

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

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY

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Report of Independent Auditors on Financial Statements  
and Supplementary Schedules

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, 2009 and for the year then ended, listed as financial statement exhibits in the foregoing table of contents. 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 audit. The regulatory-basis financial statements of the Township as of and for the year ended December 31, 2008 were audited by other auditors whose report thereon dated July 30, 2009, expressed a qualified opinion on those statements in accordance with accounting practices prescribed by the Division on Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and 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.

Except as discussed in the following two paragraphs, 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; 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 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 audit provides 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 2.10% and 1.62% of the assets and liabilities of the Township's Trust Funds as of December 31, 2009 and 2008, respectively.

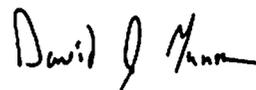
The Township did not update its General Fixed Assets files as of December 31, 2009. Accordingly, we were unable to satisfy ourselves as to the carrying values of the Township's General Fixed Assets Account Group. The amount that should have been reported as General Fixed Assets using the guidelines prescribed by the Division cannot be reasonably determined.

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 second 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, 2009 or the results of its operations and changes in its fund balance for the year then ended.

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 and General Fixed Assets Account Group 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, 2009, and the results of its operations and changes in its fund balance for the year then ended, in conformity with the accounting practices prescribed by the Division as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2010 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 audit was 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 2009 regulatory-basis financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2009 regulatory-basis financial statements taken as a whole.



David J. Gannon  
Registered Municipal Accountant  
No. 520



WISS & COMPANY, LLP

Iselin, New Jersey  
August 5, 2010

**FINANCIAL STATEMENTS**

**CURRENT FUND**

**EXHIBITS**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT AND GRANT FUND

COMPARATIVE BALANCE SHEETS - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

<u>Assets</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Cash	1-A	\$ 11,279,197.97	\$ 11,797,662.18	Appropriation Reserves	A-3,10-A	\$ 1,655,079.16	\$ 1,619,447.37
Cash - Change Funds	A	400.00	400.00	Accounts Payable	11-A	164,460.03	167,314.87
Due From State of New Jersey:				Encumbrances Payable	12-A	758,431.78	948,323.47
Senior Citizens' and Veterans' Deductions	2-A	<u>9,432.89</u>	<u>7,846.36</u>	Prepaid Taxes	13-A	695,410.16	443,023.80
				Tax Overpayments	14-A	-	308.97
		<u>11,289,030.86</u>	<u>11,805,908.54</u>	County Taxes Payable	15-A	107,471.35	408,137.68
Receivables and Other Assets With				Local District School Tax Payable	16-A	3,317,547.00	
Full Reserves:				Regional High School Tax Payable	17-A	1,329,972.49	1,355,936.55
Delinquent Property Taxes Receivable	3-A	1,454,787.48	1,488,907.55	Due To State of New Jersey -			
Tax Title Liens Receivable	4-A	136,649.61	125,655.01	Marriage License Fees	20-A	1,400.00	1,570.00
Due From Monmouth County				Reserve for:			
Improvement Authority	5-A	175,468.34	158,275.57	Tax Appeals	21-A	-	50,000.00
Property Acquired for Taxes -				Tax Map	27-A	302,502.00	302,502.00
Assessed Valuation	6-A	802,400.00	802,400.00	Various Reserves	22-A	610,895.47	1,816,948.85
Revenue Accounts Receivable	7-A	34,033.37	32,515.75	Due To Federal and State Grant Fund	23-A	329,212.81	279,333.88
Due From Fire District #1	1-A	5,000.00		Interfund Payable	8-A	<u>28,500.00</u>	<u>100.00</u>
Interfund Receivable	8-A	<u>8,100.00</u>	<u>3,300.00</u>			9,300,882.25	7,392,947.44
Deferred Charges:		<u>2,616,438.80</u>	<u>2,611,053.88</u>	Reserve for Receivables	A	2,616,438.80	2,611,053.88
Special Emergency Authorizations							
(N.J.S.A. 40A:4-55)	9-A	<u>905,000.00</u>	<u>1,210,000.00</u>	Fund Balance	A-1	<u>2,893,148.61</u>	<u>5,622,961.10</u>
		<u>14,810,469.66</u>	<u>15,626,962.42</u>			<u>14,810,469.66</u>	<u>15,626,962.42</u>
Federal and State Grant Fund:				Federal and State Grant Fund:			
Due From:				Reserve for:			
Current Fund	23-A	329,212.81	279,333.88	Grants - Appropriated	25-A	1,956,349.42	1,628,589.09
General Capital Fund	28-A	2,000.00	2,000.00	Grants - Unappropriated	26-A	<u>77,676.24</u>	<u>50,565.85</u>
Grants Receivable	24-A	<u>1,702,812.85</u>	<u>1,397,821.06</u>			<u>2,034,025.66</u>	<u>1,679,154.94</u>
		<u>2,034,025.66</u>	<u>1,679,154.94</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 16,844,495.32</u>	<u>\$ 17,306,117.36</u>
Total Assets		<u>\$ 16,844,495.32</u>	<u>\$ 17,306,117.36</u>				

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

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCES -  
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2009 and 2008

<u>Revenue and Other Income Realized</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Fund Balance Utilized	A-2	\$ 5,200,000.00	\$ 8,129,167.75
Miscellaneous Revenue Anticipated	A-2	6,953,520.83	6,756,490.53
Receipts From Delinquent Taxes	A-2	1,400,019.38	900,410.67
Receipts From Current Taxes	A-2	133,787,392.95	132,382,293.90
Non-Budget Revenue	A-2	93,154.37	388,783.50
Other Credits To Income:			
Due From Monmouth County Improvement Authority	5-A	12,706.57	136,336.45
Interfunds Returned	8-A	3,300.00	25,959.87
Prior year county tax payable canceled	15-A	246,588.41	
Unexpended Balance of Appropriation Reserves	10-A	1,331,692.02	638,761.11
		<u>149,028,374.53</u>	<u>149,358,203.78</u>
<u>Expenditures</u>			
Budget Appropriations Within CAPS:			
Operations:			
Salaries and Wages	A-3	14,200,000.00	14,604,850.00
Other Expenses	A-3	9,198,903.19	9,372,525.00
Deferred Charges and Statutory Expenditures	A-3	2,261,058.50	1,067,159.39
Budget Appropriations Excluded From CAPS:			
Operations:			
Salaries and Wages	A-3	660,000.00	660,000.00
Other Expenses	A-3	987,526.64	3,008,643.76
Capital Improvements			150,000.00
Municipal Debt Service	A-3	2,874,127.65	3,195,032.24
Deferred Charges	A-3	305,000.00	105,000.00
County Taxes	15-A	20,357,300.35	19,788,357.92
Amount Due For Added and Omitted Taxes	15-A	107,471.35	154,898.50
Local District School Taxes	16-A	65,898,624.00	62,588,767.00
Regional High School Taxes	17-A	26,492,547.87	28,198,338.93
Special District Taxes	18-A	2,535,298.75	2,426,360.00
Municipal Open Space Taxes	19-A	625,456.67	625,456.67
Prior Year Senior Citizens Deduction Disallowed	2-A	250.00	2,445.30
Due From Monmouth County Improvement Authority	5-A	29,899.34	243,889.91
Advance To Fire District # 1	1-A	5,000.00	
Interfund Advances	8-A	8,100.00	3,300.00
Refund of Prior Year Revenue	1-A	11,622.71	250.00
		<u>146,558,187.02</u>	<u>146,195,274.62</u>
Excess in Revenue		2,470,187.51	3,162,929.16
Fund Balance, January 1	A	<u>5,622,961.10</u>	<u>10,589,199.69</u>
		8,093,148.61	13,752,128.85
Decreased By:			
Utilized as Anticipated Revenue	A-1,A-2	<u>5,200,000.00</u>	<u>8,129,167.75</u>
Fund Balance, December 31	A	<u>\$ 2,893,148.61</u>	<u>\$ 5,622,961.10</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	<u>Reference</u>	<u>Anticipated Budget</u>	<u>Chapter 159s</u>	<u>Amount Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Anticipated	A-1	<u>\$ 5,200,000.00</u>		<u>\$ 5,200,000.00</u>	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	7-A	20,000.00		30,424.32	\$ 10,424.32
Other	7-A	15,000.00		23,472.00	8,472.00
Fees and Permits	7-A	515,000.00		591,282.15	76,282.15
Fines and Costs:					
Municipal Court	7-A	495,000.00		446,139.76	(48,860.24)
Interest and Costs on Taxes	7-A	250,000.00		326,933.37	76,933.37
Interest on Investments and Deposits	7-A	910,000.00		503,534.65	(406,465.35)
Cable Franchise Fees	7-A	110,000.00		116,939.00	6,939.00
Cell Tower Rental	7-A	150,000.00		183,859.00	33,859.00
Energy Receipts Tax	7-A	2,722,830.00		2,722,830.00	
Consolidated Municipal Property Tax Relief Act	7-A	241,180.00		241,180.00	
Uniform Fire Safety Act	7-A	80,000.00		54,184.94	(25,815.06)
Aquatic Center Lease	7-A	70,000.00		70,000.00	
Capital Surplus	7-A	300,000.00		300,000.00	
Reserve for Liquor License	7-A	710,000.00		710,000.00	
Click It or Ticket Grant	24-A	4,000.00		4,000.00	
Recycling Tonnage Grant	24-A	40,370.49		40,370.49	
Handicapped Recreation Opportunities Grant	24-A	2,100.00		2,100.00	
Green Communities Phase II Grant	24-A	3,000.00		3,000.00	
Drunk Driving Enforcement	24-A		\$ 10,465.75	10,465.75	
Justice Assistance Grant	24-A		12,814.00	12,814.00	
CDBG - Sr. Center Renovations	24-A		80,152.00	80,152.00	
NJDOT - Union Hill Road	24-A		225,000.00	225,000.00	
Energy Efficiency Grant	24-A		162,300.00	162,300.00	
DDEF	24-A		4,629.47	4,629.47	
Body Armor Replacement Grant	24-A	6,970.90		6,970.90	
Alcohol Education Grant	24-A	1,124.46		1,124.46	
Clean Communities Program	24-A	51,267.57		51,267.57	
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><u>6,726,390.42</u></b>	<b><u>495,361.22</u></b>	<b><u>6,953,520.83</u></b>	<b><u>(268,230.81)</u></b>
Receipts From Delinquent Taxes	A-1	<u>1,350,000.00</u>		<u>1,400,019.38</u>	<u>50,019.38</u>
Amount To Be Raised By Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2	<u>18,744,655.69</u>		<u>19,670,693.96</u>	<u>926,038.27</u>
Budget Revenues	A-3	32,021,046.11		33,224,234.17	707,826.84
Non-Budget Revenues	A-1,1-A			<u>93,154.37</u>	<u>93,154.37</u>
	A-3	<u>\$ 32,021,046.11</u>	<u>\$ 495,361.22</u>	<u>\$ 33,317,388.54</u>	<u>\$ 800,981.21</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	<u>Reference</u>	
<u>Analysis of Realized Revenues</u>		
Allocation of Current Tax Collections:		
Revenue From Collections	A-1, 3-A	\$ 133,787,392.95
Allocated To:		
School, County, and Open Space Taxes	3-A	<u>116,016,698.99</u>
		17,770,693.96
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>1,900,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 19,670,693.96</u>
Receipts From Delinquent Taxes:		
Delinquent Tax Collections	A-2,3-A	<u>\$ 1,400,019.38</u>

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



TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Appropriated			Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"						
<b>GENERAL GOVERNMENT</b>						
General Administration:						
Salaries and Wages	\$ 160,000.00		\$ 160,000.00	\$ 148,169.08	\$ 11,830.94	
Other Expenses	170,585.00		170,585.00	163,206.25	7,378.75	
Office of the Mayor:						
Salaries and Wages	60,500.00		60,500.00	59,288.80	1,211.20	
Other Expenses	5,300.00		5,300.00	2,489.98	2,810.02	
Ethics Commission:						
Other Expenses	500.00		500.00		500.00	
Open Space Committee:						
Other Expenses	2,500.00		2,500.00	507.49	1,992.51	
Township Council:						
Salaries and Wages	14,400.00		14,400.00	14,064.00	336.00	
Other Expenses	2,000.00		2,000.00	400.39	1,599.61	
Municipal Clerk:						
Salaries and Wages	185,000.00		185,000.00	180,306.83	4,693.17	
Other Expenses	61,000.00		61,000.00	59,632.76	1,367.24	
Financial Administration (Treasury):						
Salaries and Wages	255,000.00	\$ (10,000.00)	245,000.00	234,182.84	10,817.16	
Other Expenses	23,000.00		23,000.00	19,851.53	3,148.47	
Audit Services:						
Other Expenses	35,000.00		35,000.00	33,357.50	1,642.50	
Central Computer Services:						
Salaries and Wages	84,000.00	(38,000.00)	46,000.00	43,260.31	2,739.69	
Other Expenses	22,800.00		22,800.00	22,799.68	0.32	
Revenue Administration (Tax Collection):						
Salaries and Wages	210,000.00	38,000.00	248,000.00	243,182.77	4,817.23	
Other Expenses	56,650.00	10,000.00	66,650.00	51,758.04	14,891.96	
Tax Assessment Administration:						
Salaries and Wages	180,000.00		180,000.00	175,239.16	4,760.84	
Other Expenses	88,800.00	10,000.00	98,800.00	71,365.74	27,434.26	
Legal Services (Legal Department):						
Other Expenses	400,000.00		400,000.00	366,395.96	33,604.04	
Engineering Services:						
Salaries and Wages	255,000.00		255,000.00	238,517.72	16,482.28	
Other Expenses	141,300.00	17,000.00	158,300.00	144,296.53	14,003.47	
Economic Development:						
Salaries and Wages	2,000.00		2,000.00	250.00	1,750.00	
Other Expenses	10,000.00		10,000.00	618.95	9,381.05	
Grant Administration						
Other Expenses	19,000.00		19,000.00	19,000.00		
Cable Studio						
Other Expenses	45,000.00		45,000.00	37,950.00	7,050.00	
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	591.74	408.26	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Appropriated			Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"						
<b>LAND USE ADMINISTRATION</b>						
Planning Board:						
Salaries and Wages	\$ 84,000.00		\$ 84,000.00	\$ 81,413.87	\$ 2,586.13	
Other Expenses	34,800.00	\$ 88,000.00	122,800.00	90,205.37	32,594.63	
Planning Board Contractual:						
Other Expenses	31,400.00		31,400.00	28,112.85	3,287.15	
Zoning Board:						
Salaries and Wages	158,000.00		158,000.00	149,059.76	8,940.24	
Other Expenses	55,150.00	15,000.00	70,150.00	59,383.87	10,766.13	
<b>INSURANCE</b>						
Unemployment	25,000.00		25,000.00	25,000.00		
General Liability	450,000.00		450,000.00	421,972.49	28,027.51	
Workers Compensation	600,000.00		600,000.00	572,272.36	27,727.64	
Employee Group Health	2,215,000.00		2,215,000.00	2,095,641.82	119,358.18	
<b>PUBLIC SAFETY</b>						
Police Department:						
Salaries and Wages	8,380,000.00		8,380,000.00	7,965,702.93	414,297.07	
Other Expenses	363,000.00	(27,000.00)	336,000.00	244,408.19	91,590.81	
Crime Prevention:						
Other Expenses	23,405.00		23,405.00	9,079.66	14,325.34	
School Educational Programs:						
Other Expenses	13,900.00		13,900.00	13,900.00		
Highway Safety:						
Other Expenses	21,900.00		21,900.00	12,683.76	9,216.24	
Office of Emergency Management:						
Salaries and Wages	23,000.00		23,000.00	23,000.00		
Other Expenses	16,850.00		16,850.00	949.99	15,900.01	
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	133,500.00		133,500.00	130,153.28	3,346.72	
Other Expenses	13,340.00		13,340.00	5,608.26	7,731.74	
Municipal Prosecutor:						
Salaries and Wages	32,500.00		32,500.00	32,448.00	52.00	
<b>PUBLIC WORKS</b>						
Streets and Road Maintenance:						
Salaries and Wages	1,555,000.00	(95,000.00)	1,460,000.00	1,455,924.16	4,075.84	
Other Expenses	45,715.00		45,715.00	35,411.65	10,303.35	
Snow Removal:						
Salaries and Wages	50,000.00		50,000.00	41,474.08	8,525.92	
Other Expenses	372,290.00		372,290.00	353,041.79	19,248.21	
Other Public Works Functions:						
Salaries and Wages	350,000.00	(25,000.00)	325,000.00	323,618.75	1,381.25	
Other Expenses	66,020.00		66,020.00	52,654.91	13,365.09	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Appropriated		Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	
General Appropriations Operations - Within "CAPS"					
<b>PUBLIC WORKS (continued)</b>					
Shade Tree Commission:					
Other Expenses	\$ 2,000.00		\$ 2,000.00	\$ 882.79	\$ 1,117.21
Solid Waste Collection:					
Salaries and Wages	20,600.00		20,600.00	15,185.58	5,434.42
Other Expenses	704,124.00		704,124.00	617,989.30	86,134.70
Buildings and Grounds:					
Salaries and Wages	442,000.00	\$ (10,000.00)	432,000.00	428,795.67	3,204.33
Other Expenses	232,140.00		232,140.00	231,707.80	432.20
Vehicle Maintenance:					
Salaries and Wages	415,000.00		415,000.00	407,820.61	7,179.39
Other Expenses	129,800.00		129,800.00	120,411.05	9,388.95
Condominium Services Act:					
Other Expenses	94,700.00		94,700.00	19,257.14	75,442.86
<b>HEALTH AND HUMAN SERVICES</b>					
Public Health Services (Board of Health):					
Salaries and Wages	6,500.00		6,500.00	6,500.00	
Other Expenses	1,670.00		1,670.00	754.58	915.42
Drug Abuse Control:					
Salaries and Wages	10,000.00		10,000.00	2,357.03	7,642.97
Other Expenses	7,550.00		7,550.00	5,464.94	2,085.06
Environmental Health Services:					
Salaries and Wages	2,000.00		2,000.00	2,000.00	
Other Expenses	5,000.00		5,000.00	104.89	4,895.11
Animal Control Services:					
Other Expenses	55,000.00	1,929.19	56,929.19	56,929.19	
<b>PARK AND RECREATION</b>					
Recreation Services and Programs:					
Salaries and Wages	410,000.00	35,000.00	445,000.00	442,246.00	2,754.00
Other Expenses	126,940.00		126,940.00	102,511.63	24,428.37
Maintenance of Parks:					
Salaries and Wages	515,000.00		515,000.00	514,875.10	124.90
Other Expenses	44,605.00		44,605.00	41,445.11	3,159.89
Municipal Library:					
Other Expenses	16,200.00		16,200.00	11,447.83	4,752.17
Homeland Security:					
Salaries and Wages	30,000.00		30,000.00	8,892.42	21,107.58
Other Expenses	28,500.00		28,500.00	28,027.18	472.82
Affordable Housing:					
Salaries and Wages	4,000.00		4,000.00	2,000.00	2,000.00
Other Expenses	4,300.00		4,300.00		4,300.00
Municipal Court:					
Salaries and Wages	308,000.00	(10,000.00)	298,000.00	294,931.15	3,068.85
Other Expenses	125,140.00		125,140.00	117,170.52	7,969.48
Public Defender:					
Salaries and Wages	16,000.00	250.00	16,250.00	12,588.92	3,661.08

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Appropriated			Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"						
UNCLASSIFIED						
Accumulated Leave Compensation	\$ 1,000.00	\$ 20,000.00	\$ 21,000.00		\$ 21,000.00	
Postage	60,000.00		60,000.00	\$ 37,153.70	22,846.30	
UTILITY EXPENSES AND BULK PURCHASES						
Electricity	412,000.00	15,000.00	427,000.00	359,910.13	67,089.87	
Street Lighting	674,000.00	15,000.00	689,000.00	674,410.12	14,589.88	
Telephone (excluding equipment acquisition)	150,000.00	15,000.00	165,000.00	145,963.53	19,036.47	
Water	24,000.00		24,000.00	11,929.93	12,070.07	
Gas (natural or propane)	95,000.00		95,000.00	85,698.01	29,301.99	
Sewerage Processing and Disposal	10,400.00		10,400.00	10,123.12	276.88	
Gasoline	336,500.00	(63,250.00)	273,250.00	220,487.44	52,762.56	
Landfill/Solid Waste Disposal Costs	222,200.00		222,200.00	201,173.34	21,026.66	
Total Operations - Within "CAPS"	23,386,974.00	1,929.19	23,388,903.19	21,813,912.58	1,574,990.81	
Contingent	10,000.00		10,000.00	3,548.00	6,452.00	
Total Operations Including Contingent - Within "CAPS"	23,396,974.00	1,929.19	23,398,903.19	21,817,460.58	1,581,442.81	
Detail:						
Salaries and Wages	14,331,000.00		14,200,000.00	13,644,839.88	555,160.12	
Other Expenses	9,065,974.00		9,198,903.19	8,172,620.70	1,026,282.49	
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"						
DEFERRED CHARGES						
Prior Years Bills	10,000.00		10,000.00			\$ 10,000.00
Deficit in Animal Control Trust Fund	1,929.19	(1,929.19)				
STATUTORY EXPENDITURES						
Contribution To:						
Social Security System (O.A.S.I.)	1,000,000.00		1,000,000.00	985,666.81	14,333.19	
Police and Firemen's Retirement System of NJ	916,058.50		916,058.50	916,058.50		
Public Employees Retirement System	345,000.00		345,000.00	335,231.13	9,768.87	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	2,272,987.69	(1,929.19)	2,271,058.50	2,236,956.44	24,102.06	10,000.00
Total General Appropriations for Municipal Purposes - Within "CAPS"	25,669,961.69		25,669,961.69	24,054,417.02	1,605,544.67	10,000.00
General Appropriations Operations - Excluded from "CAPS"						
Length of Services Awards Program (LOSAP): Other Expenses	85,000.00		85,000.00	77,590.50	7,409.50	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Appropriated		Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	
General Appropriations Operations - Excluded from "CAPS"					
Police Dispatch/911:					
Salaries and Wages	\$ 660,000.00		\$ 660,000.00	\$ 624,166.69	\$ 35,833.31
Other Expenses	248,000.00		248,000.00	241,708.32	6,291.68
SFSP Fire District Payments:					
Other Expenses	14,229.00		14,229.00	14,229.00	
<b>Total Other Operations Excluded From "CAPS"</b>	<b>1,007,229.00</b>		<b>1,007,229.00</b>	<b>957,694.51</b>	<b>49,534.49</b>
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Clean Communities Program					
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	
Recycling Tonnage Grant	40,370.49		40,370.49	40,370.49	
Body Armor Grant	6,970.90		6,970.90	6,970.90	
Clean Communities Grant	51,267.57		51,267.57	51,267.57	
Green Communities Phase II Grant	3,000.00		3,000.00	3,000.00	
Handicapped Recreation Opportunities Grant:					
Grant Share	2,100.00		2,100.00	2,100.00	
Local Share	420.00		420.00	420.00	
Alcohol Rehabilitation Fund	1,124.46		1,124.46	1,124.46	
Click It or Ticket	4,000.00		4,000.00	4,000.00	
Drunk Driving Enforcement			10,465.75	10,465.75	
Justice Assistance Grant			12,814.00	12,814.00	
CDBG - Sr. Center Renovations			80,152.00	80,152.00	
N.JDOT - Union Hill Road			225,000.00	225,000.00	
Energy Efficiency Grant			162,300.00	162,300.00	
Drunk Driving Enforcement			4,629.47	4,629.47	
<b>Total Public and Private Programs Offset by Revenues</b>	<b>144,936.42</b>		<b>640,297.64</b>	<b>640,297.64</b>	
<b>Total Operations - Excluded From "CAPS"</b>	<b>1,152,165.42</b>		<b>1,647,526.64</b>	<b>1,597,992.15</b>	<b>49,534.49</b>
Detail:					
Salaries and Wages	660,000.00		660,000.00	624,166.69	35,833.31
Other Expenses	492,165.42		987,526.64	973,825.46	13,701.18
Municipal Debt Service - Excluded From "CAPS"					
Payment of Bond Principal	1,855,000.00		1,855,000.00	1,855,000.00	
Payment of Bond Anticipation Notes Principal	41,175.00		41,175.00	41,175.00	
Interest on Bonds	567,500.00		567,500.00	567,145.68	\$ 354.32
Interest on Notes	183,810.00		183,810.00	182,722.07	887.93
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	274,200.00		274,200.00	181,200.00	93,000.00
Interest	43,569.00		43,569.00	18,020.40	25,548.60
<b>Total Municipal Debt Service - Excluded From "CAPS"</b>	<b>2,993,919.00</b>		<b>2,993,919.00</b>	<b>2,874,127.65</b>	<b>119,791.35</b>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Appropriated		Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	
General Appropriations Operations - Excluded from "CAPS"					
DEFERRED CHARGES					
Deferred Charges To Future Taxation - Special Emergency	\$ 305,000.00		\$ 305,000.00	\$ 305,000.00	
Total Deferred Charges - Municipal - Excluded from "CAPS"	305,000.00		305,000.00	305,000.00	
Total General Appropriations - Excluded From "CAPS"	4,451,084.42		4,946,445.64	4,777,119.80	\$ 49,534.49
Subtotal General Appropriations	30,121,046.11		30,616,407.33	28,831,536.82	1,655,079.16
Reserve for Uncollected Taxes	1,900,000.00		1,900,000.00	1,900,000.00	
Total General Appropriations	\$ 32,021,046.11	\$ -	\$ 32,516,407.33	\$ 30,731,536.82	\$ 1,655,079.16
	Reference	A-2	Below	Below	A
<u>Analysis of Budget After Modification</u>					
Original Budget	A-3		\$ 32,021,046.11		
Added by N.J.S. 40A:4-87	A-2		495,361.22		
	Above		\$ 32,516,407.33		
<u>Analysis of Paid or Charged</u>					
Cash Disbursements	1-A			\$ 27,127,807.40	
Deferred Charges	9-A			305,000.00	
Reserve for:					
Encumbrances	12-A			758,431.78	
State Grants - Appropriated	25-A			640,297.64	
Uncollected Taxes	A-2			1,900,000.00	
	Above			\$ 30,731,536.82	

**TRUST FUND**

**EXHIBIT**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEETS - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

<u>Assets</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>	<u>Liabilities and Reserves</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Animal Control Trust Fund:				Animal Control Trust Fund:			
Cash	1-B	\$ 14,062.23	\$ 1,370.81	Due To State of New Jersey	3-B	\$ 275.40	\$ 281.40
Deficit in Animal Control				Reserve for Animal Control	6-B	<u>13,786.83</u>	<u>3,300.00</u>
Fund Expenditures	6-B		<u>2,210.59</u>			<u>14,062.23</u>	<u>3,581.40</u>
		<u>14,062.23</u>	<u>3,581.40</u>				
Escrow Deposit Trust Fund:				Escrow Deposit Trust Fund:			
Cash	1-B	4,093,575.79	5,225,969.88	Reserve for Deposits	7-B	<u>4,093,575.79</u>	<u>5,226,069.88</u>
Due From Current Fund	2-B		<u>100.00</u>				
		<u>4,093,575.79</u>	<u>5,226,069.88</u>				
Open Space Trust Fund:				Open Space Trust Fund:			
Cash and Cash Equivalents	1-B	2,893,326.14	452,735.35	Reserve for Open Space	5-B	<u>2,893,326.14</u>	<u>1,317,598.66</u>
Due From General Capital Fund	4-B		<u>864,863.31</u>				
		<u>2,893,326.14</u>	<u>1,317,598.66</u>				
Trust - Other Fund:				Trust - Other Fund:			
Cash and Cash Equivalents	1-B	16,923,758.47	16,142,085.80	Due To:			
Due From Current Fund	2-B	28,500.00		Current Fund	2-B	8,100.00	
Due From General Capital Fund	12-B		<u>500,000.00</u>	State of New Jersey -	8-B	11,690.00	8,551.00
		<u>16,952,258.47</u>	<u>16,642,085.80</u>	DCA Fees	9-B	<u>16,932,468.47</u>	<u>16,633,534.80</u>
				Various Reserves		<u>16,952,258.47</u>	<u>16,642,085.80</u>
Length of Service Award Program				Length of Service Award Program			
Trust Fund ("LOSAP") - Unaudited:				Trust Fund ("LOSAP") - Unaudited:			
Investments	10-B	<u>513,102.43</u>	<u>382,066.19</u>	Miscellaneous Reserves	11-B	<u>513,102.43</u>	<u>382,066.19</u>
Total Assets		<u>\$ 24,466,325.06</u>	<u>\$ 23,571,401.93</u>	Total Liabilities and Reserves		<u>\$ 24,466,325.06</u>	<u>\$ 23,571,401.93</u>

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

**GENERAL CAPITAL FUND**

**EXHIBITS**

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

<u>Assets</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>
				General Serial Bonds	6-C	\$ 10,603,000.00	\$ 12,458,000.00
				Bond Anticipation Notes Payable	7-C	15,750,000.00	9,950,000.00
				Due To:			
				Federal and State Grant Fund	12-C	2,000.00	2,000.00
				Open Space Trust Fund	3-C		864,863.31
				Trust Other Fund	14-C		500,000.00
				Green Trust Loan Payable	8-C	328,986.13	350,941.04
Cash	1-C,2-C	\$ 3,466,194.41	\$ 160,814.99	Improvement Authorizations:			
Due From Swimming Pool Utility				Funded	9-C	1,546,072.51	1,631,281.84
Capital Fund	13-C	250,000.00	250,000.00	Unfunded	9-C	4,640,144.46	4,144,114.61
Deferred Charges To Future Taxation:				Capital Improvement Fund	10-C	62,500.00	150,000.00
Funded	4-C	10,931,986.13	12,808,941.04	Various Reserves	11-C	942,786.22	692,561.51
Unfunded	5-C	<u>19,677,853.28</u>	<u>18,126,028.28</u>	Fund Balance	C-1	<u>450,544.50</u>	<u>602,022.00</u>
Total Assets		<u>\$ 34,326,033.82</u>	<u>\$ 31,345,784.31</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 34,326,033.82</u>	<u>\$ 31,345,784.31</u>

There were bonds and notes authorized but not issued at December 31, 2009 and 2008 in the amount of \$3,927,853.28 and \$8,176,028.28, respectively. (See schedule 15-C)

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 602,022.00
Increased By:		
Premium on Sale of Notes	1-C	<u>148,522.50</u>
		750,544.50
Decreased By:		
Appropriated to 2009 Budget Revenue	1-C	<u>300,000.00</u>
Balance, December 31, 2009	C	<u><u>\$ 450,544.50</u></u>

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

**SWIM POOL UTILITY FUNDS**

**EXHIBITS**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

COMPARATIVE BALANCE SHEETS - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

<u>Assets</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>
				Operating Fund:			
				Appropriation Reserves	D-3, 5-D	\$ 123,489.62	\$ 336,700.87
				Encumbrances Payable	D-3, 6-D	51,850.79	51,817.45
				Accounts Payable	7-D	35,227.16	26,269.66
				Prepaid Membership Fees	8-D	147,552.00	196,858.00
				Customer Deposits	9-D		13,595.00
				Prepaid Guest Book Fees	10-D	780.00	1,080.00
				Prepaid Miscellaneous Fees	11-D	625.00	1,650.00
				Security Deposit	D	3,543.58	3,543.58
				Accrued Interest on Bonds	12-D		178.13
						<u>363,068.15</u>	<u>631,692.69</u>
Operating Fund:				Fund Balance	D-1	<u>453,288.42</u>	<u>288,878.33</u>
Cash	1-D	\$ 816,156.57	\$ 920,371.02				
Change Fund	D	<u>200.00</u>	<u>200.00</u>				
Total Operating Fund		<u>816,356.57</u>	<u>920,571.02</u>	Total Operating Fund		<u>816,356.57</u>	<u>920,571.02</u>
				Capital Fund:			
				Serial Bonds	13-D		10,000.00
				Improvement Authorizations:			
				Unfunded	14-D	168,532.00	168,532.00
				Due To General Capital Fund	15-D	250,000.00	250,000.00
				Reserve for:			
				Capital Outlay	16-D	43,490.61	43,490.61
				Amortization	17-D	<u>2,810,217.45</u>	<u>2,800,217.45</u>
				Total Capital Fund		<u>3,272,240.06</u>	<u>3,272,240.06</u>
Capital Fund:				Total Capital Fund		<u>3,272,240.06</u>	<u>3,272,240.06</u>
Cash	1-D, 2-D	15,772.61	15,772.61				
Fixed Capital	3-D	3,087,935.45	3,087,935.45				
Fixed Capital Authorized and Uncompleted	4-D	<u>168,532.00</u>	<u>168,532.00</u>				
Total Capital Fund		<u>3,272,240.06</u>	<u>3,272,240.06</u>	Total Capital Fund		<u>3,272,240.06</u>	<u>3,272,240.06</u>
Total Assets		<u>\$ 4,088,596.63</u>	<u>\$ 4,192,811.08</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 4,088,596.63</u>	<u>\$ 4,192,811.08</u>

There were bonds and notes authorized but not issued at December 31, 2009 and 2008 in the amount of \$446,250. (See Schedule 18-D)

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

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2009 and 2008

	<u>Reference</u>	<u>2009</u>	<u>2008</u>
<b>Revenue and Other Income Realized:</b>			
Fund Balance Utilized	D-2	\$ 285,000.00	\$ 357,500.00
Membership Fees	D-2	524,022.00	591,027.00
Recreation Lease	D-2	50,000.00	50,000.00
Interest on Investments	D-2	194.29	8,072.52
Miscellaneous	D-2	261,559.39	226,804.37
<b>Other Credits To Income:</b>			
Unexpended Balance of Appropriation Reserves	5-D	<u>338,456.28</u>	<u>75,627.55</u>
		<u>1,459,231.96</u>	<u>1,309,031.44</u>
<b>Expenditures:</b>			
Operating	D-3	999,762.50	1,066,755.00
Capital Improvements			100,000.00
Debt Service	D-3	<u>10,059.37</u>	<u>10,059.38</u>
		<u>1,009,821.87</u>	<u>1,176,814.38</u>
<b>Excess in Revenue</b>		449,410.09	132,217.06
<b>Fund Balance, January 1</b>	D	<u>288,878.33</u>	<u>514,161.27</u>
		738,288.42	646,378.33
<b>Decreased By:</b>			
Utilized as Anticipated Revenue	D-1	<u>285,000.00</u>	<u>357,500.00</u>
<b>Fund Balance, December 31</b>	D	<u><u>\$ 453,288.42</u></u>	<u><u>\$ 288,878.33</u></u>

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

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Utilized	D-1	\$ 285,000.00	\$ 285,000.00	
Membership Fees	D-1	575,000.00	524,022.00	\$ (50,978.00)
Miscellaneous	D-1	200,000.00	261,559.39	61,559.39
Recreation Lease	D-1, 1-D	50,000.00	50,000.00	
Interest on Investments	D-1		194.29	194.29
<b>Total</b>		<u>\$ 1,110,000.00</u>	<u>\$ 1,120,775.68</u>	<u>\$ 10,775.68</u>

	<u>Reference</u>	<u>D-3</u>	<u>Below</u>
<b><u>Analysis of Revenue:</u></b>			
Cash Receipts	1-D		\$ 622,592.68
Customer Deposits Applied	9-D		13,595.00
Prepaid Applied	8-D,10-D,11-D		199,588.00
			<u>\$ 835,775.68</u>
<b><u>Analysis of Membership Fees:</u></b>			
Cash Receipts	1-D		\$ 326,084.00
Prepaid Applied	8-D,10-D		197,938.00
			<u>\$ 524,022.00</u>
<b><u>Analysis of Interest on Investments:</u></b>			
Cash Receipts	1-D		\$ 194.29
			<u>\$ 194.29</u>
<b><u>Analysis of Miscellaneous Revenue:</u></b>			
Cash Receipts	1-D		\$ 246,314.39
Customer Deposits Applied	9-D		13,595.00
Prepaid Applied	11-D		1,650.00
			<u>\$ 261,559.39</u>
<b><u>Miscellaneous Revenue Detail:</u></b>			
Swimming Lessons			\$ 15,150.39
Swim Team			3,130.00
Camp			176,337.50
Snack Bar			43,218.50
Other			23,723.00
	D-1		<u>\$ 261,559.39</u>

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

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Original Budget	Budget Modified	Expended			Cancelled
			Paid or Charged	Encumbrances	Reserved	
Operating:						
Salaries and Wages	\$ 435,000.00	\$ 435,000.00	\$ 415,396.94		\$ 9,603.06	\$ 10,000.00
Other Expenses	604,762.50	604,762.50	409,025.15	\$ 51,850.79	113,886.56	30,000.00
<b>Total Operating</b>	<b>1,039,762.50</b>	<b>1,039,762.50</b>	<b>824,422.09</b>	<b>51,850.79</b>	<b>123,489.62</b>	<b>40,000.00</b>
Capital Improvements:						
Capital Outlay	60,000.00	60,000.00				60,000.00
<b>Total Capital Improvements</b>	<b>60,000.00</b>	<b>60,000.00</b>				<b>60,000.00</b>
Debt Service:						
Payment of Bond Principal	10,000.00	10,000.00	10,000.00			
Interest on Bonds	237.50	237.50	59.37			178.13
<b>Total Debt Service</b>	<b>10,237.50</b>	<b>10,237.50</b>	<b>10,059.37</b>			<b>178.13</b>
	<b>\$ 1,110,000.00</b>	<b>\$ 1,110,000.00</b>	<b>\$ 834,481.46</b>	<b>\$ 51,850.79</b>	<b>\$ 123,489.62</b>	<b>\$ 100,178.13</b>
	<u>Reference</u>	D-2	D-2	Below	D, 6-D	D
Cash Disbursements	1-D			\$ 834,422.09		
Accrued Interest on Bonds	12-D			59.37		
	Above			<u>\$ 834,481.46</u>		

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

**PAYROLL FUND**

**EXHIBIT**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

PAYROLL FUND

COMPARATIVE BALANCE SHEETS - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

<u>Assets</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>	<u>Liabilities</u>	<u>Reference</u>	<u>2009</u>	<u>2008</u>
Cash	E	<u>\$ 8,929.87</u>	<u>\$ 0.05</u>	Due To Various Agencies	E	<u>\$ 8,929.87</u>	<u>\$ 0.05</u>
Total Assets		<u>\$ 8,929.87</u>	<u>\$ 0.05</u>	Total Liabilities		<u>\$ 8,929.87</u>	<u>\$ 0.05</u>

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

**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**EXHIBIT**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE BALANCE SHEETS -  
REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

	<u>Reference</u>	Balance December 31, <u>2009</u>	Balance December 31, <u>2008</u>
Land	1-F	\$ 20,175,668.69	\$ 20,175,668.69
Buildings and Improvements	1-F	6,818,627.00	6,818,627.00
Machinery, Equipment and Vehicles	1-F	<u>10,148,396.84</u>	<u>10,148,396.84</u>
<b>Total General Fixed Assets</b>		<b><u>\$ 37,142,692.53</u></b>	<b><u>\$ 37,142,692.53</u></b>
<b>Investment in General Fixed Assets</b>	1-F	<b><u>\$ 37,142,692.53</u></b>	<b><u>\$ 37,142,692.53</u></b>

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

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008

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 basic 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. The Marlboro Township Municipal Utilities Authority ("Authority") is a component unit.

The Authority is not included in the Township's financial statements. The Authority has independent audits of their financial statements. See footnote 17 for additional information regarding the component unit status of the Authority.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008

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.

**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, 2009 AND 2008

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) fund on a full accrual basis.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008

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, operating 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, 2009 AND 2008

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 and Swim Pool Utility Fund 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 balances in the Reserve for Amortization represent 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.

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2009 AND 2008

**NOTE 2: 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.

**NOTE 3: 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:

Summary of Municipal Debt for Capital Projects

	<u>Year 2009</u>	<u>Year 2008</u>
Issued:		
General:		
Bonds	\$ 10,603,000.00	\$ 12,458,000.00
Bond anticipation notes	15,750,000.00	9,950,000.00
Green Acres Trust Loan	328,986.13	350,941.04
Swimming Pool Utility:		
Bonds	-	10,000.00
Total debt issued	26,681,986.13	22,768,941.04
Authorized but not issued:		
General:		
Bonds and notes	3,927,853.28	8,176,028.28
Swimming Pool Utility:		
Bonds and notes	446,250.00	446,250.00
Total authorized but not issued	4,374,103.28	8,622,278.28
Net bonds and notes issued and authorized but not issued	<u>\$ 31,056,089.41</u>	<u>\$ 31,391,219.32</u>

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

**B. Summary of Statutory Debt Condition - Annual Debt Statement - 2009**

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	\$ 36,940,000.00	\$ 36,940,000.00	\$ -
Regional school district debt	10,489,470.61	10,489,470.61	-
Green Trust fund loan	328,986.13		328,986.13
Self-Liquidating debt	24,946,250.00	24,946,250.00	-
General debt	30,280,853.28	2,574,981.71	27,705,871.57
	\$ 102,985,560.02	\$ 74,950,702.32	\$ 28,034,857.70

Net Debt \$28,034,857.70 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$7,622,294,464.67 equals 0.37%.

**EQUALIZED VALUATION BASIS**

2007 Equalized Valuation Basis of Real Property	\$ 7,588,651,662.00
2008 Equalized Valuation Basis of Real Property	7,694,200,415.00
2009 Equalized Valuation Basis of Real Property	7,584,031,317.00

Average Equalized Valuation \$ 7,622,294,464.67

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

3 1/2% of Equalized Valuation Basis Municipal	\$ 266,780,306.26
Net Debt	28,034,857.70

Remaining Borrowing Power \$ 238,745,448.56

The Township of Marlboro Board of Education and Freehold Regional School District are Type II School Districts. As such, the members of the Board 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 Board of Education and, as such, are reported on the balance sheet of the Board of Education.

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 3: 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 22, 2022

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

	<u>General Capital</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,518,000.00	\$ 498,429.50	\$ 2,016,429.50
2011	1,582,000.00	435,589.00	2,017,589.00
2012	1,114,000.00	360,181.50	1,474,181.50
2013	1,164,000.00	307,642.50	1,471,642.50
2014	1,222,000.00	251,672.50	1,473,672.50
2015	1,282,000.00	192,335.00	1,474,335.00
2016	1,342,000.00	130,072.50	1,472,072.50
2017	675,000.00	64,877.50	739,877.50
2018	704,000.00	33,130.00	737,130.00
	<u>\$ 10,603,000.00</u>	<u>\$ 2,273,930.00</u>	<u>\$ 12,876,930.00</u>

	<u>Green Trust Loan Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 22,396.20	\$ 6,468.30	\$ 28,864.50
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	25,236.60	3,627.90	28,864.50
2017	25,743.86	3,120.64	28,864.50
2018	26,261.31	2,603.19	28,864.50
2019	26,789.16	2,075.34	28,864.50
2020	27,327.62	1,536.88	28,864.50
2021	27,876.91	987.59	28,864.50
2022	28,437.28	427.22	28,864.50
	<u>\$ 328,986.13</u>	<u>\$ 46,252.39</u>	<u>\$ 375,238.52</u>

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

	Capital Lease Program		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 287,000.00	\$ 31,053.80	\$ 318,053.80
2011	153,000.00	17,453.06	170,453.06
2012	158,400.00	11,871.50	170,271.50
2013	106,300.00	5,315.00	111,615.00
	\$ 704,700.00	\$ 65,693.36	\$ 770,393.36

E. Bond Anticipation Notes

As of December 31, 2009, the Township had bond anticipation notes outstanding in the amount of \$15,750,000 in the general capital fund. The bond anticipation notes mature on April 9, 2010 with an interest rate of 2.50%.

NOTE 4: 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:

	Local District School Tax		Regional High School Tax	
	2009	2008	2009	2008
Balance of tax	\$ 34,935,285.00	\$ 31,510,285.00	\$ 14,522,519.49	\$ 14,655,936.55
Deferred	31,617,738.00	31,510,285.00	13,192,547.00	13,300,000.00
Tax Payable	\$ 3,317,547.00	\$ -	\$ 1,329,972.49	\$ 1,355,936.55

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2009 and 2008 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending December 31, 2009 and 2008 as follows:

	2010	2009
Current fund	\$ 1,410,412.80	\$ 5,200,000.00
Swim utility fund	331,250.00	285,000.00

As of the date of this report, the 2010 Municipal Budget has been introduced, but has not yet been adopted. The figures reported above as anticipated in 2010 are subject to change upon adoption of the 2010 Annual Municipal Budget.

TOWNSHIP OF MARLBORO  
 MONMOUTH COUNTY, NEW JERSEY  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2009 AND 2008

**NOTE 6: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2009, the following Deferred Charge was on the Township's Current Fund Balance Sheet:

Special Emergency Appropriations	<u>\$ 905,000.00</u>
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**NOTE 7: 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, 2009, the book value of the cash and cash equivalents and investments of the Township consisted of the following:

Cash (Demand Accts.)	\$ 22,277,436.06
Money market funds	<u>17,233,538.00</u>
Total	<u><u>\$ 39,510,974.06</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	\$ 750,000.00
Insured-NJGUDPA (N.J.S.A. 17:941)	<u>41,175,663.00</u>
Total	<u><u>\$ 41,925,663.00</u></u>

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 7: 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, 2009 AND 2008

**NOTE 7: 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 8: 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 9: 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, 2009 AND 2008

NOTE 9: 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, 2009, 2008 and 2007 were \$1,251,289.63, \$2,171,440.82 and \$1,300,254.20, 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 \$1,120,831.00.

NOTE 10: POST RETIREMENT HEALTH BENEFITS

The Township of Marlboro provides its retirees with health benefits, which are fully funded by the Township. These benefits are negotiated for through each bargaining unit's contract. In order to receive fully paid health benefits, retirees must have been enrolled in the Public Employees Retirement Fund or the Police and Firemen's Retirement Fund for 25 years or more active service in PFRS/PERS and fifteen years or more active service with the Township. Retirees receive the same type of health insurance coverage that they were receiving prior to retirement.

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. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

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

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. 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:

All Active employees, including their dependents, are eligible to participate in the SHBP, upon completion of a sixty day waiting period. Retirees with twenty five years or more active service in PFRS/PERS and fifteen years or more active service with the Township are also eligible to participate in the SHBP.

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 10: POST RETIREMENT HEALTH BENEFITS (CONTINUED)

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.

The Township's contributions to SHBP for post-retirement benefits for the years ended December 31, 2009, 2008, and 2007 were not available.

NOTE 11: 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, 2009. 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 12: 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 \$2,954,067.49 and \$2,566,733.56 at December 31, 2009 and 2008 respectively, which are unaudited. 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  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2009 AND 2008

**NOTE 13: TAX APPEALS**

At December 31, 2009, there are several tax appeals pending before the New Jersey Tax Court requesting a reduction of assessed valuation for 2009 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 14: CONTINGENT LIABILITIES**

At December 31, 2009, 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 11, 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, 2009, the Township does not believe that any material liabilities will result from such audits.

**NOTE 15: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheets as of December 31, 2009:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 8,100.00	\$ 357,712.81
General Capital Fund	250,000.00	2,000.00
Grant Fund	331,212.81	-
Trust Other Fund	28,500.00	8,100.00
Swimming Pool Utility Fund	-	250,000.00
	<hr/>	<hr/>
Total	<u>\$ 617,812.81</u>	<u>\$ 617,812.81</u>

TOWNSHIP OF MARLBORO  
MONMOUTH COUNTY, NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 16: LENGTH OF SERVICE AWARD PROGRAM (“LOSAP”)

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  
YEARS ENDED DECEMBER 31, 2009 AND 2008

**NOTE 16: LENGTH OF SERVICE AWARD PROGRAM (“LOSAP”) (CONTINUED)**

The Township has authorized The Variable Annuity Life Insurance Company, as the plan provider. As of December 31, 2009 and 2008, the cumulative balance of the Length of Service Award Program was \$513,102.43 and \$382,066.19, 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.

**NOTE 17 – SUBSEQUENT EVENTS**

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. The Township issued \$23,445,000 in general obligation debt to refund all of the Authority’s outstanding debt in January 2010, effectively dissolving the Authority.

Management has reviewed and evaluated all events and transactions that occurred from December 31, 2009 through August 5, 2010, 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.

**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, 2009

	<u>Reference</u>		
Balance, December 31, 2008	A		\$ 11,797,662.18
<b>Increased By Receipts:</b>			
Non-Budget Revenues	A-2	\$ 93,154.37	
Due From State of New Jersey:			
Senior Citizens' and Veterans' Deductions	2-A	247,571.70	
Taxes Receivable	3-A	134,494,980.30	
Monmouth County Improvement Authority	5-A	12,706.57	
Revenue Accounts Receivable	7-A	6,320,779.19	
Interfunds	8-A	413,029.19	
2010 Prepaid Taxes	13-A	695,410.16	
Tax Overpayments	14-A	125,909.47	
Due To State of New Jersey - Marriage			
License Fees	20-A	3,380.00	
Various Reserves	22-A	647,524.63	
Federal and State Grants Receivable	24-A	262,088.78	
Grant Fund Unappropriated Reserves	26-A	<u>92,771.46</u>	
			<u>143,409,305.82</u>
			155,206,968.00
<b>Decreased By Disbursements:</b>			
Refund of Prior Year Revenue	A-1	11,622.71	
2009 Budget Appropriations	A-3	27,127,807.40	
2008 Appropriations Reserves	10-A	1,071,618.79	
Monmouth County Improvement Authority	5-A	29,899.34	
Interfunds	8-A	389,429.19	
Accounts Payable	11-A	167,314.87	
Tax Overpayments	14-A	126,218.44	
County Taxes Payable	15-A	20,518,849.62	
Local District School Tax	16-A	62,581,077.00	
Regional High School Tax	17-A	26,518,511.93	
Special District Taxes	18-A	2,535,298.75	
Advance to Fire District #1	A, A-1	5,000.00	
Municipal Open Space Tax Payable	19-A	625,456.67	
Due To State of New Jersey - Marriage			
License Fees	20-A	3,550.00	
Reserve for Tax Appeal	21-A	50,000.00	
Various Reserves	22-A	1,853,578.01	
Federal/State Grant Appropriations	25-A	<u>312,537.31</u>	
			<u>143,927,770.03</u>
Balance, December 31, 2009	A		<u>\$ 11,279,197.97</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, 2009

	<u>Reference</u>		
Balance, December 31, 2008	A		\$ 7,846.36
Increased By:			
Senior Citizens' Deductions Per Tax Billing		\$ 243,500.00	
Veterans' Deductions Per Tax Billing		1,750.00	
2009 Senior Citizens' Deductions, Veterans' and Disabled Deductions Allowed		<u>6,000.00</u>	
	3-A		<u>251,250.00</u>
			259,096.36
Decreased By:			
Cash Receipts	1-A	247,571.70	
2008 Senior Citizens' Deductions Disallowed	A-1, 3-A	250.00	
2009 Senior Citizens' Deductions Disallowed	3-A	<u>1,841.77</u>	
			<u>249,663.47</u>
Balance, December 31, 2009	A		<u>\$ 9,432.89</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, 2009

Year	Balance December 31, 2008	2009 Levy	Collections		Senior Citizens' and Veterans' Deductions Allowed/ (Disallowed)	Transferred To Tax Title Liens	(Cancellations) and Adjustments	Balance December 31, 2009
			2008	2009				
2007	\$ 29,914.03			\$ 1,361.29			\$ 28,552.74	
2008	1,458,993.52			1,398,658.09	\$ (250.00)	\$ 10,994.60	\$ 38,183.30	
2009		\$ 135,373,142.72	\$ 443,023.80	133,094,960.92	249,408.23		1,388,051.44	
	<u>\$ 1,488,907.55</u>	<u>\$ 135,373,142.72</u>	<u>\$ 443,023.80</u>	<u>\$ 134,494,980.30</u>	<u>\$ 249,158.23</u>	<u>\$ 10,994.60</u>	<u>\$ (208,605.86)</u>	<u>\$ 1,454,787.48</u>
<u>Reference</u>	A	3-A	13-A	1-A	2-A	4-A	3-A	A
<u>Analysis of Property Tax Levy</u>								
<u>Tax Yield:</u>								
General Purpose Tax	3-A	\$ 132,140,077.16						
Special District Tax	3-A	2,535,298.75						
Added and Omitted Tax	3-A	697,766.81						
			<u>\$ 135,373,142.72</u>					
<u>Tax Levy:</u>								
Local School Tax	16-A	66,006,077.00						
Regional School Tax	17-A	26,385,094.87						
County Taxes:								
County Tax	15-A	17,797,817.21						
County Health Tax	15-A	1,051,495.97						
County Library Tax	15-A	339,499.13						
County Open Space Tax	15-A	1,168,488.04						
Duo County for Added and Omitted Taxes	15-A	107,471.35						
Special District Taxes:								
Fire District #3	18-A	2,535,298.75						
Municipal Open Space Tax	19-A	625,456.67						
	A-2							\$ 116,016,698.99
Tax for Municipal Purposes	A-2	18,744,655.69						
Additional Taxes Added	3-A	611,788.04						
								<u>19,356,443.73</u>
								<u>\$ 135,373,142.72</u>
<u>Analysis of Current Year Tax Collections</u>								
2008 Cash Collections of 2009 Taxes				\$ 443,023.80				
2009 Cash Collections of 2009 Taxes				133,094,960.92				
Veterans' and Senior Citizens' Deductions				249,408.23				
				<u>\$ 133,787,392.95</u>				
<u>Reference</u>				A-1,A-2				

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 125,655.01
Increased By:		
Transfers From Taxes Receivable	3-A	<u>10,994.60</u>
Balance, December 31, 2009	A	<u><u>\$ 136,649.61</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF DUE FROM MONMOUTH COUNTY IMPROVEMENT AUTHORITY

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 158,275.57
Increased By:		
Cash Disbursements	A-1, 1-A	<u>29,899.34</u>
		188,174.91
Decreased By:		
Cash Receipts	A-1, 1-A	<u>12,706.57</u>
Balance, December 31, 2009	A	<u><u>\$ 175,468.34</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, 2009

Reference

Balance, December 31, 2009 and 2008	A	<u>\$ 802,400.00</u>
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BOROUGH OF SHREWSBURY  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2009

	<u>Reference</u>	Balance December 31, 2008	Accrued in 2009	Collected in 2009	Balance December 31, 2009
Licenses:					
Alcoholic Beverages	A-2		\$ 30,424.32	\$ 30,424.32	
Other	A-2		23,472.00	23,472.00	
Fees and Permits	A-2		591,282.15	591,282.15	
Fines and Costs:					
Municipal Court	A-2	\$ 32,515.75	447,657.38	446,139.76	\$ 34,033.37
Interest and Costs on Taxes	A-2		326,933.37	326,933.37	
Interest on Investments and Deposits	A-2		503,534.65	503,534.65	
Cable Franchise Fees	A-2		116,939.00	116,939.00	
Cell Tower Rental	A-2		183,859.00	183,859.00	
Energy Receipts Tax	A-2		2,722,830.00	2,722,830.00	
Consolidated Municipal Property Tax Relief Act	A-2		241,180.00	241,180.00	
Reserve for Liquor License	A-2		710,000.00	710,000.00	
Uniform Fire Safety Act	A-2		54,184.94	54,184.94	
Aquatic Center Lease	A-2		70,000.00	70,000.00	
Capital Surplus	A-2		300,000.00	300,000.00	
		<u>\$ 32,515.75</u>	<u>\$ 6,322,296.81</u>	<u>\$ 6,320,779.19</u>	<u>\$ 34,033.37</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, 2009

	<u>Reference</u>	<u>Animal Control Fund</u>	<u>Trust - Other Fund</u>	<u>Open Space Trust Fund</u>	<u>Escrow Fund</u>	<u>Total (Memo Only)</u>
Balance, December 31, 2008	A	\$ 3,300.00	\$ -	\$ -	\$ (100.00)	\$ 3,200.00
Increased By:						
Cash Disbursements	1-A	<u>57,729.19</u>	<u>307,600.00</u>	<u>24,000.00</u>	<u>100.00</u>	<u>389,429.19</u>
		61,029.19	307,600.00	24,000.00	-	392,629.19
Decreased By:						
Cash Receipts	1-A	<u>61,029.19</u>	<u>328,000.00</u>	<u>24,000.00</u>	<u>-</u>	<u>413,029.19</u>
Balance, December 31, 2009	A	<u>\$ -</u>	<u>\$ (20,400.00)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,400.00)</u>
	<u>Reference</u>					
Due from	A		\$ 8,100.00			\$ 8,100.00
Due (to)	A		(28,500.00)			(28,500.00)
		<u>\$ -</u>	<u>\$ (20,400.00)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,400.00)</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, 2009

	Balance December 31, <u>2008</u>	<u>Decreased</u>	Balance December 31, <u>2009</u>
Special Emergency Authorization (N.J.S. 40A:4-55)	<u>\$ 1,210,000.00</u>	<u>\$ 305,000.00</u>	<u>\$ 905,000.00</u>
<u>Reference</u>	A	A-3	A

CURRENT FUND

SCHEDULE OF 2008 APPROPRIATION RESERVES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Balance December 31,			Balance After	Paid or	Balance
	Reserved	Encumbered	Transfers	Transfers	Charged	Lapsed
<b>GENERAL GOVERNMENT</b>						
General Administration:						
Salaries and Wages	\$ 27,177.96			\$ 27,177.96	\$ 6,827.74	\$ 20,350.22
Other Expenses	2,155.91	\$ 8,362.66	\$ 5,000.00	15,518.57	10,514.69	5,003.88
Office of the Mayor:						
Salaries and Wages	3,088.56			3,088.56	2,184.45	904.11
Other Expenses	140.96	165.95		306.91	(682.87)	989.78
Ethics Commission:						
Other Expenses	2,343.56			2,343.56		2,343.56
Township Council:						
Salaries and Wages	3,600.00			3,600.00		3,600.00
Other Expenses	1,452.45			1,452.45		1,452.45
Municipal Clerk:						
Salaries and Wages	6,287.65		2,000.00	8,287.65	7,240.94	1,046.71
Other Expenses	22,875.39	5,104.93		27,980.32	2,515.67	25,464.65
Financial Administration (Treasury):						
Salaries and Wages	16,978.42			16,978.42	10,162.23	6,816.19
Other Expenses	5,971.61	388.26		6,357.87	241.14	6,116.73
Central Computer Services:						
Salaries and Wages	3,022.68			3,022.68	1,355.09	1,667.59
Other Expenses	150.57	7,548.00		7,698.57	7,458.29	240.28
Revenue Administration (Tax Collection):						
Salaries and Wages	11,262.50			11,262.50	8,781.43	2,481.07
Other Expenses	356.12	1,107.00		1,463.12	1,050.01	413.11
Tax Assessment Administration:						
Salaries and Wages	42,990.88		(10,000.00)	32,990.88	7,192.98	25,797.90
Other Expenses	10,572.66	13,412.74		23,985.40	13,729.78	10,255.62
Legal Services (Legal Department):						
Other Expenses	928.68	4,078.72		5,007.40	4,288.85	718.55
Engineering Services:						
Salaries and Wages	51,784.35			51,784.35	11,320.75	40,463.60
Other Expenses	11,506.61	18,438.85	10,000.00	37,945.46	23,960.18	13,985.28
Economic Development:						
Salaries and Wages	1,600.00			1,600.00		1,600.00
Other Expenses	8,308.25			8,308.25	(525.00)	8,833.25
Grant Administration:						
Other Expenses	3,900.00			3,900.00	1,000.00	2,900.00
Cable Studio:						
Other Expenses	457.10	23,797.94		24,255.04	18,797.84	5,457.20
Inter-Governmental Relations:						
Other Expenses	1,000.00			1,000.00		1,000.00
Historic Sites Commission:						
Other Expenses	2,000.00			2,000.00		2,000.00
<b>LAND USE ADMINISTRATION</b>						
Planning Board:						
Salaries and Wages	3,793.80			3,793.80	2,541.44	1,252.36
Other Expenses	13,252.09	13,550.88		26,802.95	22,033.79	4,769.16
Zoning Board:						
Salaries and Wages	21,109.69			21,109.69	6,066.09	15,043.60
Other Expenses	9,422.73	14,291.84		23,714.57	5,640.16	18,074.41
<b>INSURANCE</b>						
Workers Compensation:						
Employee Group Health	736.89			736.89		736.89
Employee Group Health	142,839.97	2,621.22		145,461.19	2,619.80	142,841.39
<b>PUBLIC SAFETY</b>						
Police Department:						
Salaries and Wages	89,665.02		(9,500.00)	80,165.02	4,486.51	75,678.51
Other Expenses	69,912.54	151,247.68		221,160.22	163,680.79	57,479.43
Crime Prevention:						
Other Expenses	2,950.83	2,535.89		5,486.72	2,535.89	2,950.83
DARE Program:						
Other Expenses	1,157.43	1,343.00		2,500.43	1,343.00	1,157.43
Highway Safety:						
Other Expenses	5,637.70	6,496.21		12,133.91	7,922.74	4,211.17
Office of Emergency Management:						
Other Expenses	15,362.51	900.00		16,262.51	900.00	15,362.51
Uniform Fire Safety Act (P.L. 1983, Ch. 383):						
Salaries and Wages	6,105.40			6,105.40	5,314.12	791.28
Other Expenses	5,173.23	1,887.87		7,061.10	477.86	6,583.24
Municipal Prosecutor:						
Salaries and Wages	1,552.00			1,552.00		1,552.00

CURRENT FUND

SCHEDULE OF 2008 APPROPRIATION RESERVES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Balance December 31,		Transfers	Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered				
<b>PUBLIC WORKS</b>						
Streets and Road Maintenance:						
Salaries and Wages	\$ 100,066.16			\$ 100,066.16	\$ 62,957.07	\$ 37,109.09
Other Expenses	10,829.61	\$ 5,684.70		16,514.31	9,029.41	7,484.90
Snow Removal:						
Salaries and Wages	50,000.00			50,000.00		50,000.00
Other Expenses	14,872.01	313,410.47		328,282.48	114,097.52	214,184.96
Other Public Works Functions:						
Salaries and Wages	27,952.07			27,952.07	13,807.23	14,144.84
Other Expenses	3,705.78	16,241.94		19,947.72	19,079.77	267.95
Shade Tree Commission:						
Other Expenses	1,325.00			1,325.00	1,325.00	
Solid Waste Collection:						
Salaries and Wages	1,721.00			1,721.00	1,372.50	348.50
Other Expenses	13,845.14	37,899.98		51,745.12	46,099.85	5,645.27
Buildings and Grounds:						
Salaries and Wages	26,841.40			26,841.40	17,611.54	9,229.86
Other Expenses	39.43	26,578.76	\$ 5,000.00	31,618.19	29,806.43	1,811.76
Vehicle Maintenance:						
Salaries and Wages	33,228.51			33,228.51	16,596.86	16,631.65
Other Expenses	8,853.11	31,553.69		40,406.80	31,282.07	9,124.73
Community Services Act						
Other Expenses	92,348.76	1,298.48		93,647.24	25,315.39	68,331.85
Open Space Committee						
Salaries and Wages	2,164.26			2,164.26		2,164.26
<b>HEALTH AND HUMAN SERVICES</b>						
Public Health Services (Board of Health):						
Other Expenses	832.00			832.00	47.65	784.35
Drug Abuse Control:						
Salaries and Wages	1,853.74			1,853.74		1,853.74
Other Expenses	249.93			249.93	88.00	161.93
Environmental Health Services:						
Salaries and Wages	1,730.00			1,730.00		1,730.00
Other Expenses	8,000.00			8,000.00	3,970.00	4,030.00
<b>PARK AND RECREATION</b>						
Recreation Services and Programs:						
Salaries and Wages	18,845.83			18,845.83	17,994.13	851.70
Other Expenses	3,251.03	4,622.80		7,873.83	4,022.60	3,851.03
Teen Program:						
Other Expenses	6,148.00			6,148.00		6,148.00
Summer Youth Activities:						
Maintenance of Parks:						
Salaries and Wages	61,479.58			61,479.58	21,271.86	40,207.72
Other Expenses	5,912.18	4,761.18		10,673.36	10,071.55	601.81
Municipal Library:						
Other Expenses	6,450.18	2,752.33		9,202.51	6,776.22	2,426.29
Municipal Court:						
Salaries and Wages	17,393.78			17,393.78	10,867.09	6,526.69
Other Expenses	31,245.19	1,397.26		32,642.45	1,889.56	30,752.89
Public Defender:						
Salaries and Wages	6,571.08			6,571.08		6,571.08
<b>UNCLASSIFIED</b>						
Accumulated Leave Compensation	56,000.00			56,000.00	27,500.00	28,500.00
Postage	15,692.50			15,692.50		15,692.50
<b>UTILITY EXPENSES AND BULK PURCHASES</b>						
Electricity	24,452.57	27,354.06		51,806.63	51,509.03	298.60
Street Lighting	36,547.74	55,767.25		92,314.99	86,538.86	5,776.13
Telephone (excluding equipment acquisition)	9,825.69	11,851.55		21,677.24	21,514.54	162.70
Water	6,140.02	1,274.01		7,414.03	4,840.95	2,573.08
Gas (natural or propane)	34,057.12	8,018.53		42,075.65	25,190.86	16,884.79
Sewerage Processing and Disposal	278.78	1,091.70	5,000.00	6,370.48	1,091.70	5,278.78
Gasoline	99,410.84	15,082.16	(7,500.00)	106,993.00	13,907.24	93,085.76
Landfill/Solid Waste Disposal Costs	29,472.77	56,045.74		85,518.51	83,491.90	2,026.61
Contingent	1,474.59	4,650.00		6,124.59	2,228.35	3,896.24

CURRENT FUND

SCHEDULE OF 2008 APPROPRIATION RESERVES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

	Balance December 31,		Transfers	Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered				
<b>STATUTORY EXPENDITURES</b>						
Contribution To:						
Social Security System (O.A.S.I.)	\$ 27,977.11			\$ 27,977.11	\$ 13,545.04	\$ 14,432.07
Homeland Security:						
Salaries and Wages	4,205.52			4,205.52		4,205.52
Other Expenses	2,011.85	\$ 36,438.80		38,450.65	34,888.13	3,562.52
Length of Services Awards Program (LOSAP):						
Other Expenses	3,292.50			3,292.50		3,292.50
Police and Firemen's Retirement System of NJ	1,223.00			1,223.00		1,223.00
Public Employees Retirement System	86.18			86.18		86.18
Police Dispatch/911:						
Salaries and Wages	64,519.02			64,519.02	22,695.08	41,823.94
Other Expenses	10,140.11	9,270.46		19,410.57	18,184.26	1,226.31
Affordable Housing:						
Other Expenses	<u>4,300.00</u>			<u>4,300.00</u>		<u>4,300.00</u>
	<u>\$ 1,619,447.37</u>	<u>\$ 948,323.47</u>	<u>\$ -</u>	<u>\$ 2,587,770.84</u>	<u>\$ 1,236,078.82</u>	<u>\$ 1,331,692.02</u>
	Reference	A	A			A-1
Cash Disbursed	1-A				\$ 1,071,618.79	
Accounts Payable	11-A				<u>164,460.03</u>	
					<u>\$ 1,236,078.82</u>	
Appropriation Reserves	10-A			\$ 1,619,447.37		
Encumbrances Payable	12-A			<u>948,323.47</u>		
				<u>\$ 2,587,770.84</u>		

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 167,314.87
Increased By:		
Transfer From Appropriation Reserves	10-A	<u>164,460.03</u>
		331,774.90
Decreased By:		
Cash Disbursements	1-A	<u>167,314.87</u>
Balance, December 31, 2009	A	<u>\$ 164,460.03</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF RESERVE FOR ENCUMBRANCES

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 948,323.47
Increased By:		
2009 Budget Appropriations	A-3	<u>758,431.78</u>
		1,706,755.25
Decreased By:		
Transfer To Appropriation Reserves	10-A	<u>948,323.47</u>
Balance, December 31, 2009	A	<u><u>\$ 758,431.78</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF PREPAID TAXES

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 443,023.80
Increased By:		
Cash Receipts:		
Collection of 2010 Taxes	1-A	<u>695,410.16</u>
		1,138,433.96
Decreased By:		
Amount Applied To 2009 Taxes Receivable	3-A	<u>443,023.80</u>
Balance, December 31, 2009	A	<u><u>\$ 695,410.16</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF TAX OVERPAYMENTS

Year ended December 31, 2009

	<u>Reference</u>	
Balance December 31, 2008	A	\$ 308.97
Increased By:		
Cash Receipts	1-A	<u>125,909.47</u>
		126,218.44
Decreased By:		
Cash Disbursements	1-A	<u>126,218.44</u>
Balance, December 31, 2009	A	<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2009

	<u>Reference</u>		
Balance, December 31, 2008	A		\$ 408,137.68
<b>Increased By:</b>			
2009 Tax Levy:			
County Tax		\$ 17,797,817.21	
County Library Tax		1,051,495.97	
County Health		339,499.13	
County Open Space Fund Tax		1,168,488.04	
Due To County for Added and Omitted Taxes		<u>107,471.35</u>	
	A-1,3-A		<u>20,464,771.70</u>
			20,872,909.38
<b>Decreased By:</b>			
Cash Disbursements	1-A	20,518,849.62	
Canceled	A-1	<u>246,588.41</u>	<u>20,765,438.03</u>
Balance, December 31, 2009	A		<u>\$ 107,471.35</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

Year ended December 31, 2009

	<u>Reference</u>		
<b>Balance, December 31, 2008:</b>			
School Tax Payable	A	\$ -	
School Tax Deferred	16-A	<u>31,510,285.00</u>	\$ 31,510,285.00
<b>Increased By:</b>			
Levy (School Year July 1, 2009 to June 30, 2010)	3-A		<u>66,006,077.00</u>
			97,516,362.00
<b>Decreased By:</b>			
Cash Disbursements	1-A		<u>62,581,077.00</u>
<b>Balance, December 31, 2009:</b>			
School Tax Payable	A	3,317,547.00	
School Tax Deferred	16-A	<u>31,617,738.00</u>	<u>\$ 34,935,285.00</u>
 <b><u>2009 Liability for Local District School Tax</u></b>			
Tax Payable, December 31, 2009	A		\$ 3,317,547.00
Tax Paid	1-A		<u>62,581,077.00</u>
			65,898,624.00
<b>Less:</b>			
Tax Payable, December 31, 2008	A		<u>-</u>
<b>Amount Charged To 2009 Operations</b>	<b>A-1</b>		<b><u>\$ 65,898,624.00</u></b>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE

Year ended December 31, 2009

	<u>Reference</u>		
<b>Balance, December 31, 2008:</b>			
School Tax Payable	A	\$ 1,355,936.55	
School Tax Deferred	17-A	<u>13,300,000.00</u>	\$ 14,655,936.55
<b>Increased By:</b>			
Levy (School Year July 1, 2009 to June 30, 2010)	3-A		<u>26,385,094.87</u>
			41,041,031.42
<b>Decreased By:</b>			
Cash Disbursements	1-A		<u>26,518,511.93</u>
<b>Balance, December 31, 2009:</b>			
School Tax Payable	A	1,329,972.49	
School Tax Deferred	17-A	<u>13,192,547.00</u>	<u>\$ 14,522,519.49</u>
 <b><u>2009 Liability for Regional High School Tax</u></b>			
Tax Payable, December 31, 2009	A	\$ 1,329,972.49	
Tax Paid	1-A		<u>26,518,511.93</u>
			27,848,484.42
<b>Less:</b>			
Tax Payable, December 31, 2008	A		<u>1,355,936.55</u>
<b>Amount Charged To 2009 Operations</b>	<b>A-1</b>		<b><u>\$ 26,492,547.87</u></b>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF SPECIAL DISTRICT TAX

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ -
Increased By:		
Fire Districts Levy	A-1, 3-A	<u>2,535,298.75</u>
		2,535,298.75
Decreased By:		
Cash Disbursed	1-A	<u>2,535,298.75</u>
Balance, December 31, 2009	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, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ -
Increased By:		
Municipal Open Space Levy	A-1, 3-A	<u>625,456.67</u>
		625,456.67
Decreased By:		
Cash Disbursed	1-A	<u>625,456.67</u>
Balance, December 31, 2009	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, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 1,570.00
Increased By:		
Cash Receipts	1-A	<u>3,380.00</u>
		4,950.00
Decreased By:		
Cash Disbursements	1-A	<u>3,550.00</u>
Balance, December 31, 2009	A	<u><u>\$ 1,400.00</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	A	\$ 50,000.00
Decreased By:		
Cash Disbursements	1-A	<u>50,000.00</u>
Balance, December 31, 2009	A	<u>\$ -</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2009

<u>Description</u>	Balance December 31, <u>2008</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance December 31, <u>2009</u>
Traffic Lights	\$ 25,000.00			\$ 25,000.00
Blossom Heights - Sewer	65,103.27			65,103.27
Lien Redemption	2,043.23	\$ 425,355.42	\$ 427,398.65	
Liquor License	710,000.00		710,000.00	
Insurance	55,537.43	175,688.52	30,844.45	200,381.50
MUA Charges	425.80	46,480.69	32,834.91	14,071.58
Reserve for Revaluation	908,680.00		652,500.00	256,180.00
Reserve for Park Improvements	50,000.00			50,000.00
Igoe Road Improvements	159.12			159.12
	<u>\$ 1,816,948.85</u>	<u>\$ 647,524.63</u>	<u>\$ 1,853,578.01</u>	<u>\$ 610,895.47</u>
<u>Reference</u>	A	1-A	1-A	A

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE TO FEDERAL AND STATE GRANT FUND

Year ended December 31, 2009

	<u>Reference</u>		
Balance, December 31, 2008	A		\$ 279,333.88
Increased By:			
Deposited in Current Fund:			
Unappropriated Reserves	1-A,26-A	\$ 92,771.46	
Grants Receivable	1-A,24-A	262,088.78	
2009 Budget Appropriations	A-3,25-A	<u>640,297.64</u>	
			<u>995,157.88</u>
			1,274,491.76
Decreased By:			
Disbursed By Current Fund:			
Appropriated Reserves	1-A,25-A	312,537.31	
2009 Anticipated Revenue	24-A	<u>632,741.64</u>	
			<u>945,278.95</u>
Balance, December 31, 2009	A		<u><u>\$ 329,212.81</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2009

	Balance December 31, <u>2008</u>	Increased By Revenue Realized <u>2009</u>	Cash Receipts	Balance December 31, <u>2009</u>
<b>State Assistance:</b>				
Alcohol Education Grant		\$ 1,124.46	\$ 1,124.46	
Body Armor Replacement Fund		6,970.90	6,970.90	
Child Passenger Safety Grant	\$ 10,217.17			\$ 10,217.17
Child Passenger Safety Grant	1,656.00			1,656.00
Clean Communities Program		51,267.57	51,267.57	
Drunk Driving Enforcement Fund		10,465.75	10,465.75	
Green Acres Park Improvement Grant	600,000.00			600,000.00
Green Communities Phase II		3,000.00	3,000.00	
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	7,472.21	28,547.00	19,315.39	16,703.82
Municipal Open Space Grant	100,000.00			100,000.00
NJ DOT Robertsville Road and Union Hill Road	197,500.00	225,000.00	37,500.00	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		40,370.49	40,370.49	
Statewide Livable Communities ADA	94,500.00		64,863.25	29,636.75
Stop for the Red or Stop for Us	15,800.00		15,800.00	
Stormwater Management Grant	15,464.00			15,464.00
<b>Federal Assistance:</b>				
CDBG - Sr. Center Renovations		80,152.00		80,152.00
Click It or Ticket	180.00	4,000.00	3,950.00	230.00
COPS - Fingerprint ID/Mobile Data	2.90			2.90
Drunk Driving Prevention Incentive Grant		4,629.47	4,629.47	
Energy Efficient Grant		162,300.00		162,300.00
Handicapped Recreational Opportunities		2,100.00	2,100.00	
Highway Safety Grant	3,861.00			3,861.00
Justice Assistance Grant		12,814.00		12,814.00
Pedestrian Safety Grant	496.00			496.00
Smart Growth Grant	50,000.00			50,000.00
Secure our Schools	<u>88,066.73</u>		<u>66,392.57</u>	<u>21,674.16</u>
Across	<u>\$ 1,397,821.06</u>	<u>\$ 632,741.64</u>	<u>\$ 327,749.85</u>	<u>\$ 1,702,812.85</u>
	<u>Reference</u>	A	A-2,23-A	A
Due To Current Fund	1-A,23-A		\$ 262,088.78	
Transferred From Unappropriated Grants	26-A		<u>65,661.07</u>	
			<u>\$ 327,749.85</u>	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2009

<u>Grant</u>	Balance December 31, <u>2008</u>	Transferred From 2009 <u>Appropriations</u>	<u>Expended</u>	Balance December 31, <u>2009</u>
State Assistance:				
Impaired Driving Grant				
Alcohol Education Grant	\$ 1,614.79			\$ 1,614.79
Alcohol Rehabilitation Grant		\$ 1,124.46		1,124.46
Body Armor Replacement Fund		6,970.90		6,970.90
Body Armor Replacement Fund	6,294.10			6,294.10
Body Armor Replacement Fund	8,007.68		\$ 2,748.25	5,259.43
Body Armor Replacement Grant	1,722.65			1,722.65
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	35,705.17		26,400.67	9,304.50
Clean Communities		51,267.57	9,969.60	41,297.97
Drunk Driving Enforcement Fund	218.17		218.17	
Drunk Driving Enforcement Fund		10,465.75	7,867.50	2,598.25
Enhanced 911 Equipment Grant	900.00		900.00	
Enhanced 911 General Assistance	20,109.75		20,105.79	3.96
Enhanced 911 General Assistance	36,584.00		36,584.00	
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			2,405.72
HDSRF - Hospital Property	33,301.20		32,334.20	967.00
HDSRF - DiMeo Property	40,520.00		20,259.32	20,260.68
Homeland Rebuilding	40,000.00			40,000.00
Municipal Alliance	5,405.08		5,405.08	
Municipal Alliance		35,683.00	35,683.00	
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
Public Safety Answer Point (PSAP)	611.16			611.16
Recycling Tonnage Grant	25,100.67		11,980.57	13,120.10
Recycling Tonnage Grant		40,370.49		40,370.49

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2009

<u>Grant</u>	Balance December 31, 2008	Transferred From 2009 Appropriations	<u>Expended</u>	Balance December 31, 2009
<b>State Assistance:</b>				
Recycling Tonnage Grant	\$ 6,681.13		\$ 4,335.30	\$ 2,345.83
Special Purpose Grant	15.36			15.36
Statewide Livable Communities - Woodcliff Park	17,012.00			17,012.00
Statewide Livable Communities ADA	29,636.75		4,875.00	24,761.75
Statewide Local Domestic Preparedness	1,360.12			1,360.12
Stop for the Red or Stop for Us	14,550.00		14,300.00	250.00
Stormwater Management Grant	20,619.00			20,619.00
Stormwater Regulation Grant	5,039.60		300.96	4,738.64
<b>Federal Assistance:</b>				
Aggressive Driving Grant	3,050.00			3,050.00
CDBG - Sr. Center Renovations		\$ 80,152.00		80,152.00
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		162,300.00		162,300.00
Highway Safety Grant	811.00			811.00
Justice Assistance Grant		12,814.00	2,380.34	10,433.66
Pedestrian Safety Grant	40.16			40.16
Smart Growth Grant	57,500.00		54,500.00	3,000.00
Secure our Schools	19,904.83		17,389.56	2,515.27
	<u>\$ 1,628,589.09</u>	<u>\$ 640,297.64</u>	<u>\$ 312,537.31</u>	<u>\$ 1,956,349.42</u>
<u>Reference</u>	A	A-3,23-A,24-A	1-A,23-A	A

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

Year ended December 31, 2009

	Balance December 31, <u>2008</u>	Utilized in <u>Budget</u>	Cash <u>Received</u>	Balance December 31, <u>2009</u>
Recycling Tonnage Grant	\$ 40,370.49	\$ 40,370.49	\$ 75,262.28	\$ 75,262.28
Body Armor Replacement Fund	6,970.90	6,970.90	1,625.00	1,625.00
Recreation Opportunities Grant	2,100.00	2,100.00		
Drunk Driving Enforcement		15,095.22	15,095.22	
Alcohol Rehabilitation Fund	<u>1,124.46</u>	<u>1,124.46</u>	<u>788.96</u>	<u>788.96</u>
	<u>\$ 50,565.85</u>	<u>\$ 65,661.07</u>	<u>\$ 92,771.46</u>	<u>\$ 77,676.24</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, 2009

Reference

Balance, December 31, 2009 and 2008

A

\$ 302,502.00

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF DUE FROM GENERAL CAPITAL FUND

Year ended December 31, 2009

Reference

Balance, December 31, 2009 and 2008

A

\$ 2,000.00

**TRUST FUND  
SCHEDULES**

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF TRUST FUND CASH

Year ended December 31, 2009

	Reference	Animal Control Trust Fund	Escrow Deposit Trust Fund	Trust - Other Fund	Open Space Trust Fund
Balance, December 31, 2008	B	<u>\$ 1,370.81</u>	<u>\$ 5,225,969.88</u>	<u>\$ 16,142,085.80</u>	<u>\$ 452,735.35</u>
Increased By Receipts:					
Due From:					
Current Fund	2-B	57,729.19	100.00		24,000.00
General Capital Fund	4-B, 12-B			500,000.00	864,863.31
Due To State of New Jersey	3-B	3,987.00			
Open Space Tax Levy	5-B				625,456.67
Reimbursement of Prior Year					
Expenditures	5-B				1,119,750.00
Interest Earned	5-B				11,562.49
Reserve for:					
Animal Control Trust Fund					
Expenditures	6-B	85,695.09			
Deposits	7-B		928,266.94		
DCA Training Fees	8-B			63,273.00	
Various Reserves	9-B			<u>5,094,633.69</u>	
		<u>147,411.28</u>	<u>928,366.94</u>	<u>5,657,906.69</u>	<u>2,645,632.47</u>
		<u>148,782.09</u>	<u>6,154,336.82</u>	<u>21,799,992.49</u>	<u>3,098,367.82</u>
Decreased By Disbursements:					
Due To:					
State of New Jersey	3-B	3,993.00			
Current Fund	2-B	61,029.19		328,000.00	24,000.00
Animal Control Trust Fund					
Expenditures	6-B	69,697.67			
Reserve for:					
Open Space	5-B				181,041.69
Deposits	7-B		2,060,761.03		
DCA Training Fees	8-B			60,134.00	
Various Reserves	9-B			<u>4,488,100.02</u>	
		<u>134,719.86</u>	<u>2,060,761.03</u>	<u>4,876,234.02</u>	<u>205,041.69</u>
Balance, December 31, 2009	B	<u>\$ 14,062.23</u>	<u>\$ 4,093,575.79</u>	<u>\$ 16,923,758.47</u>	<u>\$ 2,893,326.14</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF DUE (TO)/FROM CURRENT FUND

Year ended December 31, 2009

	<u>Reference</u>	<u>Animal Control Trust Fund</u>	<u>Escrow Deposit Trust Fund</u>	<u>Open Space Trust Fund</u>	<u>Trust - Other Fund</u>
Balance, December 31, 2008	B	\$ (3,300.00)	\$ 100.00	\$ -	\$ -
Increased By:					
Cash Receipts	1-B	57,729.19	100.00	24,000.00	
Various Reserves	9-B	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>307,600.00</u>
		<u>57,729.19</u>	<u>100.00</u>	<u>24,000.00</u>	<u>307,600.00</u>
		<u>(61,029.19)</u>	<u>-</u>	<u>(24,000.00)</u>	<u>(307,600.00)</u>
Decreased By:					
Cash Disbursements	1-B	<u>61,029.19</u>	<u>                    </u>	<u>24,000.00</u>	<u>328,000.00</u>
Balance, December 31, 2009		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,400.00</u>
	<u>Reference</u>	<u>B</u>	<u>B</u>	<u>B</u>	<u>Below</u>
Due To Current Fund	B				\$ (8,100.00)
Due From Current Fund	B				<u>28,500.00</u>
	Above				<u>\$ 20,400.00</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, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 281.40
Increased By:		
Cash Receipts	1-B	<u>3,987.00</u>
		4,268.40
Decreased By:		
Cash Disbursements	1-B	<u>3,993.00</u>
Balance, December 31, 2009	B	<u><u>\$ 275.40</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

OPEN SPACE TRUST FUND

SCHEDULE OF DUE FROM GENERAL CAPITAL FUND

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 864,863.31
Decreased By:		
Cash Receipts	1-B	<u>864,863.31</u>
Balance, December 31, 2009	B	<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## OPEN SPACE TRUST FUND

## SCHEDULE OF RESERVE FOR OPEN SPACE

Year ended December 31, 2009

	<u>Reference</u>		
Balance, December 31, 2008	B		\$ 1,317,598.66
<b>Increased By:</b>			
Interest Earned	1-B	\$ 11,562.49	
Open Space Tax Levy	3-A, 1-B	625,456.67	
Reimbursement of Prior Year Expenditures	1-B	<u>1,119,750.00</u>	
			<u>1,756,769.16</u>
			3,074,367.82
<b>Decreased By:</b>			
Cash Disbursed	1-B		<u>181,041.69</u>
Balance, December 31, 2009	B		<u><u>\$ 2,893,326.14</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 2,210.59
Increased By:		
Dog License Fees Collected		\$ 28,143.80
Cat License Fees Collected		492.90
Miscellaneous Dog License Fees Collected		129.20
Received From Current Fund		<u>56,929.19</u>
	1-B	<u>85,695.09</u>
Decreased By:		
Expenditures Under R.S. 4:19-15.11	1-B	<u>69,697.67</u>
Balance, December 31, 2009	B	<u><u>\$ 13,786.83</u></u>

License and Penalty Fees Collected:

2008 Fees	\$ 14,568.00
2007 Fees	<u>13,103.50</u>
	<u><u>\$ 27,671.50</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

ESCROW DEPOSIT TRUST FUND

SCHEDULE OF RESERVE FOR DEPOSITS

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 5,226,069.88
Increased By:		
Cash Receipts	1-B	<u>928,266.94</u>
		6,154,336.82
Decreased By:		
Cash Disbursements	1-B	<u>2,060,761.03</u>
Balance, December 31, 2009	B	<u>\$ 4,093,575.79</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, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 8,551.00
Increased By:		
Cash Receipts	1-B	<u>63,273.00</u>
		71,824.00
Decreased By:		
Cash Disbursements	1-B	<u>60,134.00</u>
Balance, December 31, 2009	B	<u>\$ 11,690.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2009

	Balance December 31, <u>2008</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2009</u>
Performance Bonds	\$ 136,364.64			\$ 136,364.64
Road Opening Deposits	409,090.95	\$ 12,585.00	\$ 7,933.60	413,742.35
Stormwater Management	1,283,620.11	20,000.00	71,786.66	1,231,833.45
Parking Offenses Adjudication Act	3,534.00			3,534.00
Off-Site Improvements	7,741.45			7,741.45
Fire Safety	68,679.59	36,075.00		104,754.59
Law Enforcement	63,625.78	11,152.48	20,122.55	54,655.71
Mount Laurel - Affordable Housing	13,186,717.57	947,627.63	754,848.86	13,379,496.34
Park Acquisition or Development	10,000.00			10,000.00
Recreation	81,452.00	1,852,827.24	1,823,353.57	110,925.67
Police Evidence	139.90			139.90
Uniform Construction Code	581,130.15	963,351.86	1,071,628.26	472,853.75
Marlboro Knolls	2,575.24			2,575.24
Tax Sale Premiums	232,800.00	551,600.00	328,000.00	456,400.00
Snow Removal	52,669.01		50,704.47	1,964.54
Unclaimed Monies	388.00			388.00
Tree Bank	262,574.29	36,300.00	30,130.00	268,744.29
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	101,055.82	48,196.01	79,940.64	69,311.19
Off-Duty Police	18,520.74	548,479.17	450,504.00	116,495.91
Accumulated Absences	109,556.86	28,500.00	100,932.41	37,124.45
Sidewalks		12,624.30		12,624.30
Shade Trees		19,500.00		19,500.00
Public Defender		5,815.00	5,815.00	
	<u>\$ 16,633,534.80</u>	<u>\$ 5,094,633.69</u>	<u>\$ 4,795,700.02</u>	<u>\$ 16,932,468.47</u>
	<u>Reference</u> B	1-B	Below	B
Cash Disbursements	1-B		\$ 4,488,100.02	
Due To Current Fund	2-B		<u>307,600.00</u>	
	Above		<u>\$ 4,795,700.02</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, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 382,066.19
Increased By:		
Township Contributions and Earnings (Net)	11-B	<u>131,036.24</u>
Balance, December 31, 2009	B	<u><u>\$ 513,102.43</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, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 382,066.19
Increased By:		
Township Contributions and Earnings (Net)	10-B	<u>131,036.24</u>
Balance, December 31, 2009	B	<u>\$ 513,102.43</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF DUE FROM GENERAL CAPITAL FUND

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	B	\$ 500,000.00
Decreased By:		
Cash Receipts	1-B	<u>500,000.00</u>
Balance, December 31, 2009	B	<u><u>\$ -</u></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, 2009

	<u>Reference</u>		
Balance, December 31, 2008	C		\$ 160,814.99
Increased By:			
Premium on Bond Anticipation Notes	C-1	\$ 148,522.50	
Bond Anticipation Notes	7-C	15,750,000.00	
Budget Appropriation - Current Fund	5-C	41,175.00	
Budget Appropriation - Open Space Trust Fund	5-C	69,500.00	
Various Reserves	11-C	<u>250,224.71</u>	
			<u>16,259,422.21</u>
			16,420,237.20
Decreased By:			
Budgeted Current Fund Revenue	C-1	300,000.00	
Due To Trust - Other - Open Space Trust Fund	3-C	864,863.31	
Bond Anticipation Notes	7-C	9,950,000.00	
Improvement Authorizations	9-C	1,339,179.48	
Due To Trust Other Fund	14-C	<u>500,000.00</u>	
			<u>12,954,042.79</u>
Balance, December 31, 2009	C		<u>\$ 3,466,194.41</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

Year ended December 31, 2009

	Balance December 31, <u>2009</u>	Balance December 31, <u>2008</u>
Fund Balance	\$ 450,544.50	\$ 602,022.00
Various Reserves	942,786.22	692,561.51
Due From Swimming Pool Utility Capital Fund	(250,000.00)	(250,000.00)
Due To Open Space Trust Fund		864,863.31
Due To Trust Other Fund		500,000.00
Due To Grant Fund	2,000.00	2,000.00
Capital Improvement Fund	<u>62,500.00</u>	<u>150,000.00</u>
	1,207,830.72	2,561,446.82

<u>Ordinance Date/Number</u>	<u>Improvement Description</u>		
28-00/03-05	Various Improvements	246.00	246.00
18-01	Various Improvements	112,906.53	122,175.47
02-15	Improvements To School Road East	7,385.59	10,560.09
02-17/03-04/03-07	Various Improvements	87,314.35	130,607.42
02-21	Various Improvements	46,409.16	48,605.42
02-27	Acquisition of Real Property	2,375.00	2,689.70
02-28	Acquisition of Real Property	106,546.14	129,384.56
03-11	Various Improvements	1,063,166.02	1,065,233.52
03-12	Acquisition of Real Property (Open Space)	82,984.66	82,984.66
03-14	Various Improvements	33,008.01	36,345.57
04-01	Hawkins Park	59,765.00	59,765.00
04-06	Various Improvements	(9,599.85)	(31,279.20)
04-21	Various Improvements	(28,408.77)	(294,616.19)
04-23	Bolling Hills	39,657.03	61,528.53
05-18	Street Lighting Program	18,950.00	18,950.00
05-19	Computer Operated Signs	2,250.00	2,250.00
05-36	Various Improvements	626,146.65	(276,303.52)
06-19	Various Improvements	560,986.27	(1,225,585.14)
07-12	Various Capital Improvements	401,660.43	(1,537,790.57)
08-14	Various Capital Improvements	10,980.16	10,980.16
08-23	Various Capital Improvements	(817,363.31)	(817,363.31)
09-28	Various Capital Improvements	<u>(149,001.38)</u>	
		<u>\$ 3,466,194.41</u>	<u>160,814.99</u>

Reference

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C

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE TO OPEN SPACE TRUST FUND

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 864,863.31
Decreased By:		
Cash Disbursements	1-C	<u>864,863.31</u>
Balance, December 31, 2009	C	<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2009

	<u>Reference</u>		
Balance, December 31, 2008	C		\$ 12,808,941.04
Decreased By:			
Budget Appropriation To Pay Bonds	6-C	\$ 1,855,000.00	
Budget Appropriation To Pay Loans	8-C	<u>21,954.91</u>	
			<u>1,876,954.91</u>
Balance, December 31, 2009	C		<u>\$ 10,931,986.13</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Year ended December 31, 2009

Ordinance Date/ Number	Improvement Description	Balance December 31, 2008	Increased By 2009		Balance December 31, 2009	Analysis of Balance		
			Authorizations	Decreased		Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
34-96/17-98	Various Capital Improvements							
02-27	Acquisition of Real Property	\$ 1,564,650.00		\$ 41,175.00	\$ 1,523,475.00	\$ 1,523,475.00		
02-28	Acquisition of Real Property	2,641,000.00		69,500.00	2,571,500.00	2,571,500.00		
04-06	Various Improvements	95,000.00			95,000.00	30,000.00	\$ 9,599.85	\$ 55,400.15
04-21	Various Improvements	1,816,678.28			1,816,678.28	1,600,000.00	28,408.77	188,269.51
05-18	Street Lighting Program	251,750.00			251,750.00	251,750.00		
05-19	Computer Operated Signs	42,750.00			42,750.00			42,750.00
05-36	Various Improvements	2,085,000.00			2,085,000.00	2,085,000.00		
06-19	Various Improvements	3,501,700.00			3,501,700.00	3,501,700.00		
07-12	Various Capital Improvements	5,225,000.00			5,225,000.00	4,186,575.00		1,038,425.00
08-23	Various Capital Improvements	902,500.00			902,500.00		817,363.31	85,136.69
09-28	Various Capital Improvements		\$ 1,662,500.00		1,662,500.00		149,001.38	1,513,498.62
		<u>\$ 18,126,028.28</u>	<u>\$ 1,662,500.00</u>	<u>\$ 110,675.00</u>	<u>\$ 19,677,853.28</u>	<u>\$ 15,750,000.00</u>	<u>\$ 1,004,373.31</u>	<u>\$ 2,923,479.97</u>
	<u>Reference</u>	C	9-C,15-C	1-C, 7-C	C	7-C	2-C	
	9-C			Improvement Authorizations - Unfunded				\$ 4,640,144.46
	2-C			Less: Unexpended Proceeds of Bond Anticipation Notes - Issued:				
	2-C			Ord. 02-27 Acquisition of Real Property				2,375.00
	2-C			Ord. 02-28 Acquisition of Real Property				106,546.14
	2-C			Ord. 05-18 Street Lighting Program				18,950.00
	2-C			Ord. 05-36 Street Lighting Program				626,146.65
	2-C			Ord. 06-19 Street Lighting Program				560,986.27
	2-C			Ord. 07-12 Street Lighting Program				401,660.43
								<u>\$ 2,923,479.97</u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

Year ended December 31, 2009

Purpose	Original Issue		Maturities of Bonds Outstanding December 31, 2009		Interest Rate	Balance December 31, 2008	Decreased	Balance December 31, 2009
	Date	Amount	Date	Amount				
General Improvements	2/15/94	\$ 4,541,000.00				\$ 391,000.00	\$ 391,000.00	
General Improvements	12/19/97	5,404,000.00	12/01/10 12/01/11	\$ 494,000.00 518,000.00	4.900% 5.000%	1,484,000.00	472,000.00	\$ 1,012,000.00
General Improvements	12/13/01	7,842,000.00	12/01/10 12/01/11 12/01/12 12/01/13 12/01/14 12/01/15 12/01/16	527,000.00 549,000.00 576,000.00 605,000.00 635,000.00 667,000.00 700,000.00	4.100% 5.000% 5.000% 5.000% 5.000% 5.000% 5.000%	4,766,000.00	507,000.00	4,259,000.00
General Improvements	12/04/02	4,999,000.00	12/01/10 12/01/11 12/01/12 12/01/13 12/01/14 12/01/15 12/01/16 12/01/17 12/01/18	294,000.00 304,000.00 320,000.00 336,000.00 352,000.00 370,000.00 388,000.00 408,000.00 428,000.00	3.375% 5.000% 5.000% 5.000% 5.000% 5.000% 5.000% 5.000% 5.000%	3,486,000.00	286,000.00	3,200,000.00
General Improvements	12/18/03	3,249,000.00	12/01/10 12/01/11 12/01/12 12/01/13 12/01/14 12/01/15 12/01/16 12/01/17 12/01/18	203,000.00 211,000.00 218,000.00 223,000.00 235,000.00 245,000.00 254,000.00 267,000.00 276,000.00	3.500% 3.250% 3.550% 4.000% 4.250% 4.250% 4.250% 4.250% 4.250%	2,331,000.00	199,000.00	2,132,000.00
						<u>\$ 12,458,000.00</u>	<u>\$ 1,855,000.00</u>	<u>\$ 10,603,000.00</u>

Reference

C

4-C

C



TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOAN PROGRAM PAYABLE

Year ended December 31, 2009

<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, 2008</u>	<u>Paid By Budget Appropriation</u>	<u>Balance December 31, 2009</u>
Municipal Park Development	12/13/02	\$ 464,185.00	2010 to 2022	See Page 2	2.00%	<u>\$ 350,941.04</u>	<u>\$ 21,954.91</u>	<u>\$ 328,986.13</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, 2009

<u>Payment Number</u>	<u>Due</u>	<u>Principal</u>	<u>Interest</u>
14	03/13/10	\$ 11,142.39	\$ 3,289.86
15	09/13/10	11,253.81	3,178.44
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>\$ 328,986.13</u>	<u>\$ 46,252.39</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2009

Ordinance Number/Date	Improvement Description	Ordinance Date	Amount	Balance December 31, 2008		2009 Authorizations	Paid or Charged	Balance December 31, 2009		
				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	122,175.47		\$ 9,268.94		112,906.53		
02-15	Improvements To School Road East	05/09/02	285,000.00	10,560.09		3,174.50		7,385.59		
02-17/03-04/03-07	Various Improvements	06/13/02	2,988,000.00	130,607.42		43,293.07		87,314.35		
02-21	Various Improvements	07/18/02	253,000.00	48,605.42		2,196.26		46,409.16		
02-27	Acquisition of Real Property	10/10/02	1,730,500.00		\$ 2,689.70	314.70			\$ 2,375.00	
02-28	Acquisition of Real Property	10/10/02	2,919,500.00		129,384.56	22,838.42			106,546.14	
03-11	Various Improvements	06/26/03	3,295,500.00	1,065,233.52		2,067.50		1,063,166.02		
03-12	Acquisition of Real Property (Open Space)	07/17/03	1,180,000.00	82,984.66				82,984.66		
03-14	Various Improvements	08/14/03	115,000.00	36,345.57		3,337.56		33,008.01		
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		63,720.80	8,320.65			55,400.15	
04-21	Various Improvements	09/28/04	2,160,000.00		222,062.09	33,792.58			188,269.51	
04-23	Bolling Hills	10/28/04	83,877.53	61,528.53		21,871.50		39,657.03		
05-18	Street Lighting Program	06/02/05	265,000.00		18,950.00				18,950.00	
05-19	Computer Operated Signs	06/02/05	45,000.00	2,250.00	42,750.00			2,250.00	42,750.00	
05-36	Various Improvements	10/06/05	2,195,000.00		1,060,446.48	434,299.83			626,146.65	
06-19	Various Improvements	08/10/06	3,686,000.00		776,114.86	215,128.59			560,986.27	
07-12	Various Capital Improvements	06/06/07	5,500,000.00		1,742,859.43	302,774.00			1,440,085.43	
08-14	Various Capital Improvements	04/24/08	100,000.00	10,980.16				10,980.16		
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			\$ 1,750,000.00	236,501.38		1,513,498.62	
				<u>\$ 1,631,281.84</u>	<u>\$ 4,144,114.61</u>	<u>\$ 1,750,000.00</u>	<u>\$ 1,339,179.48</u>	<u>\$ 1,546,072.51</u>	<u>\$ 4,640,144.46</u>	
				<u>Reference</u>	<u>C</u>	<u>C</u>	<u>Below</u>	<u>1-C</u>	<u>C</u>	<u>C,5-C</u>
Capital Improvement Fund				10-C		\$ 87,500.00				
Deferred Charges - Unfunded				5-C		1,662,500.00				
				Above		\$ 1,750,000.00				

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 150,000.00
Decreased By:		
Appropriation to Finance Improvement Authorizations	9-C	<u>87,500.00</u>
Balance, December 31, 2009	C	<u>\$ 62,500.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2009

<u>Improvement Description</u>	Balance December 31, <u>2008</u>	<u>Increased</u>	Balance December 31, <u>2009</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	900.00
Payment of Debt Service	16,331.71		16,331.71
Sidewalks - Tennant Road	3,465.00		3,465.00
Sidewalks	107,672.00		107,672.00
Sidewalks - Crine Road	36,500.00		36,500.00
Emerald Hills		49,324.71	49,324.71
Glenbrook Condo Association		200,000.00	200,000.00
	<u>\$ 692,561.51</u>	<u>\$ 250,224.71</u>	<u>\$ 942,786.22</u>
	<u>Reference</u>	C	1-C
		C	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE TO FEDERAL AND STATE GRANT FUND

Year ended December 31, 2009

Reference

Balance, December 31, 2009 and 2008

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, 2009

Reference

Balance, December 31, 2009 and 2008

C

\$ 250,000.00

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE TO TRUST OTHER FUND

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	C	\$ 500,000.00
Decreased By:		
Cash Disbursements	1-C	<u>500,000.00</u>
Balance, December 31, 2009	C	<u>\$ -</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, 2009

<u>Ordinance Number/Date</u>	<u>Improvement Description</u>	Balance December 31, <u>2008</u>	Increased By 2009 <u>Authorizations</u>	Bond Anticipation Notes <u>Issued</u>	Balance December 31, <u>2009</u>
04-06	Various Improvements	\$ 95,000.00		\$ 30,000.00	\$ 65,000.00
04-21	Various Improvements	516,678.28		300,000.00	216,678.28
05-19	Computer Operated Signs	42,750.00			42,750.00
05-36	Various Improvements	1,336,750.00		1,336,750.00	
06-19	Various Improvements	2,001,700.00		2,001,700.00	
07-12	Various Capital Improvements	3,280,650.00		2,242,225.00	1,038,425.00
08-23	Various Capital Improvements	902,500.00			902,500.00
09-28	Various Capital Improvements	<u>                    </u>	<u>\$ 1,662,500.00</u>	<u>                    </u>	<u>1,662,500.00</u>
		<u>\$ 8,176,028.28</u>	<u>\$ 1,662,500.00</u>	<u>\$ 5,910,675.00</u>	<u>\$ 3,927,853.28</u>
	<u>Reference</u>	C	5-C	7-C	C

**SWIM 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, 2009

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2008	D	\$ 920,371.02	\$ 15,772.61
<b>Increased By Receipts:</b>			
Membership Fees	D-2	\$ 326,084.00	
Recreation Lease	D-2	50,000.00	
Interest on Investments	D-2	194.29	
Miscellaneous	D-2	246,314.39	
Prepaid Membership Fees	8-D	147,552.00	
Prepaid Guest Book Fees	10-D	780.00	
Prepaid Miscellaneous Fees	11-D	<u>625.00</u>	
		<u>771,549.68</u>	
		1,691,920.70	15,772.61
<b>Decreased By Disbursements:</b>			
2009 Budget Appropriations	D-3	834,422.09	
2008 Appropriation Reserves	5-D	41,104.54	
Accrued Interest on Bonds and Notes	12-D	<u>237.50</u>	
		<u>875,764.13</u>	
Balance, December 31, 2009	D	<u><u>\$ 816,156.57</u></u>	<u><u>\$ 15,772.61</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF SWIM POOL UTILITY CASH

Years ended December 31, 2009 and 2008

		Balance December 31, <u>2009</u>	Balance December 31, <u>2008</u>
Due To General Capital Fund		\$ 250,000.00	\$ 250,000.00
Reserve for Capital Outlay		43,490.61	43,490.61
<u>Ordinance</u>	<u>Improvement Authorizations</u>		
<u>Number</u>			
05-37	Various Swim Facility Improvements	<u>(277,718.00)</u>	<u>(277,718.00)</u>
		<u>\$ 15,772.61</u>	<u>\$ 15,772.61</u>
	<u>Reference</u>	1-D	1-D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Years ended December 31, 2009 and 2008

	Balance December 31, <u>2009</u>	Balance December 31, <u>2008</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	2,664,628.54
Flume Slide	<u>204,287.32</u>	<u>204,287.32</u>
	<u>\$ 3,087,935.45</u>	<u>\$ 3,087,935.45</u>

Reference

D

D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Years ended December 31, 2009 and 2008

<u>Ordinance Number</u>	<u>Description</u>	<u>Ordinance Date</u>	<u>Ordinance Amount</u>	<u>Balance December 31, 2009 and 2008</u>
05-37	Various Swim Facility Improvements	09/22/05	\$ 446,250.00	<u>\$ 168,532.00</u>
			<u>Reference</u>	D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND  
SCHEDULE OF 2008 APPROPRIATION RESERVES

Year ended December 31, 2009

	Balance December 31, 2008	Encumbrances	Modified Balance	Paid or Charged	Balance Lapsed
Operating:					
Salaries and Wages	\$ 10,811.62		\$ 10,811.62	\$ 2,888.79	\$ 7,922.83
Other Expenses	251,241.07	\$ 16,855.63	268,096.70	12,211.43	255,885.27
Capital Improvements:					
Capital Outlay	<u>74,648.18</u>	<u>34,961.82</u>	<u>109,610.00</u>	<u>34,961.82</u>	<u>74,648.18</u>
	<u>\$ 336,700.87</u>	<u>\$ 51,817.45</u>	<u>\$ 388,518.32</u>	<u>\$ 50,062.04</u>	<u>\$ 338,456.28</u>
	<u>Reference</u>	D	Below	Below	D-1
Appropriation Reserves	D		\$ 336,700.87		
Encumbrances Payable	6-D		<u>51,817.45</u>		
	Above		<u>\$ 388,518.32</u>		
Cash Disbursements	1-D			\$ 41,104.54	
Transferred to Accounts Payable	7-D			<u>8,957.50</u>	
	Above			<u>\$ 50,062.04</u>	

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## SWIMMING POOL UTILITY OPERATING FUND

## SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	\$ 51,817.45
Increased By:		
Transfer From Budget Appropriations	D-3	<u>51,850.79</u>
		103,668.24
Decreased By:		
Transfer To Appropriation Reserves	5-D	<u>51,817.45</u>
Balance, December 31, 2009	D	<u><u>\$ 51,850.79</u></u>

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

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	\$ 26,269.66
Increased By:		
Transferred from Appropriation Reserves	5-D	<u>8,957.50</u>
Balance, December 31, 2009	D	<u><u>\$ 35,227.16</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF PREPAID MEMBERSHIP FEES

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	\$ 196,858.00
Increased By:		
Cash Receipts	1-D	<u>147,552.00</u>
		344,410.00
Decreased By:		
Prepaid Applied	D-2	<u>196,858.00</u>
Balance, December 31, 2009	D	<u><u>\$ 147,552.00</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF CUSTOMER DEPOSITS

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	\$ 13,595.00
Decreased By:		
Prepaid Applied	D-2	<u>13,595.00</u>
Balance, December 31, 2009	D	<u>\$ -</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF PREPAID GUEST BOOK FEES

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	\$ 1,080.00
Increased By:		
Fees Collected	1-D	<u>780.00</u>
		1,860.00
Decreased By:		
Fees Applied	D-2	<u>1,080.00</u>
Balance, December 31, 2009	D	<u>\$ 780.00</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF PREPAID MISCELLANEOUS FEES

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	\$ 1,650.00
Increased By:		
Fees Collected	1-D	<u>625.00</u>
		2,275.00
Decreased By:		
Fees Applied	D-2	<u>1,650.00</u>
Balance, December 31, 2009	D	<u><u>\$ 625.00</u></u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

## SWIMMING POOL UTILITY OPERATING FUND

## SCHEDULE OF ACCRUED INTEREST ON BONDS

Year ended December 31, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	\$ 178.13
Increased By:		
2009 Budget Appropriations	D-3	<u>59.37</u>
		237.50
Decreased By:		
Interest Paid	1-D	<u>237.50</u>
Balance, December 31, 2009	D	<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO  
 COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF SWIMMING POOL UTILITY SERIAL BONDS

Year ended December 31, 2009

<u>Purpose</u>	<u>Original Issue</u>		<u>Balance</u>	<u>Decreased</u>	<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>December 31,</u> <u>2008</u>		<u>December 31,</u> <u>2009</u>
Various Improvements	02/23/94	\$ 145,000.00	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ -</u>
			D	D-3, 17-D	D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Years ended December 31, 2009 and 2008

<u>Ordinance Number</u>	<u>Description</u>	<u>Ordinance</u>		<u>Balance December 31, 2009 and 2008 Unfunded</u>
		<u>Date</u>	<u>Amount</u>	
05-37	Various Swim Facility Improvements	09/22/05	\$ 446,250.00	<u>\$ 168,532.00</u>
			<u>Reference</u>	D

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF DUE TO GENERAL CAPITAL FUND  
Years ended December 31, 2009 and 2008

Reference

Balance, December 31, 2009 and 2008

D

\$ 250,000.00

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR CAPITAL OUTLAY  
Years ended December 31, 2009 and 2008

Reference

Balance, December 31, 2009 and 2008

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, 2009

	<u>Reference</u>	
Balance, December 31, 2008	D	\$ 2,800,217.45
Increased By:		
2009 Budget Appropriations:		
Payment of Serial Bonds	13-D	<u>10,000.00</u>
Balance, December 31, 2009	D	<u>\$ 2,810,217.45</u>

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, 2009 and 2008

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance December 31, 2009 and 2008</u>
05-37	Various Swim Pool Facility Improvements	09/22/05	<u>\$ 446,250.00</u>
		<u>Reference</u>	D

**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, 2009 and 2008

	<u>Balance December 31, 2009 and 2008</u>
Land	\$ 20,175,668.69
Buildings and Improvements	6,818,627.00
Machinery and Equipment	<u>10,148,396.84</u>
	<u><u>\$ 37,142,692.53</u></u>

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

Township of Marlboro  
County of Monmouth

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2009

Federal Grantor/Pass Through Grantor/Program Title	Township Fund Reference	CFDA Number	Total Award	Grant Year	2009	
					Cash Receipts	Expenditures
<b>Direct Awards:</b>						
<b>U.S. Department of Transportation:</b>						
National Highway Traffic Safety Administration						
Click It or Ticket Grant	A	20.600	\$ 4,000.00	2009	\$ 3,950.00	\$ 4,000.00
Drunk Driving Prevention Incentive Grant	A	20.601	4,629.47	2009	4,629.47	
<b>Department of the Interior:</b>						
Handicapped Recreational Opportunities Grant	A	15.919	2,100.00	2009	2,100.00	
<b>Department of Justice</b>						
Pass Through the State:						
Secure Our Schools Grant	A	16.710	88,066.73	2008	66,392.57	17,389.56
Justice Assistance Grant	A	16.803	12,814.00	2009		2,380.34
<b>Environmental Protection Agency:</b>						
Smart Growth Grant	A	66.611	50,000.00	2009		54,500.00
<b>Total expenditures</b>					<b>\$ 77,072.04</b>	<b>\$ 78,269.90</b>

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

Township of Marlboro  
County of Monmouth

## Schedule of Expenditures of State Financial Assistance

Year Ended December 31, 2009

State Funding Department or Division	Program	Fund Reference	Total Award	State Account No.	Grant Year	2009		Cumulative Expenditures
						Cash Receipts	Expenditures	
<b>Environmental Protection</b>								
	Recycling Tonnage Grant	A	\$ 92,636.63	4900-752-042-001	Prior Year Through 2009	\$ 40,370.49	\$ 16,315.87	\$ 36,800.21
	Clean Community Grant	A	141,849.22	4900-765-042-4900-004-V42Y-6020	Prior Year Through 2009	51,267.57	36,370.27	91,246.75
	Green Communities	A	3,000.00	Unavailable	Prior Year Through 2009	3,000.00		
	Stormwater Regulation Grant	A	39,949.00	04-100-042-118-4850	Prior Year Through 2009		300.96	14,591.36
<b>Community Affairs</b>								
	HDSRF - Hospital Property	A	126,909.00	P18687	Prior Year Through 2009		32,334.20	125,942.00
	HDSRF - DiMeo Property	A	121,748.00	P19037	Prior Year Through 2009		20,259.32	101,487.32
	Statewide Livable Communities - ADA	A	94,500.00	Unavailable	Prior Year Through 2009	64,863.25	4,875.00	69,738.25
<b>Transportation</b>								
	Municipal Aid Program - Robertsville Road and Union Hill Road	A	150,000.00	Unavailable	Prior Year Through 2009	37,500.00		117,647.72
<b>Office of Information Technology</b>								
	Enhanced 911 Equipment Grant	A	16,000.00	06-E-13-664	Prior Year Through 2009		900.00	16,000.00
	Enhanced 911 General Assistance Grant	A	72,118.00	06-G-13-664	Prior Year Through 2009		56,689.79	72,114.04
	Enhanced 911 Grant	A	285,894.09	06-E-13-664	Prior Year Through 2009			284,102.00
<b>Law and Public Safety</b>								
	Municipal Alliance	A	106,413.00	G-02-241-709-080-628	Prior Year Through 2009	19,315.39	41,088.08	106,413.00
	Alcohol Education Grant	A	1,124.46	Unavailable	Prior Year Through 2009	1,124.46		
	Alcohol Rehabilitation Grant	A	61,372.00	9735-760-098-Y900-001-X100-6020	Prior Year Through 2009			59,757.21
	Drunk Driving Enforcement Fund	A	25,617.79	1160-100-057-1160	Prior Year Through 2009	10,465.75	8,085.67	23,019.54
	Public Safety Body Armor	A	26,702.88	1020-718-066-001	Prior Year Through 2009	6,970.90	2,748.25	6,455.80
	Stop for the Red or Stop for Us	A	15,800.00	1160-100-066-1160-142-YHHS-6010	Prior Year Through 2009	15,800.00	14,300.00	14,300.00
<b>Total expenditures</b>						<b>\$ 250,677.81</b>	<b>\$ 234,267.41</b>	<b>\$ 1,278,785.34</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, 2009

**1. General**

The accompanying schedule of expenditures of federal awards and state financial assistance presents the activity of all federal and state awards 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 awards.

**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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and 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.



REPORT OF INDEPENDENT AUDITORS 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, 2009, and have issued our report thereon dated August 5, 2010, 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 Township did not update its General Fixed Assets files as of December 31, 2009 and the Division does not require the Length of Services Award Program ("LOSAP") to be audited. We were unable to satisfy ourselves as to the carrying values of the Township's General Fixed Assets, and the Division does not require the LOSAP to be audited. Except as discussed in the two preceding sentences, 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. However, we identified a deficiency in internal control over financial reporting, described in the accompanying Comments and Recommendations section as finding 2009-1 that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

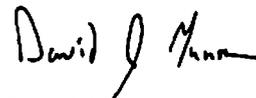
We also noted certain matters involving internal control over financial reporting that we have reported to management in the comments and recommendations section of this report.

#### 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 5, 2010

**COMMENTS SECTION**

**TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH, NEW JERSEY  
YEAR ENDED DECEMBER 31, 2009**

**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, 2009, 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.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed.

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.

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 awarded by the contracting agent, for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold [40A:11-3], shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

The system of records did not provide for an accumulation of payments by categories of materials or supplies, or related work or labor. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

The examination of expenditures revealed individual payments, contracts or agreements in excess of \$21,000 "for the performance of any work or the furnishing of labor materials and supplies or the hiring of teams or vehicles," other than where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-5.

### 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 1, 2009 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 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>2009</u>	<u>2008</u>	<u>2007</u>
Tax rate	\$ 4.144	\$ 4.129	\$ 4.099
Apportionment of tax rate:			
Municipal	\$ 0.588	\$ 0.626	\$ 0.544
Municipal Open Space	0.020	0.020	0.020
County	0.639	0.567	0.641
Local School	2.070	2.073	2.043
Regional High School	0.827	0.843	0.851
Assessed valuations	\$ 3,188,708,404	\$ 3,131,511,009	\$ 3,081,216,619

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>
2009	\$ 135,373,142.72	\$ 133,787,392.95	98.83%
2008	133,893,737.41	132,382,293.90	98.89
2007	131,764,756.26	130,672,122.40	99.02

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>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>of Tax Levy</u>
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
2007	114,703.26	952,205.24	1,066,908.50	.81

The last tax sale was held on April 23, 2009, 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>
2009	13
2008	13
2007	14

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>
2009	\$ 802,400.00
2008	802,400.00
2007	802,400.00

Equalized Valuations – Real Property

<u>Year</u>	<u>Amount</u>
2009	\$ 7,584,031,317
2008	7,694,200,415
2007	7,588,651,662

Comparative Schedule of Fund Balances

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2009	\$ 2,893,148.61	\$ 1,410,412.80 *
	2008	5,622,961.10	5,200,000.00
	2007	10,589,199.69	8,129,167.75
Swim Pool Utility Operating Fund	2009	453,288.42	331,250.00 *
	2008	288,878.33	285,000.00
	2007	514,161.27	357,500.00

\* Budget not adopted as of the date of this report.

Officials In Office and Surety Bonds

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Johnathan Hornik	Mayor	
Steven Rosenthal	Council President	
Frank LaRocca	Council Vice President	
Jeffery Cantor	Councilperson	
Carol Mazzola	Councilperson	
Scott Metzger	Councilperson	
Alayne Shepler	Business Administrator	
Ulrich Steinberg	Chief Financial Officer	**
Kelly Hahn	Tax Collector, Tax Search Officer	**
Alida Manco	Municipal Clerk	
Richard Gantner	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 \$50,000.00 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 \$950,000.00 for Public Employees and \$3,000,000.00 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, 2009

COMMENTS AND RECOMMENDATIONS

**Fixed Assets – Significant Deficiency**

**Accounting Records**

**Finding #2009-1\***

**Criteria:**

The proper maintenance of a General Fixed Assets Account Group is required by Technical Accounting Directive 85-2.

**Statement of Condition:**

The Township does not have a record of Fixed Assets in accordance with the Technical Accounting Directive 85-2.

**Context:**

The finding was observed in conjunction with our audit of the Township's fixed assets.

**Cause and Effect:**

Incomplete fixed asset records could result in inaccurate financial statement presentation.

**Recommendation:**

The General Fixed Assets Account Group be maintained in conformity with Technical Accounting Directive 85-2.

**Response:**

Nearly a decade ago the Township had a valuation performed that provided a physical inventory of assets. However, the records have not been updated and maintained since. It is necessary for the Township to have the valuation and physical inventory process completed once again and to set up the internal controls necessary to keep the Fixed Assets accounting system current. This will be an area which the administration will have to address in the near future but, currently, the Township is not in compliance with this directive.

## **Internal Controls**

### **Finding #2009-2**

#### *Encumbrance Accounting System*

A review of the Township's detailed open purchase order report revealed that the majority of the Township's contracts are encumbered. 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.

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

## **Trust Fund**

### **Finding #2009-3\***

#### *POAA Fees*

During our audit of the Township's Municipal Court and Trust Fund, we noted that POAA fees are being turned over to the Township's Current Fund.

We suggest that these fees be transferred to the Reserve for POAA in the Trust Fund to be in compliance with N.J.S.A 39:4-139.9(a).

## **Municipal Court**

### **Finding #2009-4**

#### *Tickets pending by Age*

Our audit of the Court revealed that the Court's policy is to retrieve all tickets assigned but not issued after 180 days. However, there were 1,015 tickets assigned but not issued outstanding greater than 180 days. The Court sends out a letter to the police officers requesting the outstanding tickets assigned but not issued. However, in many instances the tickets were not returned.

We suggest that the Court continue to enforce their policy of collection of the outstanding tickets assigned but not issued to have accountability over all tickets. We suggest that the tickets be returned and purged from the system before new tickets are assigned. In the event that the unissued tickets can not be produced, we suggest that the assigned officer sign a statement that these tickets are in fact unissued and void so that they may be purged from the system.

\*Repeat comment from prior year.