5,000.00	
Alcohol Education Grant	24-A	788.96		788.96	
Clean Communities Program	24-A	24,134.34		24,134.34	
Municipal Alliance on Alcoholism and Drug Abuse	24-A	28,547.00		28,547.00	
<b>Total Miscellaneous Revenues</b>	<b>A-1</b>	<b>10,445,639.24</b>	<b>11,367.00</b>	<b>10,320,913.79</b>	<b>(136,092.45)</b>
Receipts From Delinquent Taxes	A-1	1,350,000.00		1,388,891.04	38,891.04
Amount To Be Raised By Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2	20,600,000.00		21,334,046.70	734,046.70
Budget Revenues	A-3	33,687,413.04		34,336,625.33	636,845.29
Non-Budget Revenues	A-1,1-A			458,252.28	458,252.28
	A-3	\$ 33,687,413.04	\$ 11,367.00	\$ 34,793,877.61	\$ 1,095,097.57

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES

Year ended December 31, 2010

	<u>Reference</u>	
<u>Analysis of Realized Revenues</u>		
Allocation of Current Tax Collections:		
Revenue From Collections	A-1, 3-A	\$ 138,598,918.85
Allocated To:		
School, County, Special and Open Space Taxes	3-A	<u>119,264,872.15</u>
		19,334,046.70
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>2,000,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 21,334,046.70</u>
Receipts From Delinquent Taxes:		
Delinquent Tax Collections	A-2,3-A	<u>\$ 1,388,891.04</u>

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES

Year ended December 31, 2010

<u>Analysis of Non-Budget Revenues</u>	<u>Reference</u>	
Miscellaneous Revenue Not Anticipated:		
Inspection Fees		\$ 13,912.00
Mobile Home Rent		11,000.00
Return on MCIA Financings		36,117.60
Veterans' and Senior Citizens' Deduction Administrative Fee		5,012.21
Auction Proceeds		18,193.82
NJ State - Hospital Interlocal		37,500.00
FEMA Reimbursement		79,528.95
Police Extra Duty Admin Fee		74,119.20
Other Reimbursements and Cancellations		71,760.58
Settlements		84,043.42
Scrap Metal		6,014.30
VALIC Refund		12,378.96
New Horizons Donation		1,000.00
Miscellaneous Receipts		<u>7,671.24</u>
	A-1,1-A	<u>\$ 458,252.28</u>

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF EXPENDITURES

Year ended December 31, 2010

	Original Budget	Appropriated Transfers	Budget After Modification	Expended	Cancelled
				Paid or Charged	Reserved
General Appropriations Operations - Within "CAPS"	\$ 265,000.00	\$ (20,000.00)	\$ 245,000.00	\$ 237,408.41	\$ 7,591.59
GENERAL GOVERNMENT	207,020.00	(75,000.00)	132,020.00	129,460.91	2,559.09
General Administration:					
Salaries and Wages	60,000.00		60,000.00	59,471.26	528.74
Other Expenses	4,595.00		4,595.00	1,918.53	2,676.47
Office of the Mayor:					
Salaries and Wages	2,500.00		2,500.00	1,919.00	581.00
Other Expenses	2,000.00		2,000.00		2,000.00
Open Space Committee:					
Other Expenses	18,000.00		18,000.00	14,098.20	3,901.80
Township Council:	1,000.00		1,000.00	250.00	750.00
Salaries and Wages					
Other Expenses	188,000.00	7,700.00	195,700.00	195,402.95	297.05
Municipal Clerk:	54,890.00		54,890.00	54,801.38	88.62
Salaries and Wages					
Other Expenses	242,000.00	(10,000.00)	232,000.00	222,322.53	9,677.47
Financial Administration (Treasury):	22,865.00		22,865.00	16,912.70	5,752.30
Salaries and Wages					
Other Expenses	50,000.00		50,000.00	42,500.00	7,500.00
Audit Services:					
Other Expenses	85,500.00		85,500.00	75,584.92	9,915.08
Central Computer Services:	42,565.00		42,565.00	37,245.62	5,319.38
Salaries and Wages					
Other Expenses	152,000.00	(15,000.00)	137,000.00	131,966.88	5,033.12
Revenue Administration (Tax Collection):	34,250.00		34,250.00	31,800.10	2,449.90
Salaries and Wages	150,000.00		150,000.00	142,007.13	7,992.87
Other Expenses	94,800.00		94,800.00	71,479.89	23,320.11
Tax Assessment Administration:					
Salaries and Wages	305,000.00	180,000.00	485,000.00	455,796.45	29,203.55
Other Expenses	220,000.00	(15,000.00)	205,000.00	194,640.36	10,359.64
Legal Services (Legal Department):	150,390.00		150,390.00	149,826.09	563.91
Other Expenses					
Engineering Services:					
Salaries and Wages	2,000.00		2,000.00	150.00	1,850.00
Other Expenses	10,000.00		10,000.00	8,760.95	1,239.05
Grant Administration					
Other Expenses	12,000.00		12,000.00	12,000.00	
Cable Studio					
Other Expenses	32,200.00		32,200.00	32,195.97	4.03
Inter-Governmental Relations:					
Other Expenses	1,000.00		1,000.00		1,000.00
Historic Sites Commission:					
Other Expenses	1,000.00		1,000.00		1,000.00

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF EXPENDITURES

Year ended December 31, 2010

	Appropriated		Budget After Modification	Expended		Cancelled
	Original Budget	Transfers		Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"						
LAND USE ADMINISTRATION						
Planning Board:						
Salaries and Wages	\$ 63,000.00	\$	63,000.00	60,770.95	\$ 2,229.05	
Other Expenses	64,205.00		64,205.00	62,608.22	1,596.78	
Planning Board Contractual:						
Other Expenses	93,525.00	\$ 21,000.00	114,525.00	91,717.99	22,807.01	
Zoning Board:						
Salaries and Wages	152,000.00		152,000.00	150,637.30	1,362.70	
Other Expenses	43,050.00	10,000.00	53,050.00	46,605.48	6,444.52	
INSURANCE						
Unemployment	25,000.00		25,000.00	25,000.00		
General Liability	470,000.00	(7,750.00)	462,250.00	460,980.96	1,269.04	
Workers Compensation	570,000.00	(19,000.00)	551,000.00	550,250.00	750.00	
Employee Group Health	2,303,600.00	(85,750.00)	2,217,850.00	2,217,292.30	557.70	
PUBLIC SAFETY						
Police Department:						
Salaries and Wages	8,280,000.00		8,280,000.00	7,949,497.13	330,502.87	
Other Expenses	339,000.00		339,000.00	302,372.38	36,627.62	
Crime Prevention:						
Other Expenses	20,700.00		20,700.00	7,288.65	13,411.35	
School Educational Programs:						
Other Expenses	13,900.00		13,900.00		13,900.00	
Highway Safety:						
Other Expenses	21,900.00		21,900.00	5,802.29	16,097.71	
Office of Emergency Management:						
Salaries and Wages	23,000.00		23,000.00	23,000.00		
Other Expenses	16,500.00		16,500.00	1,780.80	14,719.20	
Aid To Volunteer Ambulance:						
Other Expenses	60,000.00		60,000.00	60,000.00		
Uniform Fire Safety Act (P.L. 1983, Ch. 383):						
Salaries and Wages	157,000.00		157,000.00	135,891.70	21,008.30	
Other Expenses	14,805.00		14,805.00	9,890.46	4,814.54	
Municipal Prosecutor:						
Salaries and Wages	33,000.00		33,000.00	32,448.00	552.00	
PUBLIC WORKS						
Streets and Road Maintenance:						
Salaries and Wages	1,425,000.00	11,000.00	1,436,000.00	1,432,061.63	3,938.37	
Other Expenses	45,685.00		45,685.00	34,500.51	11,184.49	
Snow Removal:						
Salaries and Wages	100,000.00	30,000.00	130,000.00	126,394.23	3,605.77	
Other Expenses	770,190.00		770,190.00	703,176.41	67,013.59	
Other Public Works Functions:						
Salaries and Wages	343,000.00	(18,200.00)	324,800.00	312,448.92	12,351.08	
Other Expenses	66,020.00		66,020.00	55,738.94	10,281.06	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF EXPENDITURES

Year ended December 31, 2010

	Original Budget	Appropriated		Budget After Modification	Expended		Cancelled
		Transfers			Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"							
PUBLIC WORKS (continued)							
Shade Tree Commission:							
Other Expenses	\$ 2,000.00	\$	2,000.00	\$	1,265.05	\$	734.95
Solid Waste Collection:							
Salaries and Wages	15,350.00		15,350.00		11,105.37		4,244.63
Other Expenses	748,300.00		748,300.00		669,145.25		79,154.75
Buildings and Grounds:							
Salaries and Wages	438,000.00	\$ (15,000.00)	423,000.00		415,497.61		7,502.39
Other Expenses	202,140.00		202,140.00		201,762.83		377.17
Vehicle Maintenance:							
Salaries and Wages	412,000.00	18,500.00	430,500.00		430,339.84		160.16
Other Expenses	129,800.00		129,800.00		120,353.97		9,446.03
Condominium Services Act:							
Other Expenses	62,100.00	-	62,100.00		11,014.64		51,085.36
HEALTH AND HUMAN SERVICES							
Public Health Services (Board of Health):							
Salaries and Wages	6,500.00		6,500.00		6,500.00		1,594.78
Other Expenses	1,985.00		1,985.00		390.22		
Drug Abuse Control:							
Salaries and Wages	36,500.00	(20,000.00)	16,500.00		8,884.85		7,615.15
Other Expenses	7,550.00		7,550.00		4,792.81		2,757.19
Environmental Health Services:							
Salaries and Wages	2,000.00		2,000.00		2,000.00		
Other Expenses	5,000.00		5,000.00		540.57		4,459.43
Animal Control Services:							
Other Expenses	55,000.00		55,000.00		55,000.00		
PARK AND RECREATION							
Recreation Services and Programs:							
Salaries and Wages	430,000.00		430,000.00		386,263.58		43,736.43
Other Expenses	126,940.00		126,940.00		106,254.97		20,685.03
Maintenance of Parks:							
Salaries and Wages	475,000.00		475,000.00		465,458.31		9,541.69
Other Expenses	45,600.00		45,600.00		44,851.83		748.17
Municipal Library:							
Other Expenses	16,200.00		16,200.00		7,108.23		9,091.77
Homeland Security:							
Other Expenses	28,500.00		28,500.00		20,756.43		7,743.57
Affordable Housing:							
Salaries and Wages	2,000.00		2,000.00		2,000.00		
Other Expenses	4,300.00		4,300.00				4,300.00
Municipal Court:							
Salaries and Wages	287,500.00		287,500.00		280,086.59		7,413.41
Other Expenses	125,140.00		125,140.00		119,783.08		5,356.92
Public Defender:							
Salaries and Wages	17,000.00		17,000.00		16,243.92		756.08

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF EXPENDITURES  
Year ended December 31, 2010

	Appropriated		Budget After Modification	Expended		Cancelled
	Original Budget	Transfers		Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"						
UNCLASSIFIED						
Accumulated Leave Compensation	\$ 1,000.00		\$ 1,000.00		\$ 1,000.00	
Postage	60,000.00		60,000.00	41,000.00	19,000.00	
UTILITY EXPENSES AND BULK PURCHASES						
Electricity	427,200.00		427,200.00	385,997.57	41,202.43	
Street Lighting	689,000.00		689,000.00	665,491.48	23,508.52	
Telephone (excluding equipment acquisition)	165,000.00		165,000.00	119,406.03	45,593.97	
Water	24,000.00		24,000.00	23,677.64	322.36	
Gas (natural or propane)	95,000.00		95,000.00	72,018.75	22,981.25	
Sewerage Processing and Disposal	10,000.00		10,000.00	9,930.86	69.14	
Gasoline	351,250.00		351,250.00	317,552.87	33,697.13	
Landfill/Solid Waste Disposal Costs	220,700.00		220,700.00	157,906.58	62,794.42	
Total Operations - Within "CAPS"	\$ 23,650,010.00	\$ (22,500.00)	\$ 23,627,510.00	22,358,656.20	1,268,853.80	
Contingent	10,000.00		10,000.00		10,000.00	
Total Operations Including Contingent - Within "CAPS"	23,660,010.00	(22,500.00)	23,637,510.00	22,358,656.20	1,278,853.80	
Detail:						
Salaries and Wages	14,080,350.00	(46,000.00)	14,034,350.00	13,520,682.56	513,667.44	
Other Expenses	9,579,660.00	23,500.00	9,603,160.00	8,837,973.64	765,186.36	
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"						
DEFERRED CHARGES	94,000.00		94,000.00	93,553.83	446.17	
Prior Years Bills						
STATUTORY EXPENDITURES						
Contribution To:						
Social Security System (O.A.S.I.)	1,050,000.00	5,000.00	1,055,000.00	1,001,090.99	53,909.01	
Police and Firemen's Retirement System of NJ	948,120.55		948,120.55	948,120.55		
Public Employees Retirement System	346,964.22		346,964.22	346,964.22		
Defined Contribution Retirement Program	500.00		500.00		500.00	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	2,439,584.77	5,000.00	2,444,584.77	2,389,729.59	54,855.18	
Total General Appropriations for Municipal Purposes - Within "CAPS"	26,099,594.77	(17,500.00)	26,082,094.77	24,748,385.79	1,333,708.98	
General Appropriations Operations - Excluded from "CAPS"						
Length of Services Awards Program (LOSAP): Other Expenses	85,000.00		85,000.00	82,127.25	2,872.75	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF EXPENDITURES  
Year ended December 31, 2010

	Original Budget	Appropriated Transfers	Budget After Modification	Paid or Charged	Expended	Reserved	Cancelled
General Appropriations Operations - Excluded from "CAPS"							
Employee Health Insurance	\$ 153,790.00	\$	153,790.00	\$	153,790.00		
Police and Fireman's Retirement System	956,929.45		956,929.45	956,918.45	11.00		
Public Employees Retirement System	333,035.78		333,035.78	328,775.60	4,260.18		
Police Dispatch/911:							
Salaries and Wages	665,000.00	\$ 17,500.00	682,500.00	677,373.67	5,126.33		
Other Expenses	294,250.00		294,250.00	231,913.41	62,336.59		
SFSP Fire District Payments:							
Other Expenses	10,583.00		10,583.00	8,678.00	1,905.00		
Total Other Operations Excluded From "CAPS"	2,498,588.23	17,500.00	2,516,088.23	2,285,786.38	230,301.85		
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES							
Monmouth County Board of Alcohol and Drug Abuse Services:							
Grant Share	28,547.00		28,547.00	28,547.00			
Local Share	7,136.00		7,136.00	7,136.00			
Click It or Ticket	4,000.00		4,000.00	4,000.00			
Recycling Tonnage Grant	51,127.94		51,127.94	51,127.94			
NJ Forest Service Grant	6,967.00		6,967.00	6,967.00			
Body Armor Grant	1,625.00		1,625.00	1,625.00			
Body Armor			6,367.00	6,367.00			
Over the Limit / Under Arrest	24,134.34		5,000.00	5,000.00			
Clean Communities Grant	788.96		24,134.34	24,134.34			
Alcohol Rehabilitation Fund			788.96	788.96			
Smart Growth Grant	5,000.00		5,000.00	5,000.00			
Total Public and Private Programs Offset by Revenues	129,326.24		140,693.24	140,693.24			
Total Operations - Excluded From "CAPS"	2,627,914.47	17,500.00	2,656,781.47	2,426,479.62	230,301.85		
Detail:							
Salaries and Wages	665,000.00	17,500.00	682,500.00	677,373.67	5,126.33		
Other Expenses	1,962,914.47		1,974,281.47	1,749,105.95	225,175.52		

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF EXPENDITURES  
Year ended December 31, 2010

	Original Budget	Appropriated Transfers	Budget After Modification	Expended	Reserved	Cancelled
				Paid or Charged		
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	\$ 1,518,000.00		\$ 1,518,000.00	\$ 1,518,000.00		\$ 21,800.00
Payment of Bond Anticipation Notes Principal	21,800.00		21,800.00	498,427.87		72.13
Interest on Bonds	498,500.00		498,500.00	253,820.80		15,864.20
Interest on Notes	269,685.00		269,685.00			
Green Acres Trust Loan:						
Loan Repayments for Principal and Interest	28,865.00		28,865.00	28,864.50		0.50
Capital Lease Program:						
Principal	287,000.00		287,000.00	287,000.00		
Interest	31,053.80		31,053.80	13,395.35		17,658.45
Total Municipal Debt Service - Excluded From "CAPS"	2,654,903.80		2,654,903.80	2,599,508.52		55,395.28
General Appropriations						
Operations - Excluded from "CAPS"						
DEFERRED CHARGES						
Deferred Charges To Future Taxation - Special Emergency	305,000.00		305,000.00	305,000.00		
Deferred Charges To Future Taxation - Emergency				370,000.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	305,000.00		370,000.00	675,000.00		
Total General Appropriations - Excluded From "CAPS"	5,587,818.27	\$ 17,500.00	5,986,885.27	5,700,988.14	230,301.85	55,395.28
Subtotal General Appropriations	31,687,413.04		32,068,780.04	30,449,373.93	1,564,010.83	
Reserve for Uncollected Taxes	2,000,000.00		2,000,000.00	2,000,000.00		
Total General Appropriations	33,687,413.04	\$ -	34,068,780.04	32,449,373.93	\$ 1,564,010.83	\$ 55,395.28
Reference	A-2		Below	Below	A	
Analysis of Budget After Modification						
Original Budget	A-3		\$ 33,687,413.04			
Added by N.J.S. 40A-4-47	A-2		370,000.00			
Added by N.J.S. 40A-4-87			11,367.00			
Above			\$ 34,068,780.04			
Analysis of Paid or Charged						
Cash Disbursements	1-A		\$ 28,827,256.50			
Deferred Charges - Special Emergency	9-A		305,000.00			
Deferred Charges - Emergency	A, 22-A		370,000.00			
Reserve for:						
Encumbrances	12-A		1,013,560.19			
State Grants - Appropriated	25-A		133,657.24			
Uncollected Taxes	A-2		2,000,000.00			
Above			\$ 32,449,373.93			

**TRUST FUND**

**EXHIBIT**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEETS

December 31, 2010 and 2009

<u>Assets</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>	<u>Liabilities and Reserves</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Animal Control Trust Fund: Cash and Cash Equivalents	1-B	\$ 40,153.41	\$ 14,062.23	Animal Control Trust Fund: Due To State of New Jersey Reserve for Animal Control	3-B 6-B	\$ 275.40 39,878.01	\$ 275.40 13,786.83
Escrow Deposit Trust Fund: Cash and Cash Equivalents	1-B	3,700,259.88	4,093,575.79	Escrow Deposit Trust Fund: Reserve for Deposits	7-B	3,700,259.88	4,093,575.79
Open Space Trust Fund: Cash and Cash Equivalents	1-B	4,005,114.79	2,893,326.14	Open Space Trust Fund: Reserve for Open Space	5-B	4,005,114.79	2,893,326.14
Trust - Other Fund: Cash and Cash Equivalents	1-B	16,914,300.38	16,923,758.47	Trust - Other Fund: Due To: Current Fund	2-B		8,100.00
Due From Current Fund	2-B	28,500.00	28,500.00	State of New Jersey - DCA Fees	8-B	9,750.00	11,690.00
		16,942,800.38	16,952,258.47	Various Reserves	4-B	16,933,050.38	16,932,468.47
Length of Service Award Program Trust Fund ("LOSAP") - Unaudited: Investments	9-B	616,549.83	513,102.43	Length of Service Award Program Trust Fund ("LOSAP") - Unaudited: Miscellaneous Reserves	10-B	616,549.83	513,102.43
Total Assets		\$ 25,304,878.29	\$ 24,466,325.06	Total Liabilities and Reserves		\$ 25,304,878.29	\$ 24,466,325.06

See independent auditors' report and accompanying notes to the financial statements.

**GENERAL CAPITAL FUND**

**EXHIBITS**

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS

December 31, 2010 and 2009

<u>Assets</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Cash	1-C,2-C	\$ 5,122,965.63	\$ 3,466,194.41	General Serial Bonds	6-C	\$ 27,245,000.00	\$ 10,603,000.00
Due From NJ DOT	3-C	585,000.00		Bond Anticipation Notes Payable	7-C	-	15,750,000.00
Due From Swimming Pool Utility				Due To Federal and State Grant Fund	12-C	2,000.00	2,000.00
Capital Fund	13-C	250,000.00	250,000.00	Green Trust Loan Payable	8-C	306,589.93	328,986.13
Due From Water Utility Capital Fund	14-C	30,000.00		Improvement Authorizations:			
Deferred Charges To Future Taxation:				Funded	9-C	3,405,624.98	1,546,072.51
Funded	4-C	27,551,589.93	10,931,986.13	Unfunded	9-C	1,402,224.22	4,640,144.46
Unfunded	5-C	2,334,322.98	19,677,853.28	Capital Improvement Fund	10-C	47,500.00	62,500.00
				Various Reserves	11-C	700,957.37	942,786.22
				Fund Balance	C-1	2,763,982.04	450,544.50
<b>Total Assets</b>		<b>\$ 35,873,878.54</b>	<b>\$ 34,326,033.82</b>	<b>Total Liabilities, Reserves and Fund Balance</b>		<b>\$ 35,873,878.54</b>	<b>\$ 34,326,033.82</b>

There were bonds and notes authorized but not issued at December 31, 2010 and 2009 in the amount of \$2,334,322.98 and \$3,927,853.28, respectively. (See schedule 15-C)

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	C	\$ 450,544.50
Increased By:		
Premium on Sale of Notes	1-C	48,180.00
Premium on Sale of Bonds	1-C	1,084,972.66
Funded Improvement Authorizations Canceled	9-C	<u>1,630,784.88</u>
		3,214,482.04
Decreased By:		
Appropriated to 2010 Budget Revenue	1-C	<u>450,500.00</u>
Balance, December 31, 2010	C	<u><u>\$ 2,763,982.04</u></u>

See independent auditors' report and accompanying notes to the financial statements.

**SWIMMING POOL UTILITY FUNDS**

**EXHIBITS**

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 SWIMMING POOL UTILITY FUND  
 COMPARATIVE BALANCE SHEETS

December 31, 2010 and 2009

<u>Assets</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Operating Fund:				Operating Fund:			
Cash	1-D	\$ 724,199.08	\$ 816,156.57	Appropriation Reserves	D-3, 5-D	\$ 135,353.15	\$ 123,489.62
Change Fund	D		200.00	Encumbrances Payable	D-3, 6-D	37,448.81	51,850.79
Due From Swim Capital	9-D	<u>80,000.03</u>		Accounts Payable	7-D	35,483.06	35,227.16
Total Operating Fund		<u>804,199.11</u>	<u>816,356.57</u>	Prepaid Membership Fees	8-D	182,849.00	147,552.00
				Prepaid Guest Book Fees	10-D	1,315.00	780.00
				Prepaid Miscellaneous Fees	11-D	1,325.00	625.00
				Security Deposit	D	<u>3,543.58</u>	<u>3,543.58</u>
				Fund Balance	D-1	<u>406,881.51</u>	<u>453,288.42</u>
				Total Operating Fund		<u>804,199.11</u>	<u>816,356.57</u>
Capital Fund:				Capital Fund:			
Cash	1-D, 2-D	5,247.88	15,772.61	Improvement Authorizations:			
Fixed Capital	3-D	3,178,460.21	3,087,935.45	Unfunded	14-D	78,007.24	168,532.00
Fixed Capital Authorized and Uncompleted	4-D	<u>78,007.24</u>	<u>168,532.00</u>	Due To Swim Pool Operating Fund	9-D	80,000.03	
Total Capital Fund		<u>3,261,715.33</u>	<u>3,272,240.06</u>	Due To General Capital Fund	9-D	250,000.00	250,000.00
				Reserve for:			
				Capital Outlay	12-D	43,490.61	43,490.61
				Amortization	13-D	<u>2,810,217.45</u>	<u>2,810,217.45</u>
Total Assets		<u>\$ 4,065,914.44</u>	<u>\$ 4,088,596.63</u>	Total Capital Fund		<u>3,261,715.33</u>	<u>3,272,240.06</u>
				Total Liabilities, Reserves and Fund Balance		<u>\$ 4,065,914.44</u>	<u>\$ 4,088,596.63</u>

There were bonds and notes authorized but not issued at December 31, 2010 and 2009 in the amount of \$446,250.00. (See Schedule 15-D)

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE

Years ended December 31, 2010 and 2009

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	D-2	\$ 331,250.00	\$ 285,000.00
Membership Fees	D-2	484,515.00	524,022.00
Recreation Lease	D-2	50,000.00	50,000.00
Interest on Investments	D-2	107.89	194.29
Miscellaneous	D-2	271,503.08	261,559.39
Other Credits To Income:			
Unexpended Balance of Appropriation Reserves	5-D	<u>153,717.12</u>	<u>338,456.28</u>
		<u>1,291,093.09</u>	<u>1,459,231.96</u>
Expenditures:			
Operating	D-3	999,250.00	999,762.50
Debt Service	D-3	<u>7,000.00</u>	<u>10,059.37</u>
		<u>1,006,250.00</u>	<u>1,009,821.87</u>
Excess in Revenue		284,843.09	449,410.09
Fund Balance, January 1	D	<u>453,288.42</u>	<u>288,878.33</u>
		738,131.51	738,288.42
Decreased By:			
Utilized as Anticipated Revenue	D-1	<u>331,250.00</u>	<u>285,000.00</u>
Fund Balance, December 31	D	<u>\$ 406,881.51</u>	<u>\$ 453,288.42</u>

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

STATEMENT OF REVENUES

Year ended December 31, 2010

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	<u>(Deficit)/ Excess</u>
Fund Balance Utilized	D-1	\$ 331,250.00	\$ 331,250.00	
Membership Fees	D-1	500,000.00	484,515.00	\$ (15,485.00)
Miscellaneous	D-1	225,000.00	271,503.08	46,503.08
Recreation Lease	D-1, 1-D	50,000.00	50,000.00	-
Interest on Investments	D-1, 1-D	<u>-</u>	<u>107.89</u>	<u>107.89</u>
Total		<u>\$ 1,106,250.00</u>	<u>\$ 1,137,375.97</u>	<u>\$ 31,125.97</u>

	<u>Reference</u>	D-3	Below
<u>Analysis of Revenue:</u>			
Cash Receipts			\$ 657,168.97
Prepaid Applied	8-D,10-D,11-D		<u>148,957.00</u>
			<u>\$ 806,125.97</u>

<u>Analysis of Membership Fees:</u>			
Cash Receipts	1-D		\$ 336,183.00
Prepaid Applied	8-D,10-D		<u>148,332.00</u>
			<u>\$ 484,515.00</u>

<u>Analysis of Interest on Investments:</u>			
Cash Receipts	1-D		\$ 107.89
			<u>\$ 107.89</u>

<u>Analysis of Miscellaneous Revenue:</u>			
<u>Miscellaneous Receipts</u>			
Cash Receipts		\$ 214,401.08	
Additional Adult		2,181.00	
Guest Membership Fees		<u>54,296.00</u>	
	1-D		\$ 270,878.08
Prepaid Applied	11-D		<u>625.00</u>
			<u>\$ 271,503.08</u>

<u>Miscellaneous Revenue Detail:</u>			
Swimming Lessons			\$ 15,384.00
Swim Team			2,827.50
Camp			155,475.00
Vendor Payments			38,193.17
Additional Adult			2,181.00
Guest Membership Fees			54,296.00
Other			<u>3,146.41</u>
	D-1		<u>\$ 271,503.08</u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 SWIMMING POOL UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES

Year ended December 31, 2010

	Original Budget	Budget Modified	Expended			Cancelled
			Paid or Charged	Encumbrances	Reserved	
Operating:						
Salaries and Wages	\$ 450,000.00	\$ 450,000.00	\$ 408,788.00	\$ 11,212.00	\$ 30,000.00	
Other Expenses	596,250.00	596,250.00	424,660.04	37,448.81	17,000.00	
Total Operating	<u>1,046,250.00</u>	<u>1,046,250.00</u>	<u>833,448.04</u>	<u>37,448.81</u>	<u>47,000.00</u>	
Capital Improvements:						
Capital Outlay	60,000.00	60,000.00		7,000.00	53,000.00	
Total Capital Improvements	<u>60,000.00</u>	<u>60,000.00</u>		<u>7,000.00</u>	<u>53,000.00</u>	
	<u>\$ 1,106,250.00</u>	<u>\$ 1,106,250.00</u>	<u>\$ 833,448.04</u>	<u>\$ 37,448.81</u>	<u>\$ 135,353.15</u>	<u>\$ 100,000.00</u>

Reference D-2 D-2 1-D D, 6-D D

**PAYROLL FUND**

**EXHIBIT**

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

PAYROLL FUND

COMPARATIVE BALANCE SHEETS

December 31, 2010 and 2009

<u>Assets</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>	<u>Liabilities</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Cash	E	\$ 30,090.39	\$ 8,929.87	Due To Various Agencies	E	\$ 30,090.39	\$ 8,929.87
Total Assets		\$ 30,090.39	\$ 8,929.87	Total Liabilities		\$ 30,090.39	\$ 8,929.87

See independent auditors' report and accompanying notes to financial statements.

**WATER UTILITY FUNDS**

**EXHIBITS**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY FUND

BALANCE SHEET

December 31, 2010

<u>Assets</u>	<u>Reference</u>	<u>2010</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2010</u>
Operating Fund:			Operating Fund:		
Cash	1-F	\$ 2,952,860.30	Appropriation Reserves	F-3	\$ 192,463.15
Due From Water Utility Capital Fund	14-F	601.82	Encumbrances Payable	F-3	671,591.78
Accounts Receivable	3-F	<u>377,290.91</u>	Accrued Interest on Bonds	6-F	67,115.70
			Customer Overpayments	5-F	15,798.00
Total Operating Fund		<u>3,330,753.03</u>	Various Reserves	4-F	<u>909,721.90</u>
					1,856,690.53
			Reserve for Receivable	F	377,290.91
			Fund Balance	F-1	<u>1,096,771.59</u>
					3,330,753.03
			Total Operating Fund		<u>3,330,753.03</u>
Capital Fund:			Capital Fund:		
Cash	1-F, 2-F	3,457,210.39	Serial Bonds	10-F	22,090,000.00
Fixed Capital	7-F	32,967,341.00	Accounts Payable	13-F	26,115.00
Fixed Capital Authorized and Uncompleted	8-F	<u>840,000.00</u>	Improvement Authorizations: Funded	9-F	727,974.23
			Due To Water Utility Operating Fund	14-F	601.82
Total Capital Fund		<u>37,264,551.39</u>	Due To General Capital Fund	14-F	30,000.00
			Reserve for Capital Improvement Fund	11-F	50,000.00
			Reserve for Amortization	12-F	11,717,341.00
			Fund Balance	F-4	<u>2,622,519.34</u>
			Total Capital Fund		<u>37,264,551.39</u>
Total Assets		<u>\$ 40,595,304.42</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 40,595,304.42</u>

There were no bonds and notes authorized but not issued at December 31, 2010. (See schedule 16-F).

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>	<u>2010</u>
Revenue and Other Income:		
Water Utility Capital Surplus	F-2	\$ 2,436,556.66
Service Charges	F-2	6,958,718.27
Connection Fees	F-2	213,174.53
Other Operating Revenues	F-2	50,636.57
Interest on Investments	F-2	81,998.93
Solar Renewable Energy Credits	F-2	542,741.27
Miscellaneous Revenue Not Anticipated	F-2	<u>281.54</u>
 Total Revenue and Other Income		 <u>10,284,107.77</u>
Expenditures:		
Operating	F-3	5,185,477.00
Capital Improvements	F-3	100,000.00
Debt Service	F-3	3,835,164.66
Other Expenditure	6-F	<u>67,115.70</u>
 Total Expenditures		 <u>9,187,757.36</u>
 Excess in Revenue		 1,096,350.41
Increased By:		
Transfer from Dissolution of the Authority		5,450,421.18
Decreased By:		
Appropriated to 2010 Current Fund Budget Revenue	1-F	<u>5,450,000.00</u>
 Fund Balance, December 31	 F	 <u>\$ 1,096,771.59</u>

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

STATEMENT OF REVENUES

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Water Utility Capital Surplus	F-1,F-4	\$ 2,436,556.66	\$ 2,436,556.66	
Service Charges	F-1,3-F,Below	6,497,773.00	6,958,718.27	\$ 460,945.27
Connection Fees	F-1	156,518.00	213,174.53	56,656.53
Other Operating Revenues	F-1,1-F	50,000.00	50,636.57	636.57
Interest on Investments	F-1,1-F	138,544.00	81,998.93	(56,545.07)
Solar Renewable Energy Credits	F-1	791,250.00	542,741.27	(248,508.73)
Miscellaneous Revenue Not Anticipated	F-1		281.54	
		<hr/>	<hr/>	
Total		<u>\$ 10,070,641.66</u>	<u>\$ 10,284,107.77</u>	<u>\$ 213,184.57</u>
	<u>Reference</u>	F-3		
<u>Analysis of Services Charges:</u>				
2010 Cash Receipts	1-F		\$ 6,529,326.27	
Collection of 2009 Consumer Accounts Receivable	3-F		<hr/> 429,392.00	
	F-1		<u>\$ 6,958,718.27</u>	

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 WATER UTILITY OPERATING FUND  
 STATEMENT OF EXPENDITURES

For the Period from February 1, 2010 (Inception) through December 31, 2010

	Original Budget	Budget Modified	Paid or Charged	Expended		Reserved	Cancelled
				Encumbrances	Cancelled		
Operating:							
Salaries and Wages	\$ 877,300.00	\$ 877,300.00	\$ 580,821.39		\$ 46,478.61	\$ 250,000.00	
Other Expenses	4,858,177.00	4,858,177.00	3,790,407.68	\$ 671,591.78	96,177.54	300,000.00	
<b>Total Operating</b>	<b>5,735,477.00</b>	<b>5,735,477.00</b>	<b>4,371,229.07</b>	<b>671,591.78</b>	<b>142,656.15</b>	<b>550,000.00</b>	
Capital Improvements:							
Capital Improvement Fund	250,000.00	250,000.00	50,000.00			200,000.00	
Capital Outlay	250,000.00	250,000.00	193.00		49,807.00	200,000.00	
<b>Total Capital Improvements</b>	<b>500,000.00</b>	<b>500,000.00</b>	<b>50,193.00</b>		<b>49,807.00</b>	<b>400,000.00</b>	
Debt Service:							
Payment of Bond Principal	3,204,287.51	3,204,287.51	3,204,287.51				
Interest on Bonds	630,877.15	630,877.15	630,877.15				
<b>Total Debt Service</b>	<b>3,835,164.66</b>	<b>3,835,164.66</b>	<b>3,835,164.66</b>				
<b>Total Statutory Expenditures</b>	<b>\$ 10,070,641.66</b>	<b>\$ 10,070,641.66</b>	<b>\$ 8,256,586.73</b>	<b>\$ 671,591.78</b>	<b>\$ 192,463.15</b>	<b>\$ 950,000.00</b>	
<b>Reference</b>	<b>F-2</b>	<b>F-2</b>	<b>Below</b>	<b>F</b>	<b>F</b>	<b>F</b>	
<u>Analysis of Paid or Charged:</u>							
Cash Disbursements			\$ 7,625,709.58				
Accrued Interest on Bonds			630,877.15				
<b>Above</b>			<b>\$ 8,256,586.73</b>				
<u>Analysis of Payment of Bond Principal:</u>							
Payment of Bond Principal			\$ 2,195,000.00				
Amount Utilized to Refund Additional Debt			1,009,287.51				
<b>Above</b>			<b>\$ 3,204,287.51</b>				

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>	<u>2010</u>
Increased By:		
Funded Improvement Authorizations Canceled	9-F	\$ 5,059,076.00
Decreased By:		
Appropriated to 2010 Water Utility Fund Budget Revenue	F-2	<u>2,436,556.66</u>
Balance, December 31, 2010	F	<u>\$ 2,622,519.34</u>

See independent auditors' report and accompanying notes to the financial statements.

**GENERAL FIXED ASSETS ACCOUNT GROUP**

**EXHIBIT**

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE BALANCE SHEETS

December 31, 2010 and 2009

	<u>Reference</u>	Balance December 31, <u>2010</u>	Balance December 31, <u>2009</u> (As restated)
Land, Buildings and Improvements	1-G	\$ 69,150,896.00	\$ 69,150,896.00
Machinery, Equipment and Vehicles	1-G	<u>10,247,845.00</u>	<u>10,247,845.00</u>
Total General Fixed Assets		<u>\$ 79,398,741.00</u>	<u>\$ 79,398,741.00</u>
Investment in General Fixed Assets	1-G	<u>\$ 79,398,741.00</u>	<u>\$ 79,398,741.00</u>

See independent auditors' report and accompanying notes to the financial statements.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories as appropriate for the accounting and reporting of the financial position and results of operations in accordance with generally accepted accounting principles (GAAP) to provide detailed information about the governmental unit. This structure of funds differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of financial statements is not intended to present the basic financial statements required by GAAP.

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

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

The financial statements of the Township of Marlboro, County of Monmouth, New Jersey ("Township") include every board, body officer or commission maintained wholly or in part by funds appropriated by the Township, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit and are considered component units under GAAP. Included within the financial statements are taxes levied, collected and turned over to School Boards and appropriations for contributions to Volunteer Fire Departments and First Aid Squads. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization, or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds

The accounting policies of the Township of Marlboro conform to the accounting principles applicable to municipalities, which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Marlboro accounts for its financial transactions through the following separate funds and an account group:

Current Fund – records resources and expenditures for governmental operations of a general nature, including Federal and State grant funds, except as otherwise noted.

Trust Fund – records receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. In addition, the financial transactions of the following funds and accounts are also reported within the Trust Fund:

- Animal Control Trust Fund
- Trust Other Fund
- Escrow Deposit Trust Fund
- Open Space Trust Fund
- LOSAP Trust Fund - Unaudited

General Capital Fund – records resources and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes. General bonds, notes and loans payable are recorded in this fund offset by deferred charges to future taxation.

Swim Pool Utility Fund – records resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Swim Pool Utility.

Payroll Fund – records resources, deposits of gross salaries of municipal and utility operations into bank accounts of the payroll fund, Social Security and other payroll contributions are also deposited therein. Net salaries and remittances to all federal, state and other agencies are paid from this fund.

Water Utility Fund – records resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Water Utility. The Township adopted an ordinance on December 17, 2009 to create a Water Utility Division within the Township and to dissolve the Marlboro Township Municipal Utilities Authority (the “Authority”), a component unit of the Township. Additionally, the ordinance authorized the Township to issue bonds or notes, in an amount not to exceed \$24,500,000, to refund the Authority’s debt. In 2010, the Township issued \$23,445,000 in Utility fund debt to refund all of the Authority’s outstanding debt, effectively dissolving the Authority and commencing operations of a Municipal Water Utility.

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. Donated fixed assets are valued at their estimated fair value at the date of donation. No depreciation is recorded on general fixed assets.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Regulatory-Basis Financial Statements

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

D. Basis of Accounting

Basis of Accounting and Measurement Focus - The basis of accounting, as prescribed by the Division for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The most significant is the reporting of entity-wide financial statements, which are not presented in the accounting principles prescribed by the Division. The other more significant differences are as follows:

Revenues - Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and Federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes consumer charges are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of utility consumer charges, which should be recognized in the period they are earned and become measurable.

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves." Paid or charged refers to the Township's "budgetary" basis of accounting. Generally, these expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refer to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts, which may be cancelled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP. Expenditures for compensated absences, i.e., accumulations of earned but unused vacations and sick leave, are recorded in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Swim Utility and Water Utility) fund on a full accrual basis.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the various balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based upon the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or the revaluation of assessable real property, would represent the designation of fund balance.

The Local Budget Law (N.J.S.A. 40A:4-1 et seq.) requires that certain operating transfers between funds, such as transfers from the Current Fund or Utility Operating Funds to a Self-insurance Trust Fund, transfers of anticipated operating surpluses among the Current Fund, transfers from utility operating funds to capital funds (i.e., finance capital projects) and transfers from the Current Fund to the Trust Funds or General Capital Fund are required to be included in the Township's annual budgets as budget appropriations. Expenditures are recorded upon the adoption of the budget for legally required transfers, and upon the determination of availability of funds for any discretionary transfers. Under GAAP, transfers are not recognized as expenditures.

New Jersey statutes require municipalities to provide annual funding to Free Public Libraries through the Current Fund Budget. Amounts paid on behalf of the Free Public Library or transferred to the custody of the Library's management are recorded as budgetary expenditures of the Township, notwithstanding the fact that the Library is recognized as a separate entity for financial reporting purposes. Under GAAP, the Library would be recognized, as a "component unit" of the Township, and discrete reporting of the Library's financial position and operating results would be incorporated in the Township's financial statements.

Property Acquired for Taxes - 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 governmental fixed assets at the lower of cost or fair market value.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the accounting period the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

Compensated Absences - The Township has adopted written policies via employee contracts and municipal ordinances which set forth the terms under which an employee may accumulate earned, but unused, vacation and sick leave, establishes the limits on such accumulations and specifies the conditions under which the right to receive payment for such accumulations vests with the employee. The Township records expenditures for payments of earned and unused vacation and sick leave in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Utility Funds) funds on a full accrual basis.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants Received - Federal and State Grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's Budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Long-term debt - The Township's long-term debt is stated at face value. The debt is not traded and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Township's long-term debt is provided in Note 4 to the financial statements.

Fixed Assets - Property and equipment acquired by the Current, Swim Pool Utility and Water Utility Funds are recorded in their respective capital accounts at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization represents charges to operations for the costs of acquisitions of property, equipment and improvements plus any costs funded from sources other than bonded debt of the utility. The utility does not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets, but does require the recognition of depreciation of these assets as an operating expense of the utility.

The Township has developed a general fixed asset accounting and reporting system that utilizes multiple dollar thresholds for the inclusion of certain assets and also utilizes estimated insurable values, which are updated annually to reflect current appraisal values, for inventoried structures. Accordingly, a statement of general fixed assets, developed using recognized valuation methods and uniform capitalization rules, which is required pursuant to generally accepted accounting principles and accounting practices prescribed for municipalities by the State of New Jersey, is included in the financial statements.

Comparative data – Comparative data for the prior year has been presented in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Reclassification - Certain prior period amounts have been reclassified to conform to the current year presentation.

Management has reviewed and evaluated all events and transactions that occurred from December 31, 2010 through August 8, 2011, the date that the financial statements were issued, and the effects of those that provided additional pertinent information about conditions that existed at the balance sheet date, have been recognized in the accompanying financial statements.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 2: RESTATEMENT OF FIXED ASSETS

The Township has restated its December 31, 2009 fixed asset balances. The following presents the effects of the restatement:

Beginning Land, Building and Improvements	\$ 26,994,295.69
Adjustment to reflect the recording of the December 31, 2009 balance in accordance with the Township's internal inventory	<u>42,156,600.31</u>
Beginning Land, Building and Improvements, as Restated	<u>\$ 69,150,896.00</u>
Beginning Machinery and Equipment	\$ 10,148,396.84
Adjustment to reflect the recording of the December 31, 2009 balance in accordance with the Township's internal inventory	<u>99,448.16</u>
Beginning Machinery and Equipment, as Restated	<u>\$ 10,247,845.00</u>

NOTE 3: DEFERRED COMPENSATION PLAN

The Township has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The Township has engaged a private contractor to administer the Plan.

The plan's assets are not the property of the Township and therefore are not presented in the financial statements.

As of December 31, 2010, the amount held by the third party administrator amounted to \$2,818,285.57.

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

The Local Bond Law, N.J.S.A. 40A:2 et seq, governs the issuance of bonds and notes to finance municipal capital expenditures. The Township's municipal debt is summarized as follows:

A. Summary of Municipal Debt for Capital Projects

	<u>Year 2010</u>	<u>Year 2009</u>
Issued:		
General:		
Bonds	\$ 27,245,000.00	\$ 10,603,000.00
Bond anticipation notes	-	15,750,000.00
Green Acres Trust Loan	306,589.93	328,986.13
Water Utility:		
Bonds	<u>22,090,000.00</u>	<u>-</u>
 Total debt issued	 49,641,589.93	 26,681,986.13
 Authorized but not issued:		
General:		
Bonds and notes	2,334,322.98	3,927,853.28
Swimming Pool Utility:		
Bonds and notes	<u>446,250.00</u>	<u>446,250.00</u>
 Total authorized but not issued	 <u>2,780,572.98</u>	 <u>4,374,103.28</u>
 Net bonds and notes issued and authorized but not issued	 <u>\$ 52,422,162.91</u>	 <u>\$ 31,056,089.41</u>

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

B. Summary of Statutory Debt Condition - Annual Debt Statement – 2010

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the Annual Debt Statement and indicates a statutory net debt of:

	Gross Debt	Deductions	Net Debt
Local school district debt	\$ 33,785,000.00	\$ 33,785,000.00	\$ -
Regional school district debt	9,779,998.15	9,779,998.15	-
Green Trust fund loan	306,589.93	-	306,589.93
Self-Liquidating debt	22,536,250.00	22,536,250.00	-
General debt	29,579,322.98	2,552,331.71	27,026,991.27
	<u>\$ 95,987,161.06</u>	<u>\$ 68,653,579.86</u>	<u>\$ 27,333,581.20</u>

Net Debt \$27,333,581.20 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$7,583,507,069.67 equals 0.36%.

EQUALIZED VALUATION BASIS

2008 Equalized Valuation Basis of Real Property	\$ 7,694,200,415.00
2009 Equalized Valuation Basis of Real Property	7,584,031,317.00
2010 Equalized Valuation Basis of Real Property	<u>7,472,289,477.00</u>

Average Equalized Valuation \$ 7,583,507,069.67

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

3 1/2% of Equalized Valuation Basis Municipal	\$ 265,422,747.44
Net Debt	<u>27,333,581.20</u>

Remaining Borrowing Power \$ 238,089,166.24

The Township of Marlboro Board of Education and Freehold Regional School District are Type II School Districts. As such, the members of the Boards of Education are elected by the citizens of the Township and school appropriations are set by the Board of Education. Bonds and notes authorized by voter referendum to finance capital expenditures are general obligations of the Boards of Education and, as such, are reported on the balance sheets of the Boards of Education.

TOWNSHIP OF MARLBORO  
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NOTE 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

C. Green Trust Program Loans

Date of Loan Agreement	December 13, 2002
Loan Amount	\$464,185.00
Interest Rate	2.00%
Semi-Annual Payment (Prin. & Int.) to Amortize Loan Principal	\$14,432.25
Due Dates	March 13 & September 13
Number of Payments	39
Final Payment	September 13, 2022

D. Aggregate long-term debt service requirements are as follows:

<u>Year</u>	<u>General Capital</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 1,582,000.00	\$ 350,775.00	\$ 1,932,775.00
2012	1,439,000.00	660,224.50	2,099,224.50
2013	1,579,000.00	605,240.00	2,184,240.00
2014	1,722,000.00	541,965.00	2,263,965.00
2015	1,782,000.00	472,627.50	2,254,627.50
2016-2020	9,626,000.00	1,854,382.50	11,480,382.50
2021-2025	9,515,000.00	744,040.00	10,259,040.00
	<u>\$ 27,245,000.00</u>	<u>\$ 5,229,254.50</u>	<u>\$ 32,474,254.50</u>

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
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NOTE 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Water Utility Capital					
Year	<u>Principal</u>		<u>Interest</u>		<u>Total</u>
2011	\$ 2,125,000.00	\$	292,096.50	\$	2,417,096.50
2012	2,170,000.00		420,512.50		2,590,512.50
2013	2,220,000.00		428,620.00		2,648,620.00
2014	1,545,000.00		315,818.50		1,860,818.50
2015	1,580,000.00		322,505.50		1,902,505.50
2016-2020	6,810,000.00		1,497,371.00		8,307,371.00
2021-2025	2,650,000.00		648,750.00		3,298,750.00
2026-2030	1,460,000.00		306,000.00		1,766,000.00
2031-2035	<u>1,530,000.00</u>		<u>334,687.50</u>		<u>1,864,687.50</u>
	<u>\$ 22,090,000.00</u>	<u>\$</u>	<u>4,566,361.50</u>	<u>\$</u>	<u>26,656,361.50</u>

Green Trust Loan Payable					
Year	<u>Principal</u>		<u>Interest</u>		<u>Total</u>
2011	\$ 22,846.37	\$	6,018.14	\$	28,864.51
2012	23,305.58		5,558.93		28,864.51
2013	23,774.02		5,090.48		28,864.50
2014	24,251.88		4,612.62		28,864.50
2015	24,739.34		4,125.16		28,864.50
2016-2020	131,358.55		12,963.95		144,322.50
2021-2022	<u>56,314.19</u>		<u>1,414.81</u>		<u>57,729.00</u>
	<u>\$ 306,589.93</u>	<u>\$</u>	<u>39,784.09</u>	<u>\$</u>	<u>346,374.02</u>

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

<u>Year</u>	<u>Capital Lease Program</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 153,000.00	\$ 17,453.06	\$ 170,453.06
2012	158,400.00	11,871.50	170,271.50
2013	<u>106,300.00</u>	<u>5,315.00</u>	<u>111,615.00</u>
	<u>\$ 417,700.00</u>	<u>\$ 34,639.56</u>	<u>\$ 452,339.56</u>

NOTE 5: LOCAL DISTRICT SCHOOL AND REGIONAL HIGH SCHOOL TAXES

Regulations provide for deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Township has elected to defer school taxes as follows:

	<u>Local District School Tax</u>		<u>Regional High School Tax</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	Balance of tax	\$ 33,969,252.00	\$ 34,935,285.00	\$ 14,804,553.15
Deferred	<u>33,965,350.00</u>	<u>31,617,738.00</u>	<u>13,394,935.00</u>	<u>13,192,547.00</u>
Tax Payable	<u>\$ 3,902.00</u>	<u>\$ 3,317,547.00</u>	<u>\$ 1,409,618.15</u>	<u>\$ 1,329,972.49</u>

NOTE 6: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2010 and 2009 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending December 31, 2011 and 2010 as follows:

	<u>2011</u>	<u>2010</u>
Current fund	\$ 5,500,000.00	\$ 1,291,773.80
Swim utility fund	242,539.85	331,250.00
Water utility fund	800,000.00	5,450,000.00

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 7: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010, the following Deferred Charges were on the Township's Current Fund Balance Sheet:

Special Emergency Appropriations	<u>\$ 600,000.00</u>
Emergency Appropriations	<u>\$ 370,000.00</u>

NOTE 8: DEPOSITS AND INVESTMENTS

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

Cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based on GASB criteria, the Township considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts, short-term investments and cash management money market mutual funds such as Pillar Funds, and are either any direct and general obligation of the United States of America and its agencies or certificates of deposit issued by any bank, savings and loan association or national banking association if qualified to serve as a depository for public funds under the provisions of the Government Unit Depository Protection Act. Cash and cash equivalents have original maturities of three months or less. Investments are stated at cost, which approximates fair value.

At December 31, 2010, the book value of the cash and cash equivalents and investments of the Township consisted of the following:

Cash (Demand Accts.)	\$ 19,699,718.00
Money market funds	<u>29,332,267.00</u>
Total	<u><u>\$ 49,031,985.00</u></u>

The Township of Marlboro had the following depository accounts. All deposits are carried at cost plus accrued interest.

Depository Account	<u>Bank Balance</u>
Insured-FDIC	\$ 1,250,000.00
Insured-NJGUDPA (N.J.S.A. 17:941)	<u>50,160,288.00</u>
Total	<u><u>\$ 51,410,288.00</u></u>

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 8: DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

Investments

New Jersey Statutes establish the following securities as eligible for the investment of Township funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual funds;
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 such obligation bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part and within which the school district is located.
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section I of P.L. 1997, c. 281 (C.52:IXA-90G4);
8. Deposits with the New Jersey Arbitrage Rebate Management Fund ("NJ ARM"); or
9. Agreements for the repurchase of fully collateralized securities, if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
  - b. the custody collateralized is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days; and
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.199-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

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

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

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 8: DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

NOTE 9: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

A taxable valuation of real property is prepared by the Tax Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. The County Board of Taxation establishes tax rates to reflect the levy necessary for municipal, local school district, regional school district, special district, and county taxes.

Tax bills are prepared and mailed by the Collector of Taxes of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the previous year's tax. The preliminary payments are due and payable on February 1st and May 1st. NJ Statutes allows a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amounts delinquent, and if a delinquency (including interest) is in excess of \$10,000.00 and remains in arrears after December 31, an additional flat penalty of 6% shall be charged against the delinquency. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

NOTE 10: PENSION AND RETIREMENT PLANS

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

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, the PERS and PFRS bills the Township annually at an actuarially determined rate for its required contribution. The current rate is 5.0%-8.5% of annual covered payroll.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 10: PENSION AND RETIREMENT PLANS (CONTINUED)

The contribution requirements of plan members and the Township are established and may be amended by the Board of Trustees of respective plans. The Township's contributions to the plans for the years ended December 31, 2010, 2009 and 2008 were \$2,580,778.82, \$1,251,289.63 and \$2,171,440.82, respectively, equal to the required contributions for each year. In 2009, the State of New Jersey permitted Municipalities to defer up to 50% of their contributions due in 2009. The Township elected this option, resulting in the deferral of \$2,409,955.

NOTE 11: POST RETIREMENT HEALTH BENEFITS

State Health Benefits Program (SHBP)

Plan Description:

The Township contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits for a very limited number of employees. 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. Participation by the Township in this plan is limited to 5 retirees and their benefits.

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

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

Plan Coverage:

There are only five retirees of the Township and the former Marlboro Township Municipal Utility Authority that are covered under this plan.

Funding Policy:

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

Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Township on a monthly basis. Eligible employees and retirees have the option of choosing from four medical benefit plans (NJ Direct15, NJ Direct10, Aetna or CIGNA HealthCare HMO) with rates ranging from \$380 for a single participant to \$997 for Family coverage and \$131 for a prescription single coverage to \$327 for prescription family coverage.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

NOTE 11: POST RETIREMENT HEALTH BENEFITS (CONTINUED)

Other:

In addition to the above, the Township offers a very limited post-employment benefit plans. Effective January 1, 2002, the Township pays annually to each qualified retiree, a sum of \$4,000 per year from the time of retirement until the retiree reaches age sixty-five. Currently, only six retirees participate in this plan.

NOTE 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error or omission, injuries to employees; and natural disasters. The Township is a member of the Monmouth County Municipal Joint Insurance Fund ("JIF"). The JIF is a public entity risk pool currently operating as a common risk management and insurance program for municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workers' compensation. While additional assessments on premiums can be levied by the JIF to assure payment of the JIF's obligations, no such additional premiums have been necessary as of December 31, 2010. The JIF is expected to be self-sustaining through member premiums of which the Township portion is reported as expenditure in the Township's financial statements and liabilities of the JIF are based on the estimated ultimate cost of settling the claims. The JIF participates in the Municipal Excess Liability Program, which has a contract for excess liability insurance.

The Township is not aware of any claims pending that have a demand in excess of coverages provided under the JIF. In addition, there were no significant reductions in insurance coverage from prior year coverage and there were no amounts settled which exceeded insurance coverage for each of the past three years.

NOTE 13: ACCRUED SICK AND VACATION BENEFITS

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused sick pay. The Township permits its employees to accumulate unused sick and vacation pay. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. The Township estimates the current cost of such unpaid compensation to be \$3,024,707.26 and \$2,954,067.49 at December 31, 2010 and 2009 respectively. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
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NOTE 14: TAX APPEALS

At December 31, 2010, there are several tax appeals pending before the New Jersey Tax Court requesting a reduction of assessed valuation for 2010 and prior years. 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 the Township's tax levy or through the issuance of refunding bonds per N.J.S. 40A:2-51. In accordance with the National Council on Governmental Accounting Statement 4, "Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences," the Township charges current fund operations for all State Board Judgments rendered during the year which will be paid from expendable available financial resources. The Township's share of the County taxes paid on any successful tax appeal would result in appropriate reductions applied against the County tax levy of the following year.

NOTE 15: CONTINGENT LIABILITIES

At December 31, 2010, the Township had no material litigation pending. Any claims that would arise would be covered through the procurement of workers' compensation and liability insurance policy coverages. As more fully described in Note 12, the Township has participated in a joint insurance fund. Management indicates the Township is not involved in any pending or threatened litigation nor are there any unasserted claims or assessments requiring disclosure in the financial statements.

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2010, the Township does not believe that any material liabilities will result from such audits.

NOTE 16: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets as of December 31, 2010:

Fund	Receivable	Payable
Current Fund	\$ -	\$ 548,631.05
Grant Fund	522,131.05	-
General Capital Fund	280,000.00	2,000.00
Trust Other Fund	28,500.00	-
Swimming Pool Utility Operating Fund	80,000.03	-
Swimming Pool Utility Capital Fund	-	330,000.03
Water Utility Operating Fund	601.82	-
Water Utility Capital Fund	-	30,601.82
	<u>                    </u>	<u>                    </u>
Total	<u>\$ 911,232.90</u>	<u>\$ 911,232.90</u>

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
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NOTE 17: LENGTH OF SERVICE AWARD PROGRAM ("LOSAP") - UNAUDITED

The Township has established a Volunteer Length of Service Award Plan ("LOSAP") to ensure retention of the Township's volunteer First Aid squads. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions – The Annual contribution to be made by the Township for each active volunteer member shall be \$1,150.00 per year of active emergency service, commencing with the year 2003.

Appropriations – Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2004.

Criteria for Eligibility; Contributions; Points – Any active volunteer member shall be eligible to participate in the LOSAP Plan immediately upon commencement of the member's performance of active volunteer service in the emergency service organization. Annual contributions shall only be made by the Township, however, for those active volunteer members who have earned the minimum number of points for performing certain volunteer services on a yearly basis.

Determination as to Eligibility – Each emergency service organization shall provide to the Township Administrator, acting as the Plan Administrator of LOSAP plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan and those who are eligible to participate as of each January 1 thereafter. The Plan Administrator shall forward said certified list to the Township Council for approval, in accordance with the provision of N.J.A.C. 5:30-14.10. The decision of the Township Council as to such active member's eligibility shall be binding upon the Plan Administrator, participants, beneficiaries and any and all other persons having an interest hereunder, subject to appropriate judicial review.

Terms of Participation – The Plan Administrator shall have the right to require any active volunteer member at the time of his or her becoming a participant to agree, in writing, to be bound by the terms, covenants and conditions of the LOSAP and accompanying trust. Each participant shall furnish to the Plan Administrator all pertinent information required for the administration of the LOSAP. The Plan Administrator shall rely upon all such information furnished.

Vesting – The Active volunteer member shall not be permitted to receive a distribution for the fund in his or her LOSAP account until the completion of a five-year period.

Termination of Services – Any participant who terminates service as an active volunteer member shall cease to participate hereunder. A former participant may resume participation immediately upon returning to the service of the emergency service organization as an active volunteer member. Any active volunteer member who terminates service with the emergency service organization, subsequently returns to service and again becomes a participant shall be treated as a new participant for purposes of eligibility unless said participant was fully vested prior to his or her termination from service.

Reporting Requirements – N.J.A.C. 5:30-14.49 requires that the Township perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accountants Statements for Accounting and Auditing Review Services.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
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NOTE 17: LENGTH OF SERVICE AWARD PROGRAM ("LOSAP") - UNAUDITED (CONTINUED)

The Township has authorized The Variable Annuity Life Insurance Company, as the plan provider. As of December 31, 2010 and 2009, the cumulative balance of the Length of Service Award Program was \$616,549.83 and \$513,102.43, respectively and is recorded in the Trust fund of the Township as part of the reserve for deferred compensation.

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

**CURRENT AND GRANT FUND  
SCHEDULES**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 11,279,197.97
Increased By Receipts:			
Non-Budget Revenues	A-2	\$ 458,252.28	
Due From State of New Jersey:			
Senior Citizens' and Veterans' Deductions	2-A	250,610.63	
Taxes Receivable	3-A	139,038,899.73	
Monmouth County Improvement Authority	5-A	266,810.04	
Revenue Accounts Receivable	7-A	10,187,356.55	
Interfunds	8-A	388,921.55	
2011 Prepaid Taxes	13-A	616,632.60	
Tax Overpayments	14-A	232,212.73	
Due To State of New Jersey - Marriage			
License Fees	20-A	2,375.00	
Various Reserves	22-A	963,663.36	
Federal and State Grants Receivable	24-A	262,067.00	
Grant Fund Unappropriated Reserves	26-A	<u>135,205.83</u>	
			<u>152,803,007.30</u>
			164,082,205.27
Decreased By Disbursements:			
2010 Budget Appropriations	A-3	28,627,256.50	
2009 Appropriations Reserves	10-A	1,231,785.78	
Monmouth County Improvement Authority	5-A	254,310.80	
Interfunds	8-A	380,821.55	
Tax Overpayments	14-A	116,088.66	
County Taxes Payable	15-A	21,149,978.27	
Local District School Tax	16-A	68,896,733.00	
Regional High School Tax	17-A	26,606,691.87	
Special District Taxes	18-A	2,617,652.00	
Municipal Open Space Tax Payable	19-A	693,724.97	
Due To State of New Jersey - Marriage			
License Fees	20-A	3,300.00	
Various Reserves	22-A	1,234,860.11	
Federal/State Grant Appropriations	25-A	<u>189,419.01</u>	
			<u>152,002,622.52</u>
Balance, December 31, 2010	A		<u>\$ 12,079,582.75</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

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

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 9,432.89
Increased By:			
Senior Citizens' Deductions Per Tax Billing		\$ 33,500.00	
Veterans' Deductions Per Tax Billing		211,500.00	
2010 Senior Citizens' Deductions, Veterans' and Disabled Deductions Allowed		<u>11,500.00</u>	
	3-A		<u>256,500.00</u>
			265,932.89
Decreased By:			
Cash Receipts	1-A	250,610.63	
2009 Senior Citizens' Deductions Disallowed	A-1, 3-A	3,069.86	
2010 Senior Citizens' Deductions Disallowed	3-A	<u>3,000.00</u>	
			<u>256,680.49</u>
Balance, December 31, 2010	A		<u><u>\$ 9,252.40</u></u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year ended December 31, 2010

Year	Balance December 31, 2009	2010 Levy	2009 Collections	2010 Collections	Senior Citizens' and Veterans' Deductions Allowed/ (Disallowed)	Transferred To Tax Title Liens	(Cancellations and Adjustments	Balance December 31, 2010
2007	\$ 28,552.74		\$	\$ 8,742.43				19,810.31
2008	38,183.30			8,805.27				29,378.03
2009	1,388,051.44	\$ 140,168,248.19	\$ 695,410.16	1,371,343.34	\$ (3,069.86)	\$ 6,129.33	\$ 29,544.48	37,053.39
2010		\$ 140,168,248.19	\$ 695,410.16	137,650,008.69	253,500.00	30,782.89	(718,672.34)	819,874.11
	\$ 1,454,787.48	\$ 140,168,248.19	\$ 695,410.16	\$ 139,038,899.73	\$ 250,430.14	\$ 36,912.22	\$ (689,127.86)	\$ 906,115.84
	A	3-A, Below	13-A	1-A	2-A	4-A		A

Analysis of Property Tax Levy

Tax Yield:	Reference
General Purpose Tax	3-A
Special District Tax	3-A
Added and Omitted Tax	3-A
	Above
	\$ 140,168,248.19
Tax Levy:	
Local School Tax	16-A
Regional School Tax	17-A
County Taxes:	
County Tax	15-A
County Health Tax	15-A
County Library Tax	15-A
County Open Space Tax	15-A
Due County for Added and Omitted Taxes	15-A
Special District Taxes:	
Fire District #3	18-A
Municipal Open Space Tax	18-A
	A-2
	\$ 119,264,972.15
Tax for Municipal Purposes	A-2
Additional Taxes Added	3-A
	Above
	20,903,376.04
	\$ 140,168,248.19

Analysis of Current Year Tax Collections  
 2009 Cash Collections of 2010 Taxes  
 2010 Cash Collections of 2010 Taxes  
 Veterans' and Senior Citizens' Deductions

	\$ 695,410.16	
	137,650,008.69	
	253,500.00	
	\$ 138,598,918.85	
Reference		A-1, A-2

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 136,649.61
Increased By:		
Transfers From Taxes Receivable	3-A	<u>36,912.22</u>
		173,561.83
Decreased By:		
Cancellations		<u>2,635.50</u>
Balance, December 31, 2010	A	<u>\$ 170,926.33</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF DUE FROM MONMOUTH COUNTY IMPROVEMENT AUTHORITY

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 175,468.34
Increased By:		
Cash Disbursements	A-1, 1-A	<u>254,310.80</u>
		429,779.14
Decreased By:		
Cash Receipts	A-1, 1-A	<u>266,810.04</u>
Balance, December 31, 2010	A	<u><u>\$ 162,969.10</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES AT ASSESSED VALUATION

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

A

\$ 802,400.00

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2010

	<u>Reference</u>	Balance December 31, 2009	Accrued in 2010	Collected in 2010	Balance December 31, 2010
Licenses:					
Alcoholic Beverages	A-2		\$ 240.00	\$ 240.00	
Other	A-2		20,000.00	20,000.00	
Fees and Permits	A-2		573,760.24	573,760.24	
Fines and Costs:					
Municipal Court	A-2	\$ 34,033.37	448,860.13	453,788.68	\$ 29,104.82
Interest and Costs on Taxes	A-2		304,999.91	304,999.91	
Interest on Investments and Deposits	A-2		201,904.83	201,904.83	
Cable Franchise Fees	A-2		144,540.72	144,540.72	
Cell Tower Rental	A-2		182,207.52	182,207.52	
Energy Receipts Tax	A-2		2,158,955.00	2,158,955.00	
Consolidated Municipal Property Tax Relief Act	A-2		109,994.00	109,994.00	
Uniform Fire Safety Act	A-2		66,465.65	66,465.65	
Aquatic Center Lease	A-2		70,000.00	70,000.00	
Capital Surplus	A-2		450,500.00	450,500.00	
Utility Operating Surplus of Prior Year	A-2		5,450,000.00	5,450,000.00	
		<u>\$ 34,033.37</u>	<u>\$ 10,182,428.00</u>	<u>\$ 10,187,356.55</u>	<u>\$ 29,104.82</u>
	<u>Reference</u>	A		1-A	A

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF INTERFUNDS

Year ended December 31, 2010

	<u>Reference</u>	Trust - Other <u>Fund</u>
Balance, December 31, 2009	A	\$ (20,400.00)
Increased By:		
Cash Disbursements	1-A	<u>380,821.55</u>
		360,421.55
Decreased By:		
Cash Receipts	1-A	<u>388,921.55</u>
Balance, December 31, 2010	A	<u><u>\$ (28,500.00)</u></u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

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

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	<u>Decreased</u>	Balance December 31, <u>2010</u>
Special Emergency Authorization (N.J.S. 40A:4-55)	<u>\$ 905,000.00</u>	<u>\$ 305,000.00</u>	<u>\$ 600,000.00</u>
<u>Reference</u>	A	A-3	A

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance December 31,		Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered			
<b>GENERAL GOVERNMENT</b>					
General Administration:					
Salaries and Wages	\$ 11,830.94		\$ 11,830.94		\$ 11,830.94
Other Expenses	7,378.75	\$ 4,665.49	12,044.24	\$ 5,175.33	6,868.91
Office of the Mayor:					
Salaries and Wages	1,211.20		1,211.20		1,211.20
Other Expenses	2,810.02		2,810.02		2,810.02
Ethics Commission:					
Other Expenses	500.00		500.00		500.00
Township Council:					
Salaries and Wages	336.00		336.00		336.00
Other Expenses	1,599.61		1,599.61	1,599.61	
Municipal Clerk:					
Salaries and Wages	4,693.17		4,693.17		4,693.17
Other Expenses	1,367.24	5,743.65	7,110.89	5,991.64	1,119.25
Financial Administration (Treasury):					
Salaries and Wages	10,817.16		10,817.16		10,817.16
Other Expenses	3,148.47	1,932.29	5,080.76	1,842.29	3,238.47
Annual Audit	1,642.50		1,642.50		1,642.50
Central Computer Services:					
Salaries and Wages	2,739.69		2,739.69		2,739.69
Other Expenses	0.32	6,877.58	6,877.90	6,877.58	0.32
Revenue Administration (Tax Collection):					
Salaries and Wages	4,817.23		4,817.23		4,817.23
Other Expenses	14,891.96	9,245.32	24,137.28	1,767.00	22,370.28
Tax Assessment Administration:					
Salaries and Wages	4,760.84		4,760.84		4,760.84
Other Expenses	27,434.26	21,698.75	49,133.01	3,690.00	45,443.01
Legal Services (Legal Department):					
Other Expenses	33,604.04	7,337.00	40,941.04	32,105.02	8,836.02
Engineering Services:					
Salaries and Wages	16,482.28		16,482.28		16,482.28
Other Expenses	14,003.47	27,444.00	41,447.47	38,919.00	2,528.47
Economic Development:					
Salaries and Wages	1,750.00		1,750.00		1,750.00
Other Expenses	9,381.05		9,381.05		9,381.05
Grant Administration					
Other Expenses		2,855.34	2,855.34	2,000.00	855.34
Cable Studio					
Other Expenses	7,050.00	1,950.08	9,000.08	6,000.00	3,000.08
Historic Sites Commission:					
Other Expenses	408.26		408.26		408.26
<b>LAND USE ADMINISTRATION</b>					
Planning Board:					
Salaries and Wages	2,586.13		2,586.13		2,586.13
Other Expenses	32,594.63	33,422.64	66,017.27	50,512.67	15,504.60
Planning Board Contractual:					
Other Expenses	3,287.15	4,851.38	8,138.53	7,538.18	600.35
Zoning Board:					
Salaries and Wages	8,940.24		8,940.24		8,940.24
Other Expenses	10,786.13	4,624.68	15,410.81	4,624.68	10,786.13
<b>INSURANCE</b>					
General Liability	28,027.51		28,027.51		28,027.51
Workers Compensation	27,727.64		27,727.64		27,727.64
Employee Group Health	119,358.18	744.46	120,102.64	744.46	119,358.18
<b>PUBLIC SAFETY</b>					
Police Department:					
Salaries and Wages	414,297.07		414,297.07	365,957.62	48,339.45
Other Expenses	91,590.81	60,793.80	152,384.61	69,979.54	82,405.07
Crime Prevention:					
Other Expenses	14,325.34	2,582.91	16,908.25	2,582.91	14,325.34
Highway Safety:					
Other Expenses	9,216.24	4,396.86	13,613.10	4,427.34	9,185.76
Office of Emergency Management:					
Other Expenses	15,900.01		15,900.01	15,108.70	791.31
Uniform Fire Safety Act (P.L. 1983, Ch. 383):					
Salaries and Wages	3,346.72		3,346.72	3,346.72	
Other Expenses	7,731.74	1,452.09	9,183.83	2,504.05	6,679.78
Municipal Prosecutor:					
Salaries and Wages	52.00		52.00		52.00

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance December 31,		Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered			
<b>PUBLIC WORKS</b>					
Streets and Road Maintenance:					
Salaries and Wages	\$ 4,075.84		\$ 4,075.84		\$ 4,075.84
Other Expenses	10,303.35	\$ 10,547.26	20,850.61	\$ 7,569.37	13,281.24
Snow Removal:					
Salaries and Wages	8,525.92		8,525.92		8,525.92
Other Expenses	19,248.21	165,084.59	184,332.80	179,249.09	5,083.71
Other Public Works Functions:					
Salaries and Wages	1,381.25		1,381.25		1,381.25
Other Expenses	13,365.09	19,037.18	32,402.27	25,739.71	6,662.56
Shade Tree Commission:					
Other Expenses	1,117.21	15.00	1,132.21		1,132.21
Solid Waste Collection:					
Salaries and Wages	5,434.42		5,434.42		5,434.42
Other Expenses	86,134.70	84,178.62	170,313.32	71,518.82	98,794.50
Buildings and Grounds:					
Salaries and Wages	3,204.33		3,204.33		3,204.33
Other Expenses	432.20	38,054.02	38,486.22	34,658.98	3,827.24
Vehicle Maintenance:					
Salaries and Wages	7,179.39		7,179.39	4,896.74	2,282.65
Other Expenses	9,388.95	27,574.73	36,963.68	29,626.82	7,336.86
Community Services Act:					
Other Expenses	75,442.86		75,442.86	48,469.56	26,973.30
Open Space Committee					
Salaries and Wages	1,992.51		1,992.51		1,992.51
<b>HEALTH AND HUMAN SERVICES</b>					
Public Health Services (Board of Health):					
Other Expenses	915.42		915.42	42.65	872.77
Drug Abuse Control:					
Salaries and Wages	7,642.97		7,642.97		7,642.97
Other Expenses	2,085.06	812.81	2,897.87	737.50	2,160.37
Environmental Health Services:					
Other Expenses	4,895.11	7.02	4,902.13	15.66	4,886.47
<b>PARK AND RECREATION</b>					
Recreation Services and Programs:					
Salaries and Wages	2,754.00		2,754.00	2,754.00	
Other Expenses	24,428.37	7,757.62	32,185.99	7,625.62	24,560.37
Maintenance of Parks:					
Salaries and Wages	124.90		124.90		124.90
Other Expenses	3,159.89	3,125.07	6,284.96	2,258.03	4,026.93
Municipal Library:					
Other Expenses	4,752.17		4,752.17	571.85	4,180.32
Municipal Court:					
Salaries and Wages	3,068.85		3,068.85		3,068.85
Other Expenses	7,969.48	971.10	8,940.58	1,148.79	7,791.79
Public Defender:					
Salaries and Wages	3,661.08		3,661.08		3,661.08
<b>UNCLASSIFIED</b>					
Accumulated Leave Compensation	21,000.00		21,000.00		21,000.00
Postage	22,846.30		22,846.30		22,846.30
<b>UTILITY EXPENSES AND BULK PURCHASES</b>					
Electricity	67,089.87	33,219.29	100,309.16	100,296.27	12.89
Street Lighting	14,589.88		14,589.88	12,626.02	1,963.86
Telephone (excluding equipment acquisition)	19,036.47	29,140.63	48,177.10	21,539.31	26,637.79
Water	12,070.07	1,076.24	13,146.31	4,686.98	8,459.33
Gas (natural or propane)	29,301.99	3,841.71	33,143.70	15,487.44	17,656.26
Sewerage Processing and Disposal	276.88	1,636.70	1,913.58	1,747.40	166.18
Gasoline	52,762.56	31,193.69	83,956.25	27,541.04	56,415.21
Landfill/Solid Waste Disposal Costs	21,026.66	60,960.73	81,987.39	4,701.39	77,286.00
Contingent	6,452.00		6,452.00		6,452.00
<b>STATUTORY EXPENDITURES</b>					
Contribution To:					
Social Security System (O.A.S.I.)	14,333.19		14,333.19		14,333.19
Homeland Security:					
Salaries and Wages	21,107.58		21,107.58		21,107.58
Other Expenses	472.82	21,358.90	21,831.72	14,844.90	6,986.82

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance December 31,		Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered			
Length of Services Awards Program (LOSAP): Other Expenses	\$ 7,409.50		\$ 7,409.50		\$ 7,409.50
Public Employees Retirement System	9,768.87		9,768.87		9,768.87
Police Dispatch/911: Salaries and Wages	35,833.31		35,833.31	\$ 5,356.72	30,476.59
Other Expenses	6,291.68	\$ 16,220.55	22,512.23	16,606.60	5,905.63
Affordable Housing: Salaries and Wages	2,000.00		2,000.00		2,000.00
Other Expenses	4,300.00		4,300.00		4,300.00
	<u>\$ 1,655,079.16</u>	<u>\$ 758,431.78</u>	<u>\$ 2,413,510.94</u>	<u>\$ 1,275,611.60</u>	<u>\$ 1,137,899.34</u>

	Reference	A	A	Below	Below	A-1
Cash Disbursed	1-A				\$ 1,231,785.78	
Accounts Payable	11-A				43,825.82	
	Above				<u>\$ 1,275,611.60</u>	
Appropriation Reserves	10-A			\$ 1,655,079.16		
Encumbrances Payable	12-A			758,431.78		
	Above			<u>\$ 2,413,510.94</u>		

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 164,460.03
Increased By:		
Transfer From Appropriation Reserves	10-A	<u>43,825.82</u>
Balance, December 31, 2010	A	<u>\$ 208,285.85</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF RESERVE FOR ENCUMBRANCES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 758,431.78
Increased By:		
2010 Budget Appropriations	A-3	<u>1,013,560.19</u>
		1,771,991.97
Decreased By:		
Transfer To Appropriation Reserves	10-A	<u>758,431.78</u>
Balance, December 31, 2010	A	<u><u>\$ 1,013,560.19</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PREPAID TAXES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 695,410.16
Increased By:		
Cash Receipts:		
Collection of 2011 Taxes	1-A	<u>616,632.60</u>
		1,312,042.76
Decreased By:		
Amount Applied To 2010 Taxes		
Receivable	3-A	<u>695,410.16</u>
Balance, December 31, 2010	A	<u><u>\$ 616,632.60</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF TAX OVERPAYMENTS

Year ended December 31, 2010

	<u>Reference</u>	
Balance December 31, 2009	A	\$ -
Increased By:		
Cash Receipts	1-A	<u>232,212.73</u>
		232,212.73
Decreased By:		
Cash Disbursements	1-A	<u>116,088.66</u>
Balance, December 31, 2010	A	<u><u>\$ 116,124.07</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 107,471.35
Increased By:		
2010 Tax Levy:		
County Tax		\$ 18,482,092.84
County Library Tax		1,058,631.46
County Health		349,203.74
County Open Space Fund Tax		1,152,578.88
Due To County for Added and Omitted Taxes		<u>43,774.19</u>
	A-1,3-A	<u>21,086,281.11</u>
		21,193,752.46
Decreased By:		
Cash Disbursements	1-A	<u>21,149,978.27</u>
Balance, December 31, 2010	A	<u><u>\$ 43,774.19</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009:			
School Tax Payable	A	\$ 3,317,547.00	
School Tax Deferred	16-A	<u>31,617,738.00</u>	
			\$ 34,935,285.00
Increased By:			
Levy (School Year July 1, 2010 to June 30, 2011)	3-A		<u>67,930,700.00</u>
			102,865,985.00
Decreased By:			
Cash Disbursements	1-A		<u>68,896,733.00</u>
Balance, December 31, 2010:			
School Tax Payable	A	3,902.00	
School Tax Deferred	16-A	<u>33,965,350.00</u>	
			<u>\$ 33,969,252.00</u>
 <u>2010 Liability for Local District School Tax</u>			
Tax Payable, December 31, 2010	A		\$ 3,902.00
Tax Paid	1-A		<u>68,896,733.00</u>
			68,900,635.00
Less:			
Tax Payable, December 31, 2009	A		<u>3,317,547.00</u>
Amount Charged To 2010 Operations	A-1		<u>\$ 65,583,088.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009:			
School Tax Payable	A	\$ 1,329,972.49	
School Tax Deferred	17-A	<u>13,192,547.00</u>	
			\$ 14,522,519.49
Increased By:			
Levy (School Year July 1, 2010 to June 30, 2011)	3-A		<u>26,888,725.53</u>
			41,411,245.02
Decreased By:			
Cash Disbursements	1-A		<u>26,606,691.87</u>
Balance, December 31, 2010:			
School Tax Payable	A	1,409,618.15	
School Tax Deferred	17-A	<u>13,394,935.00</u>	
			<u>\$ 14,804,553.15</u>
 <u>2010 Liability for Regional High School Tax</u>			
Tax Payable, December 31, 2010	A		\$ 1,409,618.15
Tax Paid	1-A		<u>26,606,691.87</u>
			28,016,310.02
Less:			
Tax Payable, December 31, 2009	A		<u>1,329,972.49</u>
Amount Charged To 2010 Operations	A-1		<u>\$ 26,686,337.53</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF SPECIAL DISTRICT TAX

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ -
Increased By:			
Fire Districts Levy	A-1, 3-A		<u>2,665,440.54</u>
			2,665,440.54
Decreased By:			
Cancelled By Resolution	A-1	\$ 47,788.54	
Cash Disbursed	1-A	<u>2,617,652.00</u>	
			<u>2,665,440.54</u>
Balance, December 31, 2010	A		<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF MUNICIPAL OPEN SPACE TAX

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ -
Increased By:		
Municipal Open Space Levy	A-1, 3-A	<u>693,724.97</u>
		693,724.97
Decreased By:		
Cash Disbursed	1-A	<u>693,724.97</u>
Balance, December 31, 2010	A	<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE LICENSE FEES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 1,400.00
Increased By:		
Cash Receipts	1-A	<u>2,375.00</u>
		3,775.00
Decreased By:		
Cash Disbursements	1-A	<u>3,300.00</u>
Balance, December 31, 2010	A	<u><u>\$ 475.00</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF DUE FROM GENERAL CAPITAL FUND

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

A

\$ 2,000.00

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2010

<u>Description</u>	Balance December 31, <u>2009</u>	Increased By	Decreased By	Balance December 31, <u>2010</u>
Traffic Lights	\$ 25,000.00			\$ 25,000.00
Blossom Heights - Sewer	65,103.27			65,103.27
Insurance	200,381.50	\$ 57,225.75	\$ 87,208.05	170,399.20
MUA Charges	14,071.58	76,900.61	82,933.59	8,038.60
Reserve for Revaluation	256,180.00		186,315.88	69,864.12
Reserve for Park Improvements	50,000.00			50,000.00
Reserve for Snow Removal		370,000.00	69,253.39	300,746.61
Igoe Road Improvements	159.12			159.12
LEA Rebate		14,692.50		14,692.50
Third Party Liens		<u>814,844.50</u>	<u>809,149.20</u>	<u>5,695.30</u>
	<u>\$ 610,895.47</u>	<u>\$ 1,333,663.36</u>	<u>\$ 1,234,860.11</u>	<u>\$ 709,698.72</u>
	<u>Reference</u>	A	Below	1-A
Detail:				A
Cash Receipts	1-A	\$ 963,663.36		
Deferred Charge - Emergency	A-1,A-3	<u>370,000.00</u>		
	Above	<u>\$ 1,333,663.36</u>		

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE TO FEDERAL AND STATE GRANT FUND

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 329,212.81
Increased By:			
Deposited in Current Fund:			
Unappropriated Reserves	26-A	\$ 135,205.83	
Grants Receivable	24-A	262,067.00	
Grant Receivable Cancellations	A-1,24-A	721,099.87	
2010 Budget Appropriations	A-3,25-A	<u>133,557.24</u>	
			<u>1,251,929.94</u>
			1,581,142.75
Decreased By:			
Disbursed By Current Fund:			
Appropriated Reserves	25-A	189,419.01	
Reserve for Grant-Appropriated Cancellations	A-1,25-A	738,035.45	
2010 Anticipated Revenue	24-A	<u>133,557.24</u>	
			<u>1,061,011.70</u>
Balance, December 31, 2010	A		<u>\$ 520,131.05</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## FEDERAL AND STATE GRANT FUND

## SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2010

	Balance December 31, 2009	Increased By Revenue Realized 2010	Decreased By	Cancelled	Balance December 31, 2010	
State Assistance:						
Alcohol Education Grant		\$ 788.96	\$ 788.96			
Body Armor Replacement Fund		7,992.00	7,720.67		\$ 271.33	
Child Passenger Safety Grant	\$ 10,217.17			\$ 10,217.17		
Child Passenger Safety Grant	1,656.00			1,656.00		
Clean Communities Program		24,134.34	24,134.34			
Over the Limit / Under Arrest		5,000.00			5,000.00	
Green Acres Park Improvement Grant	600,000.00				600,000.00	
HDSRF - DiMeo Property	11,068.00				11,068.00	
HDSRF - Hospital Property	11,537.00				11,537.00	
Homeland Rebuilding	40,000.00			40,000.00		
Municipal Alliance on Drug and Alcohol Abuse	16,703.82	28,547.00	28,059.33		17,191.49	
Municipal Open Space Grant	100,000.00			100,000.00		
NJ DOT Robertsville Road and Union Hill Road	385,000.00			385,000.00		
NJ DOT Safe Corridors	0.05			0.05		
NJ DOT School Road East	150,000.00			150,000.00		
Recycling Tonnage Grant		51,127.94	51,127.94			
Statewide Livable Communities ADA	29,636.75			29,636.75		
Stormwater Management Grant	15,464.00				15,464.00	
Forest Service Grant		6,967.00			6,967.00	
Federal Assistance:						
CDBG - Sr. Center Renovations	80,152.00				80,152.00	
Click It or Ticket	230.00	4,000.00	4,000.00	230.00		
COPS - Fingerprint ID/Mobile Data	2.90			2.90		
Energy Efficient Grant - ARRA	162,300.00		162,300.00			
Highway Safety Grant	3,861.00			3,861.00		
Justice Assistance Grant	12,814.00		6,612.00		6,202.00	
Pedestrian Safety Grant	496.00			496.00		
Smart Growth Grant	50,000.00	5,000.00	55,000.00			
Secure our Schools	21,674.16				21,674.16	
Across	<u>\$ 1,702,812.85</u>	<u>\$ 133,557.24</u>	<u>\$ 339,743.24</u>	<u>\$ 721,099.87</u>	<u>\$ 775,526.98</u>	
	<u>Reference</u>	<u>A</u>	<u>A-2,23-A</u>	<u>Below</u>	<u>A-1,23-A</u>	<u>A</u>
Cash Receipts	1-A,23-A		\$ 262,067.00			
Transferred From Unappropriated Grants	26-A		<u>77,676.24</u>			
	Above		<u>\$ 339,743.24</u>			

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2010

<u>Grant</u>	Balance December 31, 2009	Transferred From 2010 Appropriations	Expended	Adjustments	Cancelled	Balance December 31, 2010
State Assistance:						
Alcohol Education Grant	\$ 1,614.79	\$	141.39			\$ 1,473.40
Alcohol Rehabilitation Grant	1,124.46					1,124.46
Alcohol Rehabilitation Grant		\$ 788.96	6,725.61			788.96
Body Armor Replacement Fund	6,970.90		6,294.10			245.29
Body Armor Replacement Fund	5,259.43		5,098.47			160.96
Body Armor Replacement Grant	1,722.65		1,722.65			
Body Armor Replacement Grant		1,625.00	1,625.00			
Body Armor Replacement Grant	584.25					584.25
Body Armor Replacement Grant	5,782.75					5,782.75
Child Passenger Safety	1,656.00				1,656.00	
Child Passenger Safety	3,463.13				3,463.13	
Child Passenger Safety	5,800.00				5,800.00	
Clean Communities Program	9,304.50		9,304.50			
Clean Communities Program	41,297.97		38,646.88			2,651.09
Clean Communities Program		24,134.34	1,432.73			22,701.61
Drunk Driving Enforcement Fund	2,598.25		2,598.25			
Enhanced 911 General Assistance	3.96				3.96	
Enhanced 911 Grant	1,792.09				1,792.09	
Green Acres Park Improvements	600,000.00					600,000.00
Green Communities	3,000.00					3,000.00
Handicapped Recreational Opportunities	2,520.00					2,520.00
Hazards Emergency Operations Planning	2,405.72					
HDSRF - Hospital Property	967.00		1,012.50	\$ 9,192.68	2,405.72	9,147.18
HDSRF - DiMeo Property	20,260.68			(9,192.68)		11,068.00
Homeland Rebuilding	40,000.00				40,000.00	
Municipal Drug Alliance		28,547.00	28,547.00			
Municipal Open Space	100,000.00				100,000.00	
NJ DOT Robertsville Road	93,802.50					93,802.50
NJ DOT Robertsville Road and Union Hill Road	32,352.28					32,352.28
NJ DOT Robertsville Road Drainage	45,000.00					45,000.00
NJ DOT Safe Corridors	0.10				0.10	
NJ DOT School Road East	150,000.00				150,000.00	
NJ DOT Union Hill Rd	160,000.00				160,000.00	
NJ DOT Union Hill Rd	225,000.00				225,000.00	
NJ Forestry Grant		6,967.00	6,966.28			0.72
Public Safety Answer Point (PSAP)	611.16				611.16	
Recycling Tonnage Grant	13,120.10		13,120.10			

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2010

Grant	Balance December 31, 2009	Transferred From 2010 Appropriations	Expended	Adjustments	Cancelled	Balance December 31, 2010
State Assistance:						
Recycling Tonnage Grant	\$ 40,370.49	\$	\$ 11,811.16			\$ 28,559.33
Recycling Tonnage Grant	2,345.83		2,345.83			
Recycling Tonnage Grant		\$ 51,127.94	10,894.56			40,233.38
Special Purpose Grant	15.36				\$ 15.36	
Statewide Livable Communities - Woodcliff Park	17,012.00				17,012.00	
Statewide Livable Communities ADA	24,761.75				24,761.75	
Statewide Local Domestic Preparedness	1,360.12				1,360.12	
Stop for the Red or Stop for Us	250.00				250.00	
Stormwater Management Grant	20,619.00					20,619.00
Stormwater Regulation Grant	4,738.64					4,738.64
Federal Assistance:						
2010 Over the Limit / Under Arrest		5,000.00	1,767.28	\$ (3,050.00)		3,232.72
Aggressive Driving Grant	3,050.00					
CDBG - Sr. Center Renovations	80,152.00		8,582.98			71,569.02
Click it or Ticket		4,000.00	4,000.00			
COPS - Fingerprint ID/Mobile Data	2.90				2.90	
Drunk Driving Prevention Incentive Grant	4,629.47		4,629.47			
Energy Efficient Grant - ARRA	162,300.00		10,260.00			152,040.00
Highway Safety Grant	811.00			3,050.00	3,861.00	
Justice Assistance Grant	10,433.66		3,892.27			6,541.39
Pedestrian Safety Grant	40.16				40.16	
Smart Growth Grant	3,000.00		3,000.00			
Smart Growth Grant		5,000.00	5,000.00			
Secure our Schools	2,515.27					2,515.27
	<u>\$ 1,956,349.42</u>	<u>\$ 133,557.24</u>	<u>\$ 189,419.01</u>	<u>\$ -</u>	<u>\$ 738,035.45</u>	<u>\$ 1,162,452.20</u>

Reference

A

A-3,23-A,24-A

A

A-1,23-A

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Utilized in <u>Budget</u>	Cash <u>Received</u>	Balance December 31, <u>2010</u>
Recycling Tonnage Grant	\$ 51,127.94	\$ 51,127.94	\$ 121,082.06	\$ 121,082.06
Clean Communities Program	24,134.34	24,134.34		
Body Armor Replacement Fund	1,625.00	1,625.00	2,209.25	2,209.25
Drunk Driving Enforcement			4,213.43	4,213.43
Municipal Recycling Service Grant			7,500.00	7,500.00
Alcohol Rehabilitation Fund	<u>788.96</u>	<u>788.96</u>	<u>201.09</u>	<u>201.09</u>
	<u>\$ 77,676.24</u>	<u>\$ 77,676.24</u>	<u>\$ 135,205.83</u>	<u>\$ 135,205.83</u>
<u>Reference</u>	A	24-A	1-A,23-A	A

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX MAPS

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

A

\$ 302,502.00

**TRUST FUND**

**SCHEDULES**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF TRUST FUND CASH

Year ended December 31, 2010

	<u>Reference</u>	<u>Animal Control Trust Fund</u>	<u>Escrow Deposit Trust Fund</u>	<u>Trust - Other Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2009	B	\$ 14,062.23	\$ 4,093,575.79	\$ 16,923,758.47	\$ 2,893,326.14
Increased By Receipts:					
Due To:					
Current Fund	2-B			380,821.55	
State of New Jersey	3-B	4,230.60			
Open Space Tax Levy	5-B				693,724.97
Reimbursement of Prior Year					
Expenditures	5-B				516,581.92
Interest Earned	5-B				12,821.17
Reserve for:					
Animal Control Trust Fund					
Expenditures	6-B	87,682.00			
Deposits	7-B		741,440.38		
DCA Training Fees	8-B			60,544.00	
Various Reserves	4-B			4,364,737.91	
		<u>91,912.60</u>	<u>741,440.38</u>	<u>4,806,103.46</u>	<u>1,223,128.06</u>
		<u>105,974.83</u>	<u>4,835,016.17</u>	<u>21,729,861.93</u>	<u>4,116,454.20</u>
Decreased By Disbursements:					
Due To:					
Current Fund	2-B			388,921.55	
State of New Jersey	3-B	4,230.60			
Animal Control Trust Fund					
Expenditures	6-B	61,590.82			
Reserve for:					
Open Space	5-B				111,339.41
Deposits	7-B		1,134,756.29		
DCA Training Fees	8-B			62,484.00	
Various Reserves	4-B			4,364,156.00	
		<u>65,821.42</u>	<u>1,134,756.29</u>	<u>4,815,561.55</u>	<u>111,339.41</u>
Balance, December 31, 2010	B	<u>\$ 40,153.41</u>	<u>\$ 3,700,259.88</u>	<u>\$ 16,914,300.38</u>	<u>\$ 4,005,114.79</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## TRUST FUND

## SCHEDULE OF DUE FROM CURRENT FUND

Year ended December 31, 2010

	<u>Reference</u>	<u>Trust - Other Fund</u>
Balance, December 31, 2009 (Net)	B	\$ 20,400.00
Increased By:		
Cash Receipts	1-B	<u>380,821.55</u>
		380,821.55
Decreased By:		
Cash Disbursements	1-B	<u>388,921.55</u>
Balance, December 31, 2010	B	<u><u>\$ 28,500.00</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## ANIMAL CONTROL TRUST FUND

## SCHEDULE OF DUE TO STATE OF NEW JERSEY

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	B	\$ 275.40
Increased By:		
Cash Receipts	1-B	<u>4,230.60</u>
		4,506.00
Decreased By:		
Cash Disbursements	1-B	<u>4,230.60</u>
Balance, December 31, 2010	B	<u><u>\$ 275.40</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2010</u>
Performance Bonds	\$ 136,364.64			\$ 136,364.64
Road Opening Deposits	413,742.35	\$ 12,482.50	\$ 1,000.00	425,224.85
Stormwater Management	1,231,833.45	19,496.48	85,678.10	1,165,651.83
Public Defender		1,025.00	1,025.00	
Parking Offenses Adjudication Act	3,534.00	46.00		3,580.00
Off-Site Improvements	7,741.45			7,741.45
Fire Safety	104,754.59	33,000.00	11,067.68	126,686.91
Law Enforcement	54,655.71	23,142.87		77,798.58
Mount Laurel - Affordable Housing	13,379,496.34	753,575.60	744,696.59	13,388,375.35
Park Acquisition or Development	10,000.00			10,000.00
Recreation	110,925.67	1,936,998.05	1,890,836.11	157,087.61
Police Evidence	139.90			139.90
Uniform Construction Code	472,853.75	966,509.00	991,556.09	447,806.66
Cablevision		15,000.00		15,000.00
Marlboro Knolls	2,575.24			2,575.24
Tax Sale Premiums	456,400.00	8,100.00	68,321.55	396,178.45
Snow Removal	1,964.54			1,964.54
Unclaimed Monies	388.00	2,386.15		2,774.15
Tree Bank	268,744.29	125,000.00	1,525.00	392,219.29
Bid Deposits	2,561.70			2,561.70
Court Bail Refund	2,737.00			2,737.00
Insurance Reimbursement	16,000.00			16,000.00
Unemployment	69,311.19	70,451.49	84,591.11	55,171.57
Off-Duty Police	116,495.91	397,524.77	446,734.32	67,286.36
Accumulated Absences	37,124.45		37,124.45	
Sidewalks	12,624.30			12,624.30
Shade Trees	19,500.00			19,500.00
	<u>\$ 16,932,468.47</u>	<u>\$ 4,364,737.91</u>	<u>\$ 4,364,156.00</u>	<u>\$ 16,933,050.38</u>
<u>Reference</u>	B	1-B	1-B	B

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

OPEN SPACE TRUST FUND

SCHEDULE OF RESERVE FOR OPEN SPACE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	B		\$ 2,893,326.14
Increased By:			
Interest Earned	1-B	\$ 12,821.17	
Open Space Tax Levy	3-A, 1-B	693,724.97	
Reimbursement of Prior Year Expenditures	1-B	<u>516,581.92</u>	
			<u>1,223,128.06</u>
			4,116,454.20
Decreased By:			
Cash Disbursed	1-B		<u>111,339.41</u>
Balance, December 31, 2010	B		<u>\$ 4,005,114.79</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	B		\$ 13,786.83
Increased By:			
Dog License Fees Collected		\$ 31,341.60	
Cat License Fees Collected		711.00	
Miscellaneous Dog License Fees Collected		629.40	
Received From Current Fund - Budget Appropriation		<u>55,000.00</u>	
	1-B		<u>87,682.00</u>
Decreased By:			
Expenditures Under R.S. 4:19-15.11	1-B		<u>61,590.82</u>
Balance, December 31, 2010	B		<u><u>\$ 39,878.01</u></u>

License and Penalty Fees Collected:

2009 Fees	\$ 28,636.70
2008 Fees	<u>14,568.00</u>
	<u><u>\$ 43,204.70</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## ESCROW DEPOSIT TRUST FUND

## SCHEDULE OF RESERVE FOR DEPOSITS

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	B	\$ 4,093,575.79
Increased By:		
Cash Receipts	1-B	<u>741,440.38</u>
		4,835,016.17
Decreased By:		
Cash Disbursements	1-B	<u>1,134,756.29</u>
Balance, December 31, 2010	B	<u>\$ 3,700,259.88</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF DUE TO STATE OF NEW JERSEY - DCA TRAINING FEES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	B	\$ 11,690.00
Increased By:		
Cash Receipts	1-B	<u>60,544.00</u>
		72,234.00
Decreased By:		
Cash Disbursements	1-B	<u>62,484.00</u>
Balance, December 31, 2010	B	<u>\$ 9,750.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM TRUST FUND ("LOSAP")

SCHEDULE OF INVESTMENTS - LENGTH OF SERVICE AWARDS PROGRAM

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	B	\$ 513,102.43
Increased By:		
Township Contributions and Earnings (Net)	10-B	<u>103,447.40</u>
Balance, December 31, 2010	B	<u><u>\$ 616,549.83</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM TRUST FUND ("LOSAP")

SCHEDULE OF MISCELLANEOUS RESERVES - LENGTH OF SERVICE AWARDS PROGRAM

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	B	\$ 513,102.43
Increased By:		
Township Contributions and Earnings (Net)	9-B	<u>103,447.40</u>
Balance, December 31, 2010	B	<u>\$ 616,549.83</u>

**GENERAL CAPITAL FUND**

**SCHEDULES**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	C		\$ 3,466,194.41
Increased By:			
Premium on Bond Anticipation Notes	C-1	\$ 48,180.00	
Premium on Bond Anticipation Bonds	C-1	1,084,972.66	
Bond Anticipation Notes	7-C	16,500,000.00	
General Serial Bonds	6-C	<u>18,160,000.00</u>	
			<u>35,793,152.66</u>
			39,259,347.07
Decreased By:			
Budgeted Current Fund Revenue	C-1	450,500.00	
Bond Anticipation Notes	7-C	32,250,000.00	
Improvement Authorizations	9-C	1,364,052.59	
Various Reserves	11-C	41,828.85	
Due From Water Utility Capital Fund	14-C	<u>30,000.00</u>	
			<u>34,136,381.44</u>
Balance, December 31, 2010	C		<u>\$ 5,122,965.63</u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

Year ended December 31, 2010

	Balance December 31, <u>2010</u>	Balance December 31, <u>2009</u>
Fund Balance	\$ 2,763,982.04	\$ 450,544.50
Various Reserves	700,957.37	942,786.22
Due From New Jersey Department of Transportation	(585,000.00)	
Due From Swimming Pool Utility Capital Fund	(250,000.00)	(250,000.00)
Due From Water Utility Capital Fund	(30,000.00)	
Due To Grant Fund	2,000.00	2,000.00
Capital Improvement Fund	<u>47,500.00</u>	<u>62,500.00</u>
	2,649,439.41	1,207,830.72

<u>Ordinance Date/Number</u>	<u>Improvement Description</u>		
28-00/03-05	Various Improvements		246.00
18-01	Various Improvements	40,108.17	112,906.53
02-15	Improvements To School Road East		7,385.59
02-17/03-04/03-07	Various Improvements	598.00	87,314.35
02-21	Various Improvements	39,089.20	46,409.16
02-27	Acquisition of Real Property	(19,425.00)	2,375.00
02-28	Acquisition of Real Property	(35,200.00)	106,546.14
03-11	Various Improvements		1,063,166.02
03-12	Acquisition of Real Property (Open Space)		82,984.66
03-14	Various Improvements	13,008.01	33,008.01
04-01	Hawkins Park	59,765.00	59,765.00
04-06	Various Improvements	(9,599.85)	(9,599.85)
04-21	Various Improvements	(50,510.60)	(28,408.77)
04-23	Bolling Hills	22,741.53	39,657.03
05-18	Street Lighting Program	429.66	18,950.00
05-19	Computer Operated Signs	2,250.00	2,250.00
05-36	Various Improvements	441,519.31	626,146.65
06-19	Various Improvements	329,140.25	560,986.27
07-12	Various Capital Improvements	224,056.48	401,660.43
08-14	Various Capital Improvements	10,380.16	10,980.16
08-23	Various Capital Improvements	(817,363.31)	(817,363.31)
09-28	Various Capital Improvements	616,337.00	(149,001.38)
10-07	Various Capital Improvements	171,647.25	
10-16	Various Capital Improvements	<u>1,434,554.96</u>	
		<u>\$ 5,122,965.63</u>	<u>\$ 3,466,194.41</u>

Reference

C

C

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF DUE FROM NEW JERSEY DEPARTMENT OF TRANSPORTATION

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	C		\$ -
Increased By:			
2008 Award		\$ 160,000.00	
2009 Award		200,000.00	
2010 Award		<u>225,000.00</u>	
	9-C		<u>585,000.00</u>
Balance, December 31, 2010	C		<u>\$ 585,000.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	C		\$ 10,931,986.13
Increased By:			
General Improvement Bonds Issued		\$ 15,624,000.00	
Open Space Bonds Issued		<u>2,536,000.00</u>	
	6-C		<u>18,160,000.00</u>
Decreased By:			
Budget Appropriation To Pay Bonds	6-C	1,518,000.00	
Budget Appropriation To Pay Loans	8-C	<u>22,396.20</u>	
			<u>1,540,396.20</u>
Balance, December 31, 2010	C		<u>\$ 27,551,589.93</u>



TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

Year ended December 31, 2010

Purpose	Date	Original Issue Amount	Maturities of Bonds Outstanding December 31, 2010		Interest Rate	Balance December 31, 2009	Increased	Decreased	Balance December 31, 2010
			Date	Amount					
General Improvements	12/19/97	\$ 5,404,000.00	12/01/11	\$ 518,000.00	5.000%	\$ 1,012,000.00	\$	\$ 494,000.00	\$ 518,000.00
General Improvements	12/13/01	7,842,000.00	12/01/11	549,000.00	5.000%				
			12/01/12	576,000.00	5.000%				
			12/01/13	605,000.00	5.000%				
			12/01/14	635,000.00	5.000%				
			12/01/15	667,000.00	5.000%				
	12/01/16	700,000.00	5.000%	4,259,000.00			527,000.00	3,732,000.00	
General Improvements	12/04/02	4,999,000.00	12/01/11	304,000.00	5.000%				
			12/01/12	320,000.00	5.000%				
			12/01/13	336,000.00	5.000%				
			12/01/14	352,000.00	5.000%				
			12/01/15	370,000.00	5.000%				
			12/01/16	388,000.00	5.000%				
			12/01/17	408,000.00	5.000%				
			12/01/18	428,000.00	5.000%	3,200,000.00			294,000.00
General Improvements	12/18/03	3,249,000.00	12/01/11	211,000.00	3.250%				
			12/01/12	218,000.00	3.550%				
			12/01/13	223,000.00	4.000%				
			12/01/14	235,000.00	4.250%				
			12/01/15	245,000.00	4.250%				
			12/01/16	254,000.00	4.250%				
			12/01/17	267,000.00	4.250%				
			12/01/18	276,000.00	4.250%	2,132,000.00			203,000.00
Open Space Improvements	10/14/10	2,536,000.00	10/01/12	125,000.00	2.000%				
			10/01/13	150,000.00	2.000%				
			10/01/14	150,000.00	2.000%				
			10/01/15	150,000.00	2.000%				
			10/01/16	170,000.00	2.000%				
			10/01/17	180,000.00	2.500%				
			10/01/18	190,000.00	2.500%				
			10/01/19	190,000.00	3.250%				
			10/01/20	190,000.00	3.500%				
			10/01/21	200,000.00	4.000%				
			10/01/22	210,000.00	4.000%				
			10/01/23	210,000.00	4.000%				
10/01/24	210,000.00	4.000%							
10/01/25	211,000.00	4.000%							
							\$ 2,536,000.00		\$ 2,536,000.00



TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Year ended December 31, 2010

Ordinance Number	Original Issue Date	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2009	Increased	Decreased	Balance, December 31, 2010
02-27	04/15/04	04/08/10	10/15/10	1.00%	\$ 1,523,475.00	\$ 1,523,475.00	\$ 3,046,950.00	
02-28	04/15/04	04/08/10	10/15/10	1.00%	2,571,500.00	2,571,500.00	5,143,000.00	
04-06	10/15/07	04/08/10	10/15/10	1.00%	30,000.00	30,000.00	60,000.00	
04-21	10/15/07	04/08/10	10/15/10	1.00%	1,600,000.00	1,600,000.00	3,200,000.00	
05-18	10/15/07	04/08/10	10/15/10	1.00%	251,750.00	251,750.00	503,500.00	
05-36	10/15/07	04/08/10	10/15/10	1.00%	2,085,000.00	2,085,000.00	4,170,000.00	
06-19	10/15/07	04/08/10	10/15/10	1.00%	3,501,700.00	3,501,700.00	7,003,400.00	
07-12	10/15/07	04/08/10	10/15/10	1.00%	4,186,575.00	4,186,575.00	8,373,150.00	
09-28	04/08/10	04/08/10	10/15/10	1.00%		750,000.00	750,000.00	
					\$ 15,750,000.00	\$ 16,500,000.00	\$ 32,250,000.00	\$ -
					C	Below	Below	C

Reference

Renewals								
Bond Anticipation Notes Issued		15-C			\$ 15,750,000.00		\$ 15,750,000.00	
Paid with Cash on Hand		15-C			750,000.00		57,300.00	
Serial Bonds Issued		6-C					16,442,700.00	
		1-C, Above					\$ 32,250,000.00	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOAN PROGRAM PAYABLE

Year ended December 31, 2010

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance December 31, 2009</u>	<u>Paid By Budget Appropriation</u>	<u>Balance December 31, 2010</u>
Municipal Park Development	12/13/02	\$ 464,185.00	2011 to 2022	See Page 2	2.00%	<u>\$ 328,986.13</u>	<u>\$ 22,396.20</u>	<u>\$ 306,589.93</u>
					<u>Reference</u>	C	4-C	C

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

GREEN TRUST LOAN MATURITY SCHEDULE

Year ended December 31, 2010

<u>Payment Number</u>	<u>Due</u>	<u>Principal</u>	<u>Interest</u>
16	03/13/11	\$ 11,366.35	\$ 3,065.90
17	09/13/11	11,480.02	2,952.24
18	03/13/12	11,594.82	2,837.44
19	09/13/12	11,710.76	2,721.49
20	03/13/13	11,827.87	2,604.38
21	09/13/13	11,946.15	2,486.10
22	03/13/14	12,065.61	2,366.64
23	09/13/14	12,186.27	2,245.98
24	03/13/15	12,308.13	2,124.12
25	09/13/15	12,431.21	2,001.04
26	03/13/16	12,555.52	1,876.73
27	09/13/16	12,681.08	1,751.17
28	03/13/17	12,807.89	1,624.36
29	09/13/17	12,935.97	1,496.28
30	03/13/18	13,065.33	1,366.92
31	09/13/18	13,195.98	1,236.27
32	03/13/19	13,327.94	1,104.31
33	09/13/19	13,461.22	971.03
34	03/13/20	13,595.83	836.42
35	09/13/20	13,731.79	700.46
36	03/13/21	13,869.11	563.14
37	09/13/21	14,007.80	424.45
38	03/13/22	14,147.88	284.37
39	09/13/22	14,289.40	142.85
		<u>\$ 306,589.93</u>	<u>\$ 39,784.09</u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2010

Ordinance Number/Date	Improvement Description	Ordinance Date	Amount	Balance December 31, 2009		2010 Authorizations	Paid or Charged	Authorizations Canceled	Balance December 31, 2010	
				Funded	Unfunded				Funded	Unfunded
28-00/03-05	Various Improvements	09/28/00	\$ 2,713,500.00	\$ 246.00				\$ 246.00		
18-01	Various Improvements	07/19/01	2,619,732.00	112,906.53				72,798.36	\$ 40,108.17	
02-15	Improvements To School Road East	05/09/02	285,000.00	7,385.59				7,385.59		
02-17/03-04/03-07	Various Improvements	06/13/02	2,988,000.00	87,314.35				65,908.95	598.00	
02-21	Various Improvements	07/18/02	253,000.00	46,409.16					39,089.20	
02-27	Acquisition of Real Property	10/10/02	1,730,500.00	\$ 2,375.00						\$ 2,375.00
02-28	Acquisition of Real Property	10/10/02	2,919,500.00	1,063,166.02	106,546.14			92,689.88		
03-11	Various Improvements	08/26/03	3,295,500.00	82,984.66				1,058,152.82		
03-12	Acquisition of Real Property (Open Space)	07/17/03	1,180,000.00	33,008.01				82,984.66		
03-14	Various Improvements	08/14/03	115,000.00	59,765.00				20,000.00	13,008.01	
04-01	Hawkins Park	03/25/04	59,765.00	59,765.00					59,765.00	
04-06	Various Improvements	04/29/04	100,000.00	100,000.00	55,400.15					55,400.15
04-21	Various Improvements	09/26/04	2,160,000.00	39,657.03	188,269.51			56,773.61	22,741.53	109,394.07
04-23	Bolling Hills	10/28/04	83,877.53					18,052.78	429.66	
05-18	Street Lighting Program	06/02/05	265,000.00	2,250.00	18,950.00				2,250.00	42,750.00
05-19	Computer Operated Signs	06/02/05	45,000.00		42,750.00					
05-36	Various Improvements	10/06/05	2,195,000.00	626,146.65				153,883.83	441,519.31	
06-19	Various Improvements	08/10/06	3,686,000.00	560,986.27				58,982.21	329,140.25	
07-12	Various Capital Improvements	06/06/07	5,500,000.00	100,000.00	1,440,085.43				224,056.48	1,038,425.00
08-14	Various Capital Improvements	04/24/08	100,000.00	10,980.16					10,380.16	
08-23	Various Capital Improvements	06/29/08	950,000.00	85,136.69				85,136.69		
09-28	Various Capital Improvements	08/06/09	1,750,000.00	1,513,498.62					616,337.00	145,200.00
10-07	Various Capital Improvements	04/15/10	200,000.00	200,000.00		\$ 200,000.00			171,647.25	
10-16	Road & Building Improvements	08/24/10	1,558,580.00	1,558,580.00		1,558,680.00			1,434,554.96	8,680.00
				\$ 1,546,072.51	\$ 4,640,144.46	\$ 1,758,680.00	\$ 1,364,052.59	\$ 1,772,995.18	\$ 3,405,624.98	\$ 1,402,224.22

Reference	C	C	1-C	Below	C	C,5-C
Due From New Jersey Department of Transportation						
Deferred Charges - Unfunded	3-C			\$ 585,000.00		
Capital Improvement Fund	5-C			958,680.00		
Various Reserve Appropriation	10-C			15,000.00		
	11-C			200,000.00		
Improvement Authorizations - Unfunded	Above			\$ 1,758,680.00		
Improvement Authorizations - Funded	15-C			\$ 142,210.30		
	C-1			1,630,784.88		
	Above			\$ 1,772,995.18		

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	C	\$ 62,500.00
Decreased By:		
Appropriation to Finance Improvement Authorizations	9-C	<u>15,000.00</u>
Balance, December 31, 2010	C	<u>\$ 47,500.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2010

<u>Improvement Description</u>	Balance December 31, <u>2009</u>	<u>Decreased</u>	Balance December 31, <u>2010</u>
Lafayette Knolls - Recreation	\$ 50,000.00		\$ 50,000.00
Traffic Light - Ryan Road	55,202.37		55,202.37
Falson Lane - Ballfields	309.80		309.80
Police Mobile Data Terminal	10,000.00		10,000.00
Beacon Hill Road Improvements	18,000.00		18,000.00
Station Road Improvements	72,960.00		72,960.00
Route 79 and School Road East	240,000.00		240,000.00
School Road East	76,000.00		76,000.00
Pleasant Valley Road Improvements	6,120.63		6,120.63
Wincrest - Millstein	900.00	\$ 873.55	26.45
Payment of Debt Service	16,331.71		16,331.71
Sidewalks - Tennant Road	3,465.00		3,465.00
Sidewalks	107,672.00	36,912.50	70,759.50
Sidewalks - Crine Road	36,500.00		36,500.00
Emerald Hills	49,324.71	4,042.80	45,281.91
Glenbrook Condo Association	<u>200,000.00</u>	<u>200,000.00</u>	<u>                    </u>
	<u>\$ 942,786.22</u>	<u>\$ 241,828.85</u>	<u>\$ 700,957.37</u>
	<u>Reference</u>	C	C
Ordinance 2010-7 Appropriation of Reserve	9-C	\$ 200,000.00	
Cash Disbursements	1-C	<u>41,828.85</u>	
	Above	<u>\$ 241,828.85</u>	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE TO FEDERAL AND STATE GRANT FUND

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

C

\$ 2,000.00

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM SWIMMING POOL UTILITY CAPITAL FUND

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

C

\$ 250,000.00

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM WATER UTILITY CAPITAL FUND

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	C	\$ -
Decreased By:		
Cash Disbursements	1-C	<u>30,000.00</u>
Balance, December 31, 2010	C	<u>\$ 30,000.00</u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 GENERAL CAPITAL FUND

SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2010

Ordinance Number/Date	Improvement Description	Balance December 31, 2009	Increased By 2010 Authorizations	Bond Anticipation Notes Not Renewed	Serial Bonds Issued	Bond Anticipation Notes Issued	Cancellations	Balance December 31, 2010
02-27	Acquisition of Real Property			\$ 21,800.00				\$ 21,800.00
02-28	Acquisition of Real Property			35,500.00			\$ 300.00	35,200.00
04-06	Various Improvements	\$ 65,000.00						65,000.00
04-21	Various Improvements	216,678.28					56,773.61	159,904.67
05-19	Computer Operated Signs	42,750.00						42,750.00
07-12	Various Capital Improvements	1,038,425.00						1,038,425.00
08-23	Various Capital Improvements	902,500.00			\$ 767,300.00	\$ 750,000.00	85,136.69	817,363.31
09-28	Various Capital Improvements	1,662,500.00			950,000.00			145,200.00
10-16	Various Capital Improvements		\$ 958,680.00					8,680.00
		<u>\$ 3,927,853.28</u>	<u>\$ 958,680.00</u>	<u>\$ 57,300.00</u>	<u>\$ 1,717,300.00</u>	<u>\$ 750,000.00</u>	<u>\$ 142,210.30</u>	<u>\$ 2,334,322.98</u>

Reference

C

5-C

7-C

7-C

7-C

5-C, 9-C

C

**SWIMMING POOL UTILITY FUND**

**SCHEDULES**

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

SCHEDULE OF SWIM POOL UTILITY CASH

Year ended December 31, 2010

	Reference	Operating	Capital
Balance, December 31, 2009	D	\$ 816,156.57	\$ 15,772.61
Increased By Receipts:			
Membership Fees	D-2	\$ 336,183.00	
Recreation Lease	D-2	50,000.00	
Interest on Investments	D-2	107.89	
Miscellaneous	D-2	270,878.08	
Prepaid Membership Fees	8-D	182,849.00	
Prepaid Guest Book Fees	10-D	1,315.00	
Prepaid Miscellaneous Fees	11-D	1,325.00	
Interfunds	9-D		\$ 80,000.03
Cash Receipts from Change Fund	D	200.00	
		<u>842,857.97</u>	<u>80,000.03</u>
		1,659,014.54	95,772.64
Decreased By Disbursements:			
2010 Budget Appropriations	D-3	833,448.04	
2009 Appropriation Reserves	5-D	21,367.39	
Improvement Authorizations	14-D		\$ 90,524.76
Interfunds	9-D	<u>80,000.03</u>	
		<u>934,815.46</u>	<u>90,524.76</u>
Balance, December 31, 2010	D	<u>\$ 724,199.08</u>	<u>\$ 5,247.88</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF SWIM POOL UTILITY CASH

December 31, 2010 and 2009

		Balance December 31, <u>2010</u>	Balance December 31, <u>2009</u>
Due To General Capital Fund		\$ 250,000.00	\$ 250,000.00
Due To Swim Pool Operating Fund		80,000.03	
Reserve for Capital Outlay		43,490.61	43,490.61
<u>Ordinance Number</u>	<u>Improvement Authorizations</u>		
05-37	Various Swim Facility Improvements	<u>(368,242.76)</u>	<u>(277,718.00)</u>
		<u>\$ 5,247.88</u>	<u>\$ 15,772.61</u>
		<u>Reference</u>	
		D	D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## SWIMMING POOL UTILITY CAPITAL FUND

## SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Transfer from Fixed Capital Authorized and <u>Uncompleted</u>	Balance December 31, <u>2010</u>
Water Connection Charges	\$ 6,330.00		\$ 6,330.00
Sewer Connection Charges	3,423.00		3,423.00
Equipment and Fixtures	179,271.59		179,271.59
Sprinkler System	12,250.00		12,250.00
Vehicle	17,745.00		17,745.00
Swimming Pool and Improvements	2,664,628.54	\$ 90,524.76	2,755,153.30
Flume Slide	<u>204,287.32</u>		<u>204,287.32</u>
	<u>\$ 3,087,935.45</u>	<u>\$ 90,524.76</u>	<u>\$ 3,178,460.21</u>
<u>Reference</u>	D	4-D	D

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year ended December 31, 2010

Ordinance Number	Description	Ordinance		Balance December 31, 2009	Transfer to Fixed Capital	Balance December 31, 2010
		Date	Amount			
05-37	Various Swim Facility Improvements	09/22/05	\$ 446,250.00	\$ 168,532.00	\$ 90,524.76	\$ 78,007.24
			<u>Reference</u>	D	3-D	D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	<u>Encumbrances</u>	Modified <u>Balance</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 9,603.06		\$ 9,603.06		\$ 9,603.06
Other Expenses	<u>113,886.56</u>	\$ 51,850.79	<u>165,737.35</u>	\$ 21,623.29	<u>144,114.06</u>
	<u>\$ 123,489.62</u>	<u>\$ 51,850.79</u>	<u>\$ 175,340.41</u>	<u>\$ 21,623.29</u>	<u>\$ 153,717.12</u>
	<u>Reference</u>	D	D	Below	Below
Appropriation Reserves	D			\$ 123,489.62	
Encumbrances Payable	6-D			<u>51,850.79</u>	
	Above			<u>\$ 175,340.41</u>	
Cash Disbursements	1-D			\$ 21,367.39	
Transferred to Accounts Payable	7-D			<u>255.90</u>	
	Above			<u>\$ 21,623.29</u>	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## SWIMMING POOL UTILITY OPERATING FUND

## SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	D	\$ 51,850.79
Increased By:		
Transfer From Budget Appropriations	D-3	<u>37,448.81</u>
		89,299.60
Decreased By:		
Transfer To Appropriation Reserves	5-D	<u>51,850.79</u>
Balance, December 31, 2010	D	<u>\$ 37,448.81</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	D	\$ 35,227.16
Increased By:		
Transferred from Appropriation Reserves	5-D	<u>255.90</u>
Balance, December 31, 2010	D	<u>\$ 35,483.06</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## SWIMMING POOL UTILITY OPERATING FUND

## SCHEDULE OF PREPAID MEMBERSHIP FEES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	D	\$ 147,552.00
Increased By:		
Cash Receipts	1-D	<u>182,849.00</u>
		330,401.00
Decreased By:		
Prepaid Applied	D-2	<u>147,552.00</u>
Balance, December 31, 2010	D	<u><u>\$ 182,849.00</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## SWIMMING POOL UTILITY CAPITAL FUND

## SCHEDULE OF INTERFUNDS PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	General Capital Fund	Swim Pool Operating Fund
Balance, December 31, 2009	D	\$ (250,000.00)	\$ -
Decreased By:			
Cash Receipts	1-D	<u>                    </u>	<u>80,000.03</u>
Balance, December 31, 2010	D	<u>\$ (250,000.00)</u>	<u>\$ (80,000.03)</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF PREPAID GUEST BOOK FEES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	D	\$ 780.00
Increased By:		
Fees Collected	1-D	<u>1,315.00</u>
		2,095.00
Decreased By:		
Fees Applied	D-2	<u>780.00</u>
Balance, December 31, 2010	D	<u><u>\$ 1,315.00</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF PREPAID MISCELLANEOUS FEES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	D	\$ 625.00
Increased By:		
Fees Collected	1-D	<u>1,325.00</u>
		1,950.00
Decreased By:		
Fees Applied	D-2	<u>625.00</u>
Balance, December 31, 2010	D	<u><u>\$ 1,325.00</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR CAPITAL OUTLAY

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

D

\$ 43,490.61

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

D

\$ 2,810,217.45

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## SWIMMING POOL UTILITY CAPITAL FUND

## SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2010

<u>Ordinance Number</u>	<u>Description</u>	<u>Ordinance</u>		Balance December 31, 2009	<u>Expended</u>	Balance December 31 2010
		<u>Date</u>	<u>Amount</u>	<u>Unfunded</u>		<u>Unfunded</u>
05-37	Various Swim Facility Improvements	09/22/05	\$ 446,250.00	<u>\$ 168,532.00</u>	<u>\$ 90,524.76</u>	<u>\$ 78,007.24</u>
			<u>Reference</u>	D	1-D	D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Years ended December 31, 2010 and 2009

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance December 31, 2010 and 2009</u>
05-37	Various Swim Pool Facility Improvements	09/22/05	<u>\$ 446,250.00</u>
		<u>Reference</u>	D

**WATER UTILITY FUND**

**SCHEDULES**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY FUND

SCHEDULE OF WATER UTILITY CASH - TREASURER

For the Period from February 1, 2010 (Inception) through December 31, 2010

	Reference	OPERATING FUND	CAPITAL FUND
<b>Increased by Receipts:</b>			
Transfer From Dissolution of the Authority		\$ 7,010,457.71	\$ 5,108,020.09
Water Utility Capital Surplus	F-2	2,436,556.66	
Consumer Accounts Receivable	F-2, 3-F	6,958,718.27	
Connection Fees	F-2	213,174.53	
Other Operating Revenues	F-2	50,636.57	
Interest Earned on Investments and Deposits	F-2	81,998.93	
Solar Renewable Energy Credits	F-2	542,741.27	
Miscellaneous Revenue Not Anticipated	F-2	281.54	
Various Reserves	4-F	45,076.22	
Interfunds	14-F		937,764.73
		\$ 17,339,641.70	\$ 6,045,784.82
<b>Decreased by Disbursements:</b>			
Budgeted Current Fund Revenue	F-1	5,450,000.00	
Budgeted Water Utility Operating Revenue	F-2		2,436,556.66
Budget Expenditures	F-3	7,625,709.58	
Various Reserves	4-F	22,842.94	
Accrued Interest on Bonds	6-F	630,877.15	
Improvement Authorizations	9-F		152,017.77
Interfunds	14-F	17,764.73	
Accounts Payable	15-F	639,587.00	
		14,386,781.40	2,588,574.43
Balance - December 31, 2010	D	\$ 2,952,860.30	\$ 3,457,210.39

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF WATER UTILITY CASH

December 31, 2010

	Balance December 31, <u>2010</u>
Fund Balance	\$ 2,622,519.34
Accounts Payable	26,115.00
Due To Water Utility Operating Fund	601.82
Due To General Capital Fund	30,000.00
Reserve for Capital Outlay	50,000.00
<u>Improvement Authorizations</u>	
09-46 Various Capital Improvements	39,992.00
10-17 Various Capital Improvements	<u>687,982.23</u>
Total	<u>\$ 3,457,210.39</u>

Reference

D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>		
Increased by:			
Transfer From Dissolution of the Authority	F-2	\$ 429,392.00	
Water Utility Billings (net)	Reserve	<u>6,906,617.18</u>	\$ 7,336,009.18
Decreased by Cash Receipts	1-F		<u>6,958,718.27</u>
Balance, December 31, 2010	F		<u><u>\$ 377,290.91</u></u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF VARIOUS RESERVES

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Increases</u>	<u>Decreases</u>	Balance December 31, 2010
Water Operating:			
Reserve for:			
Escrow	\$ 891,681.90		\$ 891,681.90
Unemployment	22,842.94	\$ 22,842.94	
Compensated Absences	18,040.00		18,040.00
	<u>\$ 932,564.84</u>	<u>\$ 22,842.94</u>	<u>\$ 909,721.90</u>

Reference                      Below                      1-F                      F

Transfer from Dissolution of the Authority  
 Cash Receipts

\$ 887,488.62	
<u>45,076.22</u>	
\$ 932,564.84	

Above

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF WATER RENT OVERPAYMENTS

For the Period from February 1, 2010 (Inception) through December 31, 2010

Reference

Increased by:		
Transfer From Dissolution of the Authority		\$ 15,798.00
Balance, December 31, 2010	F	<u>\$ 15,798.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>	
Increased by:		
Accrued Interest Charged to		
Budget appropriations	F-3	\$ 630,877.15
Adjustment to Accrued Interest	F-1	<u>67,115.70</u>
		697,992.85
Decreased by:		
Cash Disbursements	1-F	<u>630,877.15</u>
Balance, December 31, 2010	F, Below	<u><u>\$ 67,115.70</u></u>

Analysis of Balance - December 31, 2010

Principal Outstanding Dec. 31, 2010	Interest Rate	From	To	Period		Amount
Water Utility Serial Bonds - 2010						
\$11,030,000	Various	12/1/2010	12/31/2010	31 Days		\$ 11,709.93
\$10,220,000	Various	12/1/2010	12/31/2010	31 Days		14,495.60
\$ 840,000	Various	10/1/2010	12/31/2010	91 Days		<u>4,188.49</u>
						30,394.02
					Excess Balance Raised to be utilized in Future Years	<u>36,721.68</u>
						<u><u>\$ 67,115.70</u></u>

Reference

Above

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

For the Period from February 1, 2010 (Inception) through December 31, 2010

<u>Account</u>	<u>Transfer From Dissolution of the Authority</u>	<u>Balance December 31, 2010</u>
Water Utility: Various capital improvements	<u>\$ 32,967,341.00</u>	<u>\$ 32,967,341.00</u>
	<u>\$ 32,967,341.00</u>	<u>\$ 32,967,341.00</u>
<u>Reference</u>	12-F	F

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

For the Period from February 1, 2010 (Inception) through December 31, 2010

<u>Ordinance Number</u>	<u>Date</u>	<u>Improvement Description</u>	<u>2010 Authorizations</u>	<u>Balance December 31, 2010</u>
09-46	12/18/2009	Various Capital Improvements	<u>\$ 840,000.00</u>	<u>\$ 840,000.00</u>
			<u>\$ 840,000.00</u>	<u>\$ 840,000.00</u>
			9-F, 16-F	F

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 WATER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

For the Period from February 1, 2010 (Inception) through December 31, 2010

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Transfer From Dissolution of Authority	2010 Authorizations	Paid or Charged	Authorizations Canceled	Balance, December 31, 2010 Funded	Balance, December 31, 2010 Unfunded
09-46	Transfer From Dissolution of the Municipal Utilities Authority and Assumption of Certain Outstanding Obligations	12/18/2009	\$ 5,099,068.00	\$ 5,099,068.00			\$ 5,059,076.00	\$ 39,992.00	
10-17	Various Capital Improvements	07/15/2010	840,000.00		\$ 840,000.00	\$ 152,017.77		687,982.23	
				\$ 5,099,068.00	\$ 840,000.00	\$ 152,017.77	\$ 5,059,076.00	\$ 727,974.23	\$ -
					8-F	1-F	F-4	F	F

Reference

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY  
 WATER UTILITY CAPITAL FUND  
 SCHEDULE OF SERIAL BONDS PAYABLE

For the Period from February 1, 2010 (Inception) through December 31, 2010

Purpose	Ordinance Number	Date	Original Issue Amount	Maturities of Bonds Outstanding December 31, 2010	Interest Rate	Increase	Decrease	Balance December 31, 2010	
									Date
Water Utility Improvements	09-46	01/14/2010	\$ 11,630,000.00	12/1/2011 \$	1.250 %				
				12/1/2012	540,000.00	2.000			
				12/1/2013	555,000.00	2.000			
			12/1/2015	575,000.00	1.625				
			12/1/2016	585,000.00	2.000				
			12/1/2017	605,000.00	3.500				
			12/1/2018	630,000.00	4.000				
			12/1/2019	540,000.00	4.000				
			12/1/2020	625,000.00	4.250				
			12/1/2021	655,000.00	4.250				
			12/1/2022	680,000.00	4.250				
			12/1/2023	715,000.00	4.250				
			12/1/2024	210,000.00	4.250				
			12/1/2030	1,460,000.00	4.000				
			12/1/2035	1,530,000.00	4.375	\$ 11,630,000.00	\$ 600,000.00	\$ 11,030,000.00	
Water Utility Improvements	09-46	01/14/2010	11,815,000.00	12/1/2011	1.670				
				12/1/2012	1,575,000.00	2.250			
				12/1/2013	1,595,000.00	3.040			
				12/1/2014	1,635,000.00	3.390			
				12/1/2015	945,000.00	3.690			
				12/1/2016	1,015,000.00	4.080			
				12/1/2017	1,065,000.00	4.400			
				12/1/2018	1,095,000.00	4.650			
				12/1/2019	320,000.00	4.750	11,815,000.00	1,595,000.00	10,220,000.00
				4/1/2012	20,000.00	2.000			
				4/1/2013	30,000.00	2.000			
				4/1/2014	30,000.00	2.000			
				4/1/2015	30,000.00	2.000			
				4/1/2016	40,000.00	2.500			
				4/1/2017	40,000.00	2.500			
		4/1/2018	80,000.00	3.250					
		4/1/2019	80,000.00	3.500					
		4/1/2020	90,000.00	4.000					
		4/1/2021	90,000.00	4.000					
		4/1/2022	100,000.00	4.000					
		4/1/2023	100,000.00	4.000					
		4/1/2024	100,000.00	4.000	840,000.00		840,000.00		
						\$ 24,285,000.00	\$ 2,195,000.00	\$ 22,090,000.00	

Reference

14-F,16-F F-3,12-F,16-F F

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>	
Increased by:		
Budget Appropriation	F-3,14-F	<u>\$ 50,000.00</u>
Balance, December 31, 2010	F	<u>\$ 50,000.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## WATER UTILITY OPERATING FUND

## SCHEDULE OF RESERVE FOR AMORTIZATION

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>		
Increased by:			
Transfer from Dissolution of the Authority	7-F	\$ 32,967,341.00	
Payment of Bond Principal	10-F	<u>2,195,000.00</u>	
			<u>\$ 35,162,341.00</u>
Decreased by Serial Bond Issue to refund the Authority's Debt	16-F		<u>23,445,000.00</u>
Balance, December 31, 2010	F		<u>\$ 11,717,341.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF ACCOUNTS PAYABLE

For the Period from February 1, 2010 (Inception) through December 31, 2010

Reference

Increased by:		
Transfer from Dissolution of the Authority		<u>\$ 26,115.00</u>
Balance, December 31, 2010	F	<u>\$ 26,115.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF INTERFUNDS

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>	<u>Water Utility Operating Fund</u>	<u>Water Utility Capital Fund</u>
Increased by:			
Transfer from Dissolution of the Authority		\$ 17,162.91	\$ (17,162.91)
Cash Receipts from Other Funds	1-F	<u>                    </u>	<u>937,764.73</u>
		(17,162.91)	(920,601.82)
Decreased by:			
Cash Disbursements	1-F	17,764.73	
General Capital Fund Proceeds from Water Utility			
Capital Fund Serial Bonds Issued	10-F		840,000.00
Capital Improvement Fund Budget Appropriation	11-F	<u>                    </u>	<u>50,000.00</u>
Balance, December 31, 2010	Below	<u>\$ 601.82</u>	<u>\$ (30,601.82)</u>
	<u>Reference</u>	F	Below
Due To Water Utility Operating Fund	F		\$ (601.82)
Due To General Capital Fund	F		<u>(30,000.00)</u>
	Above		<u>\$ (30,601.82)</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF ACCOUNTS PAYABLE

For the Period from February 1, 2010 (Inception) through December 31, 2010

	<u>Reference</u>	
Increased by Transfer From Dissolution of the Authority		\$ 639,587.00
Decreased by Cash Disbursements	1-F	<u>639,587.00</u>
Balance, December 31, 2010	F	<u>\$ -</u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

For the Period from February 1, 2010 (Inception) through December 31, 2010

<u>Ordinance Number/Date</u>	<u>Improvement Description</u>	<u>Reference</u>	<u>Increased By Authorizations</u>	<u>Serial Bonds Issued</u>	<u>Balance December 31, 2010</u>
09-46	Various Capital Improvements	12-F	\$ 23,445,000.00	\$ 23,445,000.00	\$
10-17	Various Capital Improvements	8-F	840,000.00	840,000.00	
			<u>\$ 24,285,000.00</u>	<u>\$ 24,285,000.00</u>	<u>\$ -</u>
		<u>Reference</u>		10-F	F

**GENERAL FIXED ASSET ACCOUNT GROUP**

**SCHEDULE**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## GENERAL FIXED ASSETS ACCOUNT GROUP

## SCHEDULE OF GENERAL FIXED ASSETS

Years ended December 31, 2010 and 2009

	<u>Reference</u>	Balance December 31, <u>2010</u>	Balance December 31, <u>2009</u> (As restated)
Land, Buildings and Improvements	G	\$ 69,150,896.00	\$ 69,150,896.00
Machinery, Equipment and Vehicles	G	<u>10,247,845.00</u>	<u>10,247,845.00</u>
	G	<u>\$ 79,398,741.00</u>	<u>\$ 79,398,741.00</u>

**SCHEDULES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

Township of Marlboro  
County of Monmouth, New Jersey

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2010

Federal Grantor/Pass Through Grantor/Program Title	Township		Total Award	Grant Year	2010	
	Fund Reference	CFDA Number			Cash Receipts	Expenditures
Direct Awards:						
U.S. Department of Transportation:						
National Highway Traffic Safety Administration						
Click It or Ticket Grant	A	20.600	\$ 4,000.00	2010	\$ 4,000.00	\$ 4,000.00
Drunk Driving Prevention Incentive Grant	A	20.601	4,629.47	2009		4,629.47
Drunk Driving Prevention Incentive Grant	A	20.601	5,000.00	2010		1,767.28
Department of Justice:						
Pass Through the State:						
Justice Assistance Grant	A	16.803	6,612.00	2010	6,612.00	
Justice Assistance Grant	A	16.803	12,814.00	2009		3,892.27
Department of Energy:						
Energy Efficient Grant - ARRA	A	81.128	162,300.00	2009	162,300.00	10,260.00
Environmental Protection Agency:						
Smart Growth Grant	A	66.611	55,000.00	2010	55,000.00	
Smart Growth Grant	A	66.611	50,000.00	2008		8,000.00
Community Development Block Grant:						
Senior Center Renovations	A	14.218	80,152.00	2009		8,582.98
Total expenditures					\$ 227,912.00	\$ 41,132.00

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

Township of Marlboro  
County of Monmouth, New Jersey

Schedule of Expenditures of State Financial Assistance

Year Ended December 31, 2010

State Funding Department or Division	Program	Fund Reference	Total Award	State Account No.	Grant Year	2010	
						Cash Receipts	Expenditures
Environmental Protection	Recycling Tonnage Grant	A	\$ 143,764.57	4900-752-042-001	Prior Year Through 2010	\$ 51,127.94	\$ 38,171.65
	Clean Community Grant	A	165,983.56	4900-765-042-4900-004-V42Y-6020	Prior Year Through 2010	24,134.34	49,384.11
	Forest Service Grant	A	6,967.00	Unavailable	2010		6,966.28
Community Affairs	HDSRF - Hospital Property	A	136,101.68	P18687	Prior Year Through 2010		1,012.50
Law and Public Safety	Municipal Alliance	A	134,960.00	G-02-241-709-080-628	Prior Year Through 2010	28,059.33	28,547.00
	Alcohol Education Grant	A	1,913.42	Unavailable	Prior Year Through 2010	788.96	
	Alcohol Rehabilitation Grant	A	61,372.00	9735-760-098-Y900-001-X100-6020	Prior Year Through 2010		141.39
	Drunk Driving Enforcement Fund	A	25,617.79	1160-100-057-1160	Prior Year Through 2010		2,598.25
	Body Armor Replacement Grant	A	28,239.08	Unavailable	Prior Year Through 2010	7,720.67	21,465.83
<b>Total expenditures</b>						<b>\$ 111,831.24</b>	<b>\$ 148,287.01</b>

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

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY

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

YEAR ENDED DECEMBER 31, 2010

**1. General**

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

**2. Basis of Accounting**

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

**3. Relationship to Federal and State Financial Reports**

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

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

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

**5. Other**

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



INDEPENDENT AUDITORS' 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*

Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Monmouth County, New Jersey

We have audited the regulatory-basis financial statements of the Township of Marlboro (the "Township"), County of Monmouth, New Jersey as of and for the year ended December 31, 2010, except for the financial statements related to the Water Utility Fund which we have audited as of December 31, 2010 and for the period from February 1, 2010 through December 31, 2010, and have issued our report thereon dated August 8, 2011, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and a qualified opinion since the Division does not require the Length of Services Award Program ("LOSAP") to be audited. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

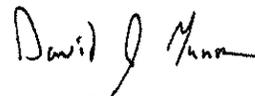
We noted certain matters involving internal control over financial reporting that we have reported to management in the comments and recommendations section of this report.

#### Compliance and Other Matters

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

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

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



David J. Gannon  
Registered Municipal Accountant  
No. 520



WISS & COMPANY, LLP

Iselin, New Jersey  
August 8, 2011

**COMMENTS SECTION**

**TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
YEAR ENDED DECEMBER 31, 2010**

**COMMENTS**

An audit of the financial accounts and transactions of the Township of Marlboro, County of Monmouth, New Jersey, for the year ended December 31, 2010, has recently been completed. The results of the audit are herewith set forth:

Scope of Audit

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

Cash on hand was counted and cash and investment balances were reconciled with independent certifications obtained directly from the depositories.

Revenues and receipts were established and verified as to source and amount insofar as the records permitted on a test basis.

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

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

N.J.S.A. 40A: 11-4 states "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 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 \$21,000 (from January 1, 2010 through June 30, 2010) or \$26,000 (effective July 1, 2010) except by contract or agreement."

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts and agreements for "Professional Services" per N.J.S.A. 40A:11-5. 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 or 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.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body, on January 7, 2010 adopted a resolution authorizing interest to be charged on delinquent taxes and assessments, as follows:

8% Interest on Amounts up to \$1,500.00 on Delinquent Tax and Assessment Accounts:

18% Interest on Amounts from \$1,500.00 and above on Delinquent Tax and Assessment Accounts:

6% penalty to be charged on amounts in excess of \$10,000 remaining after year end.

Ten (10) Day Grace Period

An examination of the collector's records indicated that interest on delinquencies was calculated in accordance with the foregoing resolution, for items tested.

Collection of Delinquent Taxes and Other Charges

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

Alternate procedures for non-replies were performed as follows:

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

Comparative Schedule of Tax Rate Information

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax rate	\$ 1.979	\$ 4.144	\$ 4.129
Apportionment of tax rate:			
Municipal	\$ 0.297	\$ 0.588	\$ 0.626
Municipal Open Space	0.010	0.020	0.020
County	0.304	0.639	0.567
Local School	0.980	2.070	2.073
Regional High School	0.388	0.827	0.843
Assessed valuations	\$ 6,933,408,244	\$ 3,188,708,404	\$ 3,131,511,009

Comparison of Tax Levies and Collections

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percent of Collections</u>
2010	\$ 140,168,248.19	\$ 138,598,918.85	98.88%
2009	135,373,142.72	133,787,392.95	98.83
2008	133,893,737.41	132,382,293.90	98.89

Delinquent Taxes and Tax Title Liens

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

<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>
2010	\$ 170,926.33	\$ 906,115.84	\$ 1,077,042.17	0.77%
2009	136,649.61	1,454,787.48	1,591,437.09	1.18
2008	125,655.01	1,488,907.55	1,614,562.56	1.21

The last tax sale was held on April 22, 2010, and was complete.

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

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

<u>Years</u>	<u>Tax Title Liens</u>
2010	16
2009	13
2008	13

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>Years</u>	<u>Amount</u>
2010	\$ 802,400.00
2009	802,400.00
2008	802,400.00

Equalized Valuations – Real Property

Year	Amount
2010	\$ 7,472,289,477
2009	7,584,031,317
2008	7,694,200,415

Comparative Schedule of Fund Balances

	Year	Balance December 31	Utilized in Budget of Succeeding Year
Current Fund	2010	\$ 6,522,020.50	\$ 5,500,000.00
	2009	2,893,148.61	1,291,773.80
	2008	5,622,961.10	5,200,000.00
Swimming Pool Utility Operating Fund	2010	406,881.51	242,539.85
	2009	453,288.42	331,250.00
	2008	288,878.33	285,000.00
Water Utility Operating Fund	2010	1,096,771.59	800,000.00

Officials In Office and Surety Bonds

Johnathan Hornik	Mayor	
Randi Marder	Council President	
Jeffery Cantor	Council Vice President	
Frank LaRocca	Councilperson	
Carol Mazzola	Councilperson	
Scott Metzger	Councilperson	
Jonathan Capp	Business Administrator	
Ulrich Steinberg	Chief Financial Officer	*
Kelly Hahn	Tax Collector, Tax Search Officer	*
Alida Manco	Municipal Clerk	
James Newman	Judge	*
Irene Moore	Court Administrator	*

\*Surety Bonds are covered by the Municipal Excess Liability Joint Insurance Fund in the amount of \$1,000,000 per occurrence with a \$1,000 deductible per occurrence.

A public employee dishonesty blanket bond covering Municipal employees in the amount of \$50,000 was in effect with the Monmouth county Municipal Joint Insurance Fund.

There are blanket bonds for secondary coverage with the Municipal Excess Liability Joint Insurance Fund in the amount of \$950,000 for Public Employees and \$3,000,000 for Public Officials. Both of these bonds are subject to deductibles based upon other required coverages.

## **COMMENTS AND RECOMMENDATIONS**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
YEAR ENDED DECEMBER 31, 2010

COMMENTS AND RECOMMENDATIONS

**Purchasing**

*\*Technical Accounting Directive No. 1*

A review of the Township's detailed open purchase order report revealed that the majority of the Township's contracts are encumbered prior to the procurement of goods or services. However, our tests of internal controls revealed a number of instances in which the Township did not properly encumber funds prior to placing an order with a vendor for the procurement of goods or services. It should be noted that all of the exceptions noted during our testing occurred during the first half of the fiscal year and additional internal controls were put into place during the year by the Township's Administrator's office.

We suggest that the Township properly encumber funds prior to procuring goods and/or services.

*Local Public Contracts Law- Bid*

Pursuant to the State of New Jersey's Local Public Contracts Law (N.J.S.A. 40A:11), the Township is required to obtain competitive bids for any goods or services, not specifically exempted under Local Public Contracts Law, in which expenditures in any year exceed \$26,000. Our testing revealed one instance, Minuteman Press, in which the Township expended in excess of \$26,000 for goods or services and did not obtain competitive bids where required.

We suggest that the Township implement procedures to ensure competitive bids are received for all categories of goods or services (except for those that are specifically exempted under the Local Public Contracts Law) that may exceed the bid threshold for the year.

*Local Public Contracts Law - Quotations*

Pursuant to the State of New Jersey's Local Public Contracts Law (N.J.S.A. 40A:11), the Township is required to obtain competitive quotations for any goods or services, not specifically exempted under Local Public Contracts Law, in which expenditures in any year exceed \$3,900. Our testing revealed two instances in which the Township purchased goods from CARO Electric and Remstar International, in amounts that exceeded the quote threshold, but could not provide evidence of the quotes being obtained or showing the other vendors that were contacted and the amounts quoted.

We suggest that the Township implement procedures to ensure competitive quotations are received for all categories of goods or services that exceed \$3,900, except for those that are specifically exempted under the Local Public Contracts Law and those quotes should be maintained in a written format.

## **Personnel**

### **Personnel Files**

Our review of certain employee personnel files revealed that several Employment Eligibility Verification Forms (Form I-9) could not be located.

We suggest that the Township implement procedures to ensure that all required employment documentation is appropriately maintained.