

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

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2011**



TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY

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Independent Auditors' Report

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

We have audited the accompanying regulatory-basis financial statements of the Township of Marlboro (the "Township"), County of Monmouth, New Jersey, as of December 31, 2011 and 2010 and for the years 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 audits.

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

As described in Note 1, these financial statements were prepared in conformity with the accounting practices prescribed by the Division, which practices differ from accounting principles generally accepted in the United States of America. The effects of the differences from accounting principles generally accepted in the United States of America are not reasonably determinable. In addition, the financial statements of the Length of Services Award Program Trust Fund ("LOSAP") have not been audited and were not required by the Division to be audited. 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 2.65% and 2.44% of the assets and liabilities of the Township's Trust Funds as of December 31, 2011 and 2010, respectively.

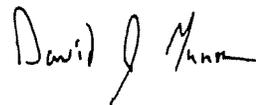
In our opinion, because of the effects of the use of prescribed accounting practices that differ from accounting principles generally accepted in the United States of America as described in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2011 and 2010, or the results of its operations and changes in its fund balances for the years 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 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, 2011 and 2010 and the results of its operations and changes in its fund balances for the years 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 July 25, 2012 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the regulatory-basis financial statements taken as a whole. The accompanying supplementary data and schedules and comments section, as identified in the accompanying table of contents, are presented for purposes of additional analysis as required by the Division, and are not a required part of the 2011 regulatory-basis financial statements of the Township. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements and are not in accordance with accounting principles generally accepted in the United States of America. The information has been subjected to the auditing procedures applied in the audit of the 2011 regulatory-basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory-basis financial statements or to the regulatory-basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the regulatory-basis financial statements taken as a whole.

In addition, the accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by the Division and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and are not a required part of the regulatory-basis financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory-basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory-basis financial statements or to the regulatory-basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the regulatory-basis financial statements taken as a whole.



David J. Gannon
Registered Municipal Accountant
No. 520



WISS & COMPANY, LLP

Iselin, New Jersey
July 25, 2012

FINANCIAL STATEMENTS

CURRENT AND GRANT FUND

EXHIBITS

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT AND GRANT FUND

COMPARATIVE BALANCE SHEETS

December 31, 2011 and 2010

<u>Assets</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>
Cash	1-A	\$ 13,675,143.77	\$ 12,079,582.75	Appropriation Reserves	A-3, 10-A	\$ 1,599,258.50	\$ 1,564,010.83
Cash - Change Funds	A	400.00	400.00	Accounts Payable	11-A	233,387.28	208,285.85
Due From State of New Jersey:				Encumbrances Payable	12-A	1,334,993.84	1,013,560.19
Senior Citizens' and Veterans' Deductions	2-A	<u>10,304.11</u>	<u>9,252.40</u>	Prepaid Taxes	13-A	683,754.38	616,632.60
		<u>13,685,847.88</u>	<u>12,089,235.15</u>	Prepaid Licenses	28-A	13,360.97	
Receivables and Other Assets With				Prepaid Fees	29-A	15,120.00	
Full Reserves:				Tax Overpayments	14-A	97,786.80	116,124.07
Delinquent Property Taxes Receivable	3-A	831,890.42	906,115.84	County Taxes Payable	15-A	110,171.64	43,774.19
Tax Title Liens Receivable	4-A	239,978.18	170,926.33	Local District School Tax Payable	16-A	1,904,454.50	3,902.00
Due From Monmouth County				Regional High School Tax Payable	17-A	1,176,110.38	1,409,618.15
Improvement Authority	5-A	66,080.42	162,969.10	Due To State of New Jersey -			
Property Acquired for Taxes -				Marriage License Fees	20-A	325.00	475.00
Assessed Valuation	6-A	802,400.00	802,400.00	Reserve for Tax Map	27-A		302,502.00
Revenue Accounts Receivable	7-A	<u>32,499.20</u>	<u>29,104.82</u>	Various Reserves	22-A	1,261,575.21	709,698.72
		<u>1,972,848.22</u>	<u>2,071,516.09</u>	Due To Federal and State Grant Fund	23-A	761,000.36	520,131.05
Deferred Charges:				Due to Other Trust Fund	8-A	<u>28,500.00</u>	<u>6,537,214.65</u>
Special Emergency Authorizations				Reserve for Receivables	A	1,972,848.22	2,071,516.09
(N.J.S.A. 40A:4-55)	9a-A	400,000.00	600,000.00				
Emergency Authorizations	9b-A	<u>200,000.00</u>	<u>370,000.00</u>	Fund Balance	A-1	<u>5,094,549.02</u>	<u>6,522,020.50</u>
		<u>600,000.00</u>	<u>970,000.00</u>				
		<u>16,258,696.10</u>	<u>15,130,751.24</u>			<u>16,258,696.10</u>	<u>15,130,751.24</u>
Federal and State Grant Fund:				Federal and State Grant Fund:			
Due From:				Due to General Capital Fund	21-A	275,947.19	
Current Fund	23-A	761,000.36	520,131.05	Reserve for:			
General Capital Fund	21-A	2,000.00	2,000.00	Grants - Appropriated	25-A	983,752.45	1,162,452.20
Grants Receivable	24-A	<u>623,572.60</u>	<u>775,526.98</u>	Grants - Unappropriated	26-A	<u>124,873.32</u>	<u>135,205.83</u>
		<u>1,384,572.96</u>	<u>1,297,658.03</u>			<u>1,384,572.96</u>	<u>1,297,658.03</u>
Total Assets		<u>\$ 17,643,269.06</u>	<u>\$ 16,428,409.27</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 17,643,269.06</u>	<u>\$ 16,428,409.27</u>

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

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCES

Years ended December 31, 2011 and 2010

<u>Revenue and Other Income Realized</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>
Fund Balance Utilized	A-2	\$ 5,500,000.00	\$ 1,291,773.80
Miscellaneous Revenue Anticipated	A-2	6,564,150.44	10,320,913.79
Receipts From Delinquent Taxes	A-2	718,036.92	1,388,891.04
Receipts From Current Taxes	A-2	140,404,951.11	138,598,918.85
Non-Budget Revenue	A-2	493,567.97	458,252.28
Other Credits To Income:			
Due From Monmouth County Improvement Authority	5-A	297,967.35	266,810.04
Interfunds Returned			8,100.00
Unexpended Balance of Appropriation Reserves	10-A	1,692,442.10	1,137,899.34
Cancellation of Reserve for Tax Map	27-A	302,502.00	
Cancellation of Other Reserves	22-A	69,864.12	
Special District Tax Canceled	18-A	54,051.15	47,788.54
Grant Appropriated Reserves Canceled			738,035.45
		<u>156,097,533.16</u>	<u>154,257,383.13</u>
<u>Expenditures</u>			
Budget Appropriations Within CAPS:			
Operations:			
Salaries and Wages	A-3	13,385,647.00	14,034,350.00
Other Expenses	A-3	9,173,389.00	9,603,160.00
Deferred Charges and Statutory Expenditures	A-3	4,169,842.20	2,444,584.77
Budget Appropriations Excluded From CAPS:			
Operations:			
Salaries and Wages	A-3	695,617.00	682,500.00
Other Expenses	A-3	1,451,108.18	1,974,281.47
Capital Improvements	A-3	150,000.00	
Municipal Debt Service	A-3	2,704,397.97	2,599,508.52
Deferred Charges	A-3	570,000.00	675,000.00
County Taxes	15-A	21,260,021.32	21,042,506.92
Amount Due For Added and Omitted Taxes	15-A	110,171.64	43,774.19
Local District School Taxes	16-A	67,783,512.50	65,583,088.00
Regional High School Taxes	17-A	27,078,385.73	26,686,337.53
Special District Taxes	18-A	2,795,185.15	2,665,440.54
Municipal Open Space Taxes	19-A	693,725.00	693,724.97
Grants Receivable Canceled			721,099.87
Prior Year Senior Citizens Deduction Disallowed	2-A	2,923.28	3,069.86
Due From Monmouth County Improvement Authority	5-A	201,078.67	254,310.80
		<u>152,225,004.64</u>	<u>149,706,737.44</u>
Excess in Revenues Over Expenditures		3,872,528.52	4,550,645.69
Adjustment to Income Before Fund Balance:			
Expenditures Included Above Which Are By Statute Deferred Charges To Budgets of Succeeding Years	9b-A	<u>200,000.00</u>	<u>370,000.00</u>
Statutory Excess To Fund Balance		4,072,528.52	4,920,645.69
Fund Balance, January 1	A	<u>6,522,020.50</u>	<u>2,893,148.61</u>
		10,594,549.02	7,813,794.30
Decreased By:			
Utilized as Anticipated Revenue	A-1,A-2	<u>5,500,000.00</u>	<u>1,291,773.80</u>
Fund Balance, December 31	A	<u>\$ 5,094,549.02</u>	<u>\$ 6,522,020.50</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES

Year ended December 31, 2011

	Reference	Anticipated Budget	Added by NJS 40A:4-87	Amount Realized	Excess/ (Deficit)
Fund Balance Anticipated	A-1	<u>\$ 5,500,000.00</u>		<u>\$ 5,500,000.00</u>	
Miscellaneous Revenues:					
Licenses:					
Other	7-A	20,000.00		21,285.00	\$ 1,285.00
Fees and Permits	7-A	573,000.00		650,372.31	77,372.31
Fines and Costs:					
Municipal Court	7-A	480,000.00		462,544.61	(17,455.39)
Interest and Costs on Taxes	7-A	304,000.00		228,320.06	(75,679.94)
Interest on Investments and Deposits	7-A	200,000.00		124,757.81	(75,242.19)
Cable Franchise Fees	7-A	144,000.00		160,099.69	16,099.69
Cell Tower Rental	7-A	182,000.00		215,761.46	33,761.46
Energy Receipts Tax	7-A	2,203,357.00		2,203,357.00	
Consolidated Municipal Property Tax Relief Act	7-A	65,592.00		65,592.00	
Uniform Fire Safety Act	7-A	50,594.89		52,156.52	1,561.63
Aquatic Center Lease	7-A	70,000.00		70,000.00	
Capital Surplus	7-A	1,000,000.00		1,000,000.00	
Utility Operating Surplus of Prior Year	7-A	800,000.00		800,000.00	
Hospital Property Security Agreement	7-A	150,000.00		187,500.00	37,500.00
Municipal Recycling Service Grant	24-A	15,000.00		15,000.00	
Click It or Ticket Grant	24-A		\$ 4,000.00	4,000.00	
Highway Safety Grant	24-A		42,817.31	42,817.31	
Recycling Tonnage Grant	24-A	52,731.95		52,731.95	
Green Team Grant	24-A		3,600.00	3,600.00	
Drunk Driving Enforcement	24-A	4,213.43		4,213.43	
Drunk Driving Enforcement	24-A		3,421.34	3,421.34	
2011 Over the Limit / Under Control	24-A		4,400.00	4,400.00	
Body Armor Replacement Grant	24-A	2,209.25		2,209.25	
Bullet Proof Vest Grant	24-A	20,312.50		20,312.50	
COPS Secure our Schools	24-A		37,500.00	37,500.00	
Drive Sober or get Pulled Over	24-A		5,000.00	5,000.00	
NJ Sustainable Grant	24-A		25,000.00	25,000.00	
Alcohol Education Grant	24-A	201.09		201.09	
COPS in Shops Grant	24-A	1,600.00		1,600.00	
Clean Communities Program	24-A	68,350.11		68,350.11	
Supplemental Municipal Alliance on Alcoholism and Drug Abuse	24-A	3,500.00		3,500.00	
Municipal Alliance on Alcoholism and Drug Abuse	24-A	28,547.00		28,547.00	
Total Miscellaneous Revenues	A-1	<u>6,439,209.22</u>	<u>125,738.65</u>	<u>6,564,150.44</u>	<u>(797.43)</u>
Receipts From Delinquent Taxes	A-1	<u>900,003.79</u>		<u>718,036.92</u>	<u>(181,966.87)</u>
Amount To Be Raised By Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2	<u>21,346,465.83</u>		<u>22,914,503.23</u>	<u>1,568,037.40</u>
Budget Revenues	A-3	<u>34,185,678.84</u>		<u>35,696,690.59</u>	<u>1,385,273.10</u>
Non-Budget Revenues	A-1,1-A			<u>493,567.97</u>	<u>493,567.97</u>
	A-3	<u>\$ 34,185,678.84</u>	<u>\$ 125,738.65</u>	<u>\$ 36,190,258.56</u>	<u>\$ 1,878,841.07</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES

Year Ended December 31, 2011

	<u>Reference</u>	
<u>Analysis of Realized Revenues</u>		
Allocation of Current Tax Collections:		
Revenue From Collections	A-1, 3-A	\$ 140,404,951.11
Allocated To:		
School, County, Special and Open Space Taxes		
Taxes Levied	3-A	\$ 119,721,001.34
Taxes Levied for Special District, Cancelled	18-A	<u>(54,051.15)</u>
		<u>119,666,950.19</u>
		20,738,000.92
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>2,176,502.31</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 22,914,503.23</u>
Receipts From Delinquent Taxes:		
Delinquent Tax Collections	A-2,3-A	<u>\$ 718,036.92</u>

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

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES

Year ended December 31, 2011

Analysis of Non-Budget Revenues

Reference

Miscellaneous Revenue Not Anticipated:

Inspection Fees	\$ 13,816.00
Mobile Home Rent	22,000.00
Veterans' and Senior Citizens' Deduction Administrative Fee	5,019.03
Auction Proceeds	18,998.16
NJ State - Storm Reimbursement	323,661.80
Scrap Metal	8,700.90
JIF Award	650.00
Homeowners Mail Reimbursement	2,042.40
Farm Lease	1,000.00
Settlements	66,250.00
VALIC Refund	5,858.25
Filber Rebate	3,394.65
New Horizons Donation	1,000.00
Unclaimed Bail	684.00
Rent	500.00
Miscellaneous Receipts	<u>19,992.78</u>

A-1,1-A

\$ 493,567.97

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
Year ended December 31, 2011

	Appropriated			Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"						
GENERAL GOVERNMENT						
General Administration:						
Salaries and Wages	\$ 229,661.00		\$ 229,661.00	\$ 226,079.57	\$ 3,581.43	
Other Expenses	143,300.00		143,300.00	128,284.75	15,015.25	
Office of the Mayor:						
Other Expenses	2,945.00		2,945.00	2,457.95	487.05	
Ethics Commission:						
Other Expenses	1,940.00		1,940.00	116.00	1,824.00	
Open Space Committee:						
Other Expenses	1,500.00		1,500.00	69.99	1,430.01	
Township Council:						
Salaries and Wages	14,167.00	\$ 750.00	14,917.00	14,766.48	150.52	
Other Expenses	1,025.00		1,025.00	590.00	435.00	
Municipal Clerk:						
Salaries and Wages	205,639.00		205,639.00	202,828.39	2,810.61	
Other Expenses	57,764.00	(750.00)	57,014.00	48,937.59	8,076.41	
Financial Administration (Treasury):						
Salaries and Wages	199,210.00		199,210.00	198,250.37	959.63	
Other Expenses	14,956.00	10,000.00	24,956.00	18,939.06	6,016.94	
Audit Services:						
Other Expenses	48,355.00		48,355.00	43,354.90	5,000.10	
Central Computer Services:						
Salaries and Wages	75,115.00		75,115.00	72,235.78	2,879.22	
Other Expenses	62,921.00		62,921.00	56,825.55	6,095.45	
Revenue Administration (Tax Collection):						
Salaries and Wages	125,617.00		125,617.00	123,636.69	1,980.31	
Other Expenses	19,372.00		19,372.00	10,727.11	8,644.89	
Tax Assessment Administration:						
Salaries and Wages	151,473.00	(9,000.00)	142,473.00	141,815.77	657.23	
Other Expenses	61,758.00		61,758.00	47,903.39	13,854.61	
Other Expenses	388,054.00		388,054.00	385,903.18	2,150.82	
Engineering Services:						
Salaries and Wages	215,752.00	(15,000.00)	200,752.00	197,538.34	3,213.66	
Other Expenses	124,872.00		124,872.00	108,034.59	16,837.41	
Economic Development:						
Salaries and Wages	10,500.00		10,500.00	9,105.16	1,394.84	
Other Expenses	36,372.00		36,372.00	35,840.65	531.35	
Inter-Governmental Relations:						
Other Expenses	500.00		500.00	500.00		
Historic Sites Commission:						
Other Expenses	500.00		500.00		500.00	

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
Year ended December 31, 2011

	Appropriated			Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"						
LAND USE ADMINISTRATION						
Planning Board:						
Salaries and Wages	\$ 63,696.00		\$ 63,696.00	\$ 63,160.04	\$ 535.96	
Other Expenses	62,166.00		62,166.00	47,263.76	14,902.24	
Planning Board Contractual:						
Zoning Board:						
Salaries and Wages	157,143.00		157,143.00	156,406.70	736.30	
Other Expenses	46,269.00	\$ 7,000.00	53,269.00	46,964.13	6,304.87	
INSURANCE						
Unemployment	25,000.00		25,000.00	25,000.00		
General Liability	426,087.00		426,087.00	395,008.14	31,078.86	
Workers Compensation	492,701.00		492,701.00	492,700.73	0.27	
Employee Group Health	2,352,748.00	(60,000.00)	2,292,748.00	2,111,899.62	180,848.38	
PUBLIC SAFETY						
Police Department:						
Salaries and Wages	8,088,681.00		8,088,681.00	7,838,304.02	250,376.98	
Other Expenses	364,714.00		364,714.00	287,640.75	77,073.25	
Office of Emergency Management:						
Salaries and Wages	23,000.00		23,000.00	18,000.08	4,999.92	
Other Expenses	2,095.00		2,095.00	569.90	1,525.10	
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	142,318.00		142,318.00	141,644.16	673.84	
Other Expenses	14,722.00		14,722.00	11,793.37	2,928.63	
Municipal Prosecutor:						
Salaries and Wages	32,448.00		32,448.00	31,012.00	1,436.00	
PUBLIC WORKS						
Salaries and Wages	1,381,908.00	(12,000.00)	1,369,908.00	1,329,621.59	40,286.41	
Other Expenses	120,355.00		120,355.00	94,328.69	26,026.31	
Snow Removal:						
Salaries and Wages	100,000.00		100,000.00	70,268.52	29,731.48	
Other Expenses	675,475.00		675,475.00	630,840.88	44,634.12	
Other Public Works Functions:						
Salaries and Wages	245,546.00		245,546.00	244,674.59	871.41	
Other Expenses	66,136.00		66,136.00	50,861.19	15,274.81	

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
Year ended December 31, 2011

	Appropriated			Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	Reserved	
General Appropriations Operations - Within "CAPS"						
PUBLIC WORKS (continued)						
Shade Tree Commission:						
Other Expenses	\$ 2,715.00		\$ 2,715.00	\$ 2,634.43	\$ 80.57	
Solid Waste Collection:						
Salaries and Wages	10,359.00		10,359.00	7,143.77	3,215.23	
Buildings and Grounds:						
Salaries and Wages	324,333.00	\$ 6,000.00	330,333.00	328,382.56	1,950.44	
Other Expenses	202,253.00		202,253.00	164,840.26	37,412.74	
Vehicle Maintenance:						
Salaries and Wages	412,059.00	(10,000.00)	402,059.00	398,974.64	3,084.36	
Other Expenses	130,835.00	5,000.00	135,835.00	134,791.11	1,043.89	
Condominium Services Act:						
Other Expenses	62,100.00	20,000.00	82,100.00	52,940.94	29,159.06	
HEALTH AND HUMAN SERVICES						
Public Health Services (Board of Health):						
Salaries and Wages	25,153.00		25,153.00	19,653.00	5,500.00	
Other Expenses	1,545.00		1,545.00	702.00	843.00	
Drug Abuse Control:						
Salaries and Wages	16,500.00	(4,500.00)	12,000.00	6,764.69	5,235.31	
Other Expenses	3,227.00	4,500.00	7,727.00	3,644.57	4,082.43	
Environmental Health Services:						
Salaries and Wages	2,000.00		2,000.00	2,000.00		
Other Expenses	986.00		986.00	228.00	758.00	
Animal Control Services:						
Other Expenses	55,106.00		55,106.00	55,106.00		
PARK AND RECREATION						
Recreation Services and Programs:						
Salaries and Wages	359,526.00		359,526.00	355,374.41	4,151.59	
Teen Program:						
Other Expenses	2,500.00		2,500.00	2,488.18	11.82	
Maintenance of Parks:						
Salaries and Wages	446,065.00	(10,000.00)	436,065.00	432,967.22	3,097.78	
Other Expenses	50,730.00		50,730.00	50,611.56	118.44	
Municipal Library:						
Other Expenses	10,000.00		10,000.00	7,973.00	2,027.00	
Affordable Housing:						
Salaries and Wages	4,000.00		4,000.00	4,000.00		
Municipal Court:						
Salaries and Wages	289,759.00	20,000.00	309,759.00	289,888.83	19,870.17	
Other Expenses	71,081.00	(20,000.00)	51,081.00	38,569.60	12,511.40	
Public Defender:						
Salaries and Wages	16,244.00		16,244.00	14,743.92	1,500.08	

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES

Year ended December 31, 2011

	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	\$ 40,000.00	\$ 41,000.00	\$ 47,000.00	\$ 41,000.00	
Postage	60,000.00		60,000.00		13,000.00	
UTILITY EXPENSES AND BULK PURCHASES						
Street Lighting	689,128.00		689,128.00	684,280.08	4,847.92	
Telephone (excluding equipment acquisition)	128,051.00		128,051.00	122,089.00	5,962.00	
Water	25,750.00	7,000.00	32,750.00	32,740.54	9.46	
Gas (natural or propane)	80,000.00		80,000.00	79,763.52	236.48	
Sewerage Processing and Disposal	10,350.00		10,350.00	9,980.10	369.90	
Gasoline	440,479.00		440,479.00	379,243.31	61,235.69	
Landfill/Solid Waste Disposal Costs	220,700.00		220,700.00	150,352.55	70,347.45	
Total Operations - Within "CAPS"	22,570,036.00	(21,000.00)	22,549,036.00	21,237,186.40	1,311,849.60	
Contingent	10,000.00		10,000.00	7,330.00	2,670.00	
Total Operations Including Contingent - Within "CAPS"	22,580,036.00	(21,000.00)	22,559,036.00	21,244,516.40	1,314,519.60	
Detail:						
Salaries and Wages	13,419,397.00	(33,750.00)	13,385,647.00	12,991,641.81	394,005.19	
Other Expenses	9,160,639.00	12,750.00	9,173,389.00	8,252,874.59	920,514.41	
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"						
DEFERRED CHARGES						
Prior Years Bills	47,500.00		47,500.00	13,507.20		\$ 33,992.80
STATUTORY EXPENDITURES						
Social Security System (O.A.S.I.)	1,137,833.00		1,137,833.00	970,337.41	167,495.59	
Police and Firemen's Retirement System of NJ	2,216,001.00		2,216,001.00	2,215,258.00	743.00	
Public Employees Retirement System	802,001.00		802,001.00	801,649.00	352.00	
Defined Contribution Retirement Program	500.00		500.00	89.71	410.29	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	4,203,835.00	-	4,203,835.00	4,000,841.32	169,000.88	33,992.80
Total General Appropriations for Municipal Purposes - Within "CAPS"	26,783,871.00	(21,000.00)	26,762,871.00	25,245,357.72	1,483,520.48	33,992.80
General Appropriations Operations - Excluded from "CAPS"						
Length of Services Awards Program (LOSAP): Other Expenses	85,000.00	5,000.00	90,000.00	89,577.00	423.00	

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

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
Year ended December 31, 2011

	Appropriated			Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	Reserved	
General Appropriations Operations - Excluded from "CAPS"						
Employee Health Insurance	\$ 575,874.20		\$ 575,874.20	\$ 575,874.20		
Police Dispatch/911:						
Salaries and Wages	695,617.00		695,617.00	691,832.43	\$ 3,784.57	
Other Expenses	244,235.00		244,235.00	149,104.38	95,130.62	
SFSP Fire District Payments:						
Other Expenses	10,583.00		10,583.00	10,583.00		
Hurricane Irene Emergency		\$ 140,000.00	140,000.00	123,883.29	16,116.71	
Pre Halloween Storm Emergency		60,000.00	60,000.00	59,716.88	283.12	
Total Other Operations Excluded From "CAPS"	1,611,309.20	205,000.00	1,816,309.20	1,700,571.18	115,738.02	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Monmouth County Board of Alcohol and Drug Abuse Services:						
Grant Share	28,547.00		28,547.00	28,547.00		
Local Share	8,012.00		8,012.00	8,012.00		
Click It or Ticket		4,000.00	4,000.00	4,000.00		
Green Team Grant		3,600.00	3,600.00	3,600.00		
2011 Over the Limit Grant		4,400.00	4,400.00	4,400.00		
2011 NJ Sustainable Grant		25,000.00	25,000.00	25,000.00		
Drive Sober or Get Pulled Over Grant		5,000.00	5,000.00	5,000.00		
COPS Secure Our Schools		37,500.00	37,500.00	37,500.00		
Highway Safety Fund		42,817.31	42,817.31	42,817.31		
Recycling Tonnage Grant	52,731.95		52,731.95	52,731.95		
Child Passenger Safety	3,500.00		3,500.00	3,500.00		
Body Armor Grant	2,209.25		2,209.25	2,209.25		
COPS in SHOPS	1,600.00		1,600.00	1,600.00		
Federal Body Armor Grant	20,312.50	(20,312.50)				
Marlboro Natural Resource Inventory		20,312.50	20,312.50	20,312.50		
Clean Communities Grant		15,000.00	15,000.00	15,000.00		
Municipal Recycling Service Grant	15,000.00	(15,000.00)				
Alcohol Rehabilitation Fund	201.09		201.09	201.09		
Drunk Driving Enforcement Grant	4,213.43		4,213.43	4,213.43		
Drunk Driving Enforcement Grant		3,421.34	3,421.34	3,421.34		
Total Public and Private Programs Offset by Revenues	204,677.33	125,738.65	330,415.98	330,415.98		
Total Operations - Excluded From "CAPS"	1,815,986.53	330,738.65	2,146,725.18	2,030,987.16	115,738.02	
Detail:						
Salaries and Wages	695,617.00		695,617.00	691,832.43	3,784.57	
Other Expenses	1,120,369.53	330,738.65	1,451,108.18	1,339,154.73	111,953.45	
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund	150,000.00		150,000.00	150,000.00		
Total Capital Improvements - Excluded From "CAPS"	150,000.00		150,000.00	150,000.00		
Municipal Debt Service - Excluded From "CAPS"						

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 STATEMENT OF EXPENDITURES
 Year ended December 31, 2011

	Appropriated			Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	Reserved	
Payment of Bond Principal	\$ 1,695,000.00		\$ 1,695,000.00	\$ 1,695,000.00		
Interest on Bonds	795,000.00	\$ 16,000.00	811,000.00	810,583.88		\$ 416.12
Green Acres Trust Loan:						
Loan Repayments for Principal and Interest	28,865.00		28,865.00	28,864.51		0.49
Capital Lease Program:						
Principal	153,000.00		153,000.00	153,000.00		
Interest	17,454.00		17,454.00	16,949.58		504.42
Total Municipal Debt Service - Excluded From "CAPS"	2,689,319.00	16,000.00	2,705,319.00	2,704,397.97		921.03
DEFERRED CHARGES						
Deferred Charges To Future Taxation - Special Emergency	200,000.00		200,000.00	200,000.00		
Deferred Charges To Future Taxation - Emergency	370,000.00		370,000.00	370,000.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	570,000.00		570,000.00	570,000.00		
Total General Appropriations - Excluded From "CAPS"	5,225,305.53	346,738.65	5,572,044.18	5,455,385.13	\$ 115,738.02	921.03
Subtotal General Appropriations	32,009,176.53	325,738.65	32,334,915.18	30,700,742.85	1,599,258.50	34,913.83
Reserve for Uncollected Taxes	2,176,502.31		2,176,502.31	2,176,502.31		
Total General Appropriations	\$ 34,185,678.84	\$ 325,738.65	\$ 34,511,417.49	\$ 32,877,245.16	\$ 1,599,258.50	\$ 34,913.83
<u>Reference</u>	Below	Below	Below	Below	A	

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 STATEMENT OF EXPENDITURES
 Year ended December 31, 2011

	Appropriated		Expended		Cancelled
	Original Budget	Transfers	Budget After Modification	Paid or Charged	
<u>Analysis of Budget After Modification</u>					
Original Budget	A-3		\$ 34,185,678.84		
Emergency Authorization	9b-A		200,000.00		
Added by N.J.S. 40A:4-87	A-2		125,738.65		
			<u>34,511,417.49</u>		
	Above				
<u>Analysis of Paid or Charged</u>					
Cash Disbursements	1-A			\$ 28,473,345.03	
Deferred Charges - Special Emergency	9b-A			370,000.00	
Deferred Charges - Emergency	9a-A			200,000.00	
Reserve for:					
Encumbrances	12-A			1,334,993.84	
State Grants - Appropriated	25-A			322,403.98	
Uncollected Taxes	A-2			2,176,502.31	
				<u>32,877,245.16</u>	
	Above				

TRUST FUND

EXHIBIT

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEETS

December 31, 2011 and 2010

<u>Assets</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>	<u>Liabilities and Reserves</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>
				Animal Control Trust Fund:			
				Due To State of New Jersey	3-B	\$ 275.40	\$ 275.40
				Reserve for Animal Control	6-B	\$ 55,607.97	\$ 39,878.01
Animal Control Trust Fund:							
Cash and Cash Equivalents	1-B	\$ 55,607.97	\$ 40,153.41			55,607.97	40,153.41
Escrow Deposit Trust Fund:				Escrow Deposit Trust Fund:			
Cash and Cash Equivalents	1-B	2,776,727.71	3,700,259.88	Reserve for Deposits	7-B	2,776,727.71	3,700,259.88
Open Space Trust Fund:				Open Space Trust Fund:			
Cash and Cash Equivalents	1-B	4,326,954.45	4,005,114.79	Reserve for Open Space	5-B	4,326,954.45	4,005,114.79
Trust - Other Fund:				Trust - Other Fund:			
Cash and Cash Equivalents	1-B	16,973,878.17	16,914,300.38	Due To:			
Due From Current Fund	2-B	28,500.00	28,500.00	State of New Jersey -	8-B	16,045.00	9,750.00
				DCA Fees	4-B	16,957,833.17	16,933,050.38
				Various Reserves			
		16,973,878.17	16,942,800.38			16,973,878.17	16,942,800.38
Length of Service Award Program				Length of Service Award Program			
Trust Fund ("LOSAP") - Unaudited:				Trust Fund ("LOSAP") - Unaudited:			
Investments	9-B	657,545.53	616,549.83	Miscellaneous Reserves	10-B	657,545.53	616,549.83
Total Assets		\$ 24,790,713.83	\$ 25,304,878.29	Total Liabilities and Reserves		\$ 24,790,713.83	\$ 25,304,878.29

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

GENERAL CAPITAL FUND

EXHIBITS

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS

December 31, 2011 and 2010

<u>Assets</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>
Cash and Cash Equivalents	1-C,2-C	\$ 1,605,200.52	\$ 5,122,965.63	General Serial Bonds	6-C	\$ 25,694,000.00	\$ 27,245,000.00
Due From NJ DOT	3-C	146,250.00	585,000.00	Due To Federal and State Grant Fund	11-C		2,000.00
Due From Swimming Pool Utility Capital Fund	12-C	250,000.00	250,000.00	Green Trust Loan Payable	7-C	283,743.56	306,589.93
Due From Water Utility Capital Fund	13-C		30,000.00	Improvement Authorizations:			
Due from Federal and State Grant Fund	11-C	275,947.19		Funded	8-C	1,635,990.26	3,405,624.98
Deferred Charges To Future Taxation:				Unfunded	8-C	5,825,602.53	1,402,224.22
Funded	4-C	25,977,743.56	27,551,589.93	Capital Improvement Fund	9-C	48,976.00	47,500.00
Unfunded	5-C	<u>7,647,601.66</u>	<u>2,334,322.98</u>	Various Reserves	10-C	642,376.16	700,957.37
				Fund Balance	C-1	<u>1,772,054.42</u>	<u>2,763,982.04</u>
 Total Assets		 <u>\$ 35,902,742.93</u>	 <u>\$ 35,873,878.54</u>	 Total Liabilities, Reserves and Fund Balance		 <u>\$ 35,902,742.93</u>	 <u>\$ 35,873,878.54</u>

There were bonds and notes authorized but not issued at December 31, 2011 and 2010 in the amount of \$7,647,601.66 and \$2,334,322.98, respectively. (See schedule 16-C)

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	C	\$ 2,763,982.04
Increased By:		
Funded Improvement Authorizations Cancelled	8-C	<u>113,072.38</u>
		2,877,054.42
Decreased By:		
Appropriated to 2011 Budget Revenue	1-C	\$ 1,000,000.00
Appropriated to Finance Improvement Authorizations	8-C	<u>105,000.00</u>
		<u>1,105,000.00</u>
Balance, December 31, 2011	C	<u>\$ 1,772,054.42</u>

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

SWIMMING POOL UTILITY FUNDS

EXHIBITS

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

COMPARATIVE BALANCE SHEETS

December 31, 2011 and 2010

<u>Assets</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>
Operating Fund:				Operating Fund:			
Cash and Cash Equivalents	1-D	\$ 649,199.85	\$ 724,199.08	Appropriation Reserves	D-3, 5-D	\$ 108,160.98	\$ 135,353.15
Due From Swim Capital	9-D	<u>80,000.03</u>	<u>80,000.03</u>	Encumbrances Payable	D-3, 6-D	36,446.60	37,448.81
				Accounts Payable	7-D	35,325.06	35,483.06
				Prepaid Membership Fees	8-D	138,049.00	182,849.00
Total Operating Fund		<u>729,199.88</u>	<u>804,199.11</u>	Prepaid Guest Book Fees	10-D	960.00	1,315.00
				Prepaid Miscellaneous Fees	11-D	609.00	1,325.00
				Security Deposit	D	<u>3,543.58</u>	<u>3,543.58</u>
						323,094.22	397,317.60
				Fund Balance	D-1	<u>406,105.66</u>	<u>406,881.51</u>
						729,199.88	804,199.11
				Total Operating Fund		<u>729,199.88</u>	<u>804,199.11</u>
Capital Fund:				Capital Fund:			
Cash	1-D, 2-D	5,247.88	5,247.88	Improvement Authorizations:			
Fixed Capital	3-D	3,182,460.21	3,178,460.21	Unfunded	14-D	78,007.24	78,007.24
Fixed Capital Authorized and Uncompleted	4-D	<u>78,007.24</u>	<u>78,007.24</u>	Due To Swim Pool Operating Fund	9-D	80,000.03	80,000.03
				Due To General Capital Fund	9-D	250,000.00	250,000.00
Total Capital Fund		<u>3,265,715.33</u>	<u>3,261,715.33</u>	Reserve for:			
				Capital Outlay	12-D	43,490.61	43,490.61
				Amortization	13-D	<u>2,814,217.45</u>	<u>2,810,217.45</u>
				Total Capital Fund		<u>3,265,715.33</u>	<u>3,261,715.33</u>
Total Assets		<u>\$ 3,994,915.21</u>	<u>\$ 4,065,914.44</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 3,994,915.21</u>	<u>\$ 4,065,914.44</u>

There were bonds and notes authorized but not issued at December 31, 2011 and 2010 in the amount of \$446,250.00. (See Schedule 15-D)

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

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE

Years ended December 31, 2011 and 2010

	<u>Reference</u>	<u>2011</u>	<u>2010</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	D-2	\$ 242,539.85	\$ 331,250.00
Membership Fees	D-2	460,053.00	484,515.00
Recreation Lease	D-2	50,000.00	50,000.00
Interest on Investments	D-2	65.86	107.89
Miscellaneous	D-2	300,542.37	271,503.08
Other Credits To Income:			
Unexpended Balance of Appropriation Reserves	5-D	<u>161,102.77</u>	<u>153,717.12</u>
		<u>1,214,303.85</u>	<u>1,291,093.09</u>
Expenditures:			
Operating	D-3	921,581.85	999,250.00
Debt Service	D-3	4,000.00	7,000.00
Statutory Expenditures	D-3	<u>46,958.00</u>	<u> </u>
		<u>972,539.85</u>	<u>1,006,250.00</u>
Excess in Revenue		241,764.00	284,843.09
Fund Balance, January 1	D	<u>406,881.51</u>	<u>453,288.42</u>
		648,645.51	738,131.51
Decreased By:			
Utilized as Anticipated Revenue	D-1	<u>242,539.85</u>	<u>331,250.00</u>
Fund Balance, December 31	D	<u>\$ 406,105.66</u>	<u>\$ 406,881.51</u>

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

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

STATEMENT OF REVENUES

Year ended December 31, 2011

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	<u>(Deficit)/ Excess</u>
Fund Balance Utilized	D-1	\$ 242,539.85	\$ 242,539.85	
Membership Fees	D-1	484,000.00	460,053.00	\$ (23,947.00)
Miscellaneous	D-1	271,000.00	300,542.37	29,542.37
Recreation Lease	D-1, 1-D	50,000.00	50,000.00	
Interest on Investments	D-1, 1-D	<u>-</u>	<u>65.86</u>	<u>65.86</u>
Total		<u>\$ 1,047,539.85</u>	<u>\$ 1,053,201.08</u>	<u>\$ 5,661.23</u>

	<u>Reference</u>	<u>D-3</u>	<u>Below</u>
<u>Analysis of Revenue</u>			
Fund Balance Utilized	Above		\$ 242,539.85
Cash Receipts			625,172.23
Prepaid Applied			
Membership Fees	8-D		182,849.00
Miscellaneous Fees	11-D		1,325.00
Guest Book Fees	10-D		<u>1,315.00</u>
	Above		<u>\$ 1,053,201.08</u>
<u>Analysis of Membership Fees</u>			
Cash Receipts	1-D		\$ 277,204.00
Prepaid Applied	8-D		<u>182,849.00</u>
			<u>\$ 460,053.00</u>
<u>Analysis of Interest on Investments</u>			
Cash Receipts	1-D		<u>\$ 65.86</u>
<u>Analysis of Miscellaneous Revenue</u>			
Cash Receipts	1-D		\$ 297,902.37
Prepaid Applied	10-D, 11-D		<u>2,640.00</u>
			<u>\$ 300,542.37</u>
<u>Miscellaneous Revenue Detail</u>			
Swimming Lessons			\$ 19,561.64
Swim Team			2,835.50
Camp			178,265.00
Vendor Payments			47,834.98
Additional Adult			2,559.00
Guest Membership Fees			48,885.00
Interest			65.86
Other			<u>535.39</u>
	D-1		<u>\$ 300,542.37</u>

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY
 SWIMMING POOL UTILITY OPERATING FUND
 STATEMENT OF EXPENDITURES
 Year ended December 31, 2011

			Expended			
	<u>Original Budget</u>	<u>Budget Modified</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>	<u>Reserved</u>	<u>Cancelled</u>
Operating:						
Salaries and Wages	\$ 459,260.85	\$ 459,260.85	\$ 449,809.53		\$ 9,451.32	
Other Expenses	<u>492,321.00</u>	<u>492,321.00</u>	<u>342,262.18</u>	\$ 36,446.60	<u>83,612.22</u>	\$ 30,000.00
Total Operating	<u>951,581.85</u>	<u>951,581.85</u>	<u>792,071.71</u>	<u>36,446.60</u>	<u>93,063.54</u>	<u>30,000.00</u>
Capital Improvements:						
Capital Outlay	<u>49,000.00</u>	<u>49,000.00</u>	<u>4,000.00</u>			<u>45,000.00</u>
Total Capital Improvements	<u>49,000.00</u>	<u>49,000.00</u>	<u>4,000.00</u>			<u>45,000.00</u>
Statutory Expenditures:						
Contribution To:						
Public Employee's Retirement System	13,923.00	13,923.00			13,923.00	
Social Security (O.A.S.I.)	<u>33,035.00</u>	<u>33,035.00</u>	<u>31,860.56</u>		<u>1,174.44</u>	
Total Statutory Expenditures	<u>46,958.00</u>	<u>46,958.00</u>	<u>31,860.56</u>		<u>15,097.44</u>	
	<u>\$ 1,047,539.85</u>	<u>\$ 1,047,539.85</u>	<u>\$ 827,932.27</u>	<u>\$ 36,446.60</u>	<u>\$ 108,160.98</u>	<u>\$ 75,000.00</u>
<u>Reference</u>	D-2	D-2	1-D	D, 6-D	D	

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

PAYROLL FUND

EXHIBIT

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

PAYROLL FUND

COMPARATIVE BALANCE SHEETS

December 31, 2011 and 2010

<u>Assets</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>	<u>Liabilities</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>
Cash	E	<u>\$ 36,043.40</u>	<u>\$ 30,090.39</u>	Due To Various Agencies	E	<u>\$ 36,043.40</u>	<u>\$ 30,090.39</u>
Total Assets		<u>\$ 36,043.40</u>	<u>\$ 30,090.39</u>	Total Liabilities		<u>\$ 36,043.40</u>	<u>\$ 30,090.39</u>

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

WATER UTILITY FUNDS

EXHIBITS

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY FUND

COMPARATIVE BALANCE SHEETS

December 31, 2011 and 2010

<u>Assets</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2011</u>	<u>2010</u>
Operating Fund:				Operating Fund:			
Cash and Cash Equivalents	1-F	\$ 3,136,390.96	\$ 2,952,860.30	Appropriation Reserves	F-3, 16-F	\$ 179,846.24	\$ 192,463.15
Due From Water Utility Capital Fund	14-F		601.82	Encumbrances Payable	F-3, 16-F	762,281.13	671,591.78
Accounts Receivable	3-F	<u>299,306.25</u>	<u>377,290.91</u>	Accrued Interest on Bonds	6-F	64,547.42	67,115.70
				Customer Overpayments	5-F	15,798.00	15,798.00
				Various Reserves	4-F	795,520.11	909,721.90
				Security Deposit	1-F	<u>25,000.00</u>	
						<u>1,842,992.90</u>	<u>1,856,690.53</u>
Total Operating Fund		<u>3,435,697.21</u>	<u>3,330,753.03</u>	Reserve for Receivable	F	299,306.25	377,290.91
				Fund Balance	F-1	<u>1,293,398.06</u>	<u>1,096,771.59</u>
				Total Operating Fund		<u>3,435,697.21</u>	<u>3,330,753.03</u>
Capital Fund:				Capital Fund:			
Cash and Cash Equivalents	1-F, 2-F	1,246,052.75	3,457,210.39	Serial Bonds	10-F	19,975,000.00	22,090,000.00
Fixed Capital	7-F	32,967,341.00	32,967,341.00	Accounts Payable	13-F	26,115.00	26,115.00
Fixed Capital Authorized and Uncompleted	8-F	<u>1,754,250.00</u>	<u>840,000.00</u>	Improvement Authorizations:			
				Funded	9-F	293,328.88	727,974.23
				Unfunded	9-F	593,822.53	
				Due To Water Utility Operating Fund	14-F		601.82
Total Capital Fund		<u>35,967,643.75</u>	<u>37,264,551.39</u>	Due To General Capital Fund	14-F		30,000.00
				Reserve for Capital Improvement Fund	11-F	50,000.00	50,000.00
				Reserve for Amortization	12-F	13,832,341.00	11,717,341.00
				Reserve for Deferred Amortization	15-F	300,000.00	
				Fund Balance	F-4	<u>897,036.34</u>	<u>2,622,519.34</u>
				Total Capital Fund		<u>35,967,643.75</u>	<u>37,264,551.39</u>
Total Assets		<u>\$ 39,403,340.96</u>	<u>\$ 40,595,304.42</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 39,403,340.96</u>	<u>\$ 40,595,304.42</u>

There balance of Water Utility bonds and notes authorized but not issued at December 31, 2011 and 2010 are \$614,250 and \$ - , respectively (Schedule 17-F).

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

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE

Year ended December 31, 2011 and 2010

	<u>Reference</u>	<u>2011</u>	<u>2010</u>
Revenue and Other Income:			
Water Utility Capital Surplus	F-2	\$ 1,425,483.00	\$ 2,436,556.66
Service Charges	F-2	7,111,985.75	6,958,718.27
Connection Fees	F-2	364,663.13	213,174.53
Other Operating Revenues	F-2	60,259.93	50,636.57
Interest on Investments	F-2	15,075.40	81,998.93
Solar Renewable Energy Credits	F-2	410,817.00	542,741.27
Other Credits to Income:			
Miscellaneous Revenue Not Anticipated	F-2	23,823.93	281.54
Unexpended Balance of 2010 Appropriation Reserves	16-F	242,614.31	
		<u>9,654,722.45</u>	<u>10,284,107.77</u>
Total Revenue and Other Income			
Expenditures:			
Operating	F-3	5,649,625.00	5,185,477.00
Capital Improvements	F-3	1,000.00	100,000.00
Debt Service	F-3	2,865,056.01	3,835,164.66
Statutory	F-3	142,414.97	67,115.70
		<u>8,658,095.98</u>	<u>9,187,757.36</u>
Total Expenditures			
Excess in Revenue		<u>996,626.47</u>	<u>1,096,350.41</u>
Fund Balance, January 1	F	1,096,771.59	
Increased By:			
Transfer from Dissolution of the Authority			5,450,421.18
Decreased By:			
Appropriated to Current Fund Budget Revenue	1-F	<u>800,000.00</u>	<u>5,450,000.00</u>
Fund Balance, December 31	F	<u>\$ 1,293,398.06</u>	<u>\$ 1,096,771.59</u>

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

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

STATEMENT OF REVENUES

Year ended December 31, 2011

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Water Utility Capital Surplus	F-1,F-4, 1-F	\$ 1,425,483.00	\$ 1,425,483.00	
Service Charges	F-1,1-F, 3-F	6,500,000.00	7,111,985.75	\$ 611,985.75
Connection Fees	F-1, 1-F	150,000.00	364,663.13	214,663.13
Other Operating Revenues	F-1,1-F	50,000.00	60,259.93	10,259.93
Interest on Investments	F-1,1-F	80,000.00	15,075.40	(64,924.60)
Solar Renewable Energy Credits	F-1, 1-F	540,000.00	410,817.00	(129,183.00)
Miscellaneous Revenue Not Anticipated	F-1, 1-F		<u>23,823.93</u>	<u>23,823.93</u>
Total		<u>\$ 8,745,483.00</u>	<u>\$ 9,412,108.14</u>	<u>\$ 666,625.14</u>
	<u>Reference</u>	F-3		

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES

Year ended December 31, 2011

	Original Budget	Budget Modified	Expended			Cancelled
			Paid or Charged	Encumbrances	Reserved	
Operating:						
Salaries and Wages	\$ 955,788.00	\$ 955,788.00	\$ 849,716.94		\$ 106,071.06	
Other Expenses	<u>4,694,337.00</u>	<u>4,693,837.00</u>	<u>3,859,191.45</u>	<u>\$ 762,281.13</u>	<u>72,364.42</u>	
Total Operating	<u>5,650,125.00</u>	<u>5,649,625.00</u>	<u>4,708,908.39</u>	<u>762,281.13</u>	<u>178,435.48</u>	
Capital Improvements:						
Capital Outlay	<u>1,000.00</u>	<u>1,000.00</u>			<u>1,000.00</u>	
Total Capital Improvements	<u>1,000.00</u>	<u>1,000.00</u>			<u>1,000.00</u>	
Debt Service:						
Payment of Bond Principal	2,115,000.00	2,115,000.00	2,115,000.00			
Interest on Bonds	<u>832,625.00</u>	<u>832,625.00</u>	<u>750,056.01</u>			\$ 82,568.99
Total Debt Service	<u>2,947,625.00</u>	<u>2,947,625.00</u>	<u>2,865,056.01</u>			<u>82,568.99</u>
Statutory Expenditures and Deferred Charges:						
Contribution To:						
Public Employees' Retirement System	96,290.00	96,290.00	96,289.00		1.00	
Unemployment Compensation Insurance - (N.J.S.A. 43-21-3)	35,443.00	35,943.00	35,533.24		409.76	
Deferred Charges - PY Bills	<u>15,000.00</u>	<u>15,000.00</u>	<u>10,181.97</u>			<u>4,818.03</u>
	<u>146,733.00</u>	<u>147,233.00</u>	<u>142,004.21</u>		<u>410.76</u>	<u>4,818.03</u>
Total Statutory Expenditures	<u>\$ 8,745,483.00</u>	<u>\$ 8,745,483.00</u>	<u>\$ 7,715,968.61</u>	<u>\$ 762,281.13</u>	<u>\$ 179,846.24</u>	<u>\$ 87,387.02</u>
	Reference					
	F-2	F-2	Below	F	F	
Analysis of Paid or Charged:						
Cash Disbursements	1-F		\$ 6,965,912.60			
Accrued Interest on Bonds	6-F		<u>750,056.01</u>			
	Above		<u>\$ 7,715,968.61</u>			

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

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE

Year ended December 31, 2011

	<u>Reference</u>	<u>2011</u>
Balance, December 31, 2010	F	\$ 2,622,519.34
Decreased By:		
Appropriated to Finance Improvement Authorizations	9-F, 15-F	300,000.00
Appropriated to 2011 Water Utility Fund Budget Revenue	F-2	<u>1,425,483.00</u>
Balance, December 31, 2011	F	<u>\$ 897,036.34</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

EXHIBIT

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE BALANCE SHEETS

December 31, 2011 and 2010

	<u>Reference</u>	Balance December 31, <u>2011</u>	Balance December 31, <u>2010</u>
Land, Buildings and Improvements	1-G	\$ 70,075,687.00	\$ 69,150,896.00
Machinery, Equipment and Vehicles	1-G	<u>10,911,557.00</u>	<u>10,247,845.00</u>
Total General Fixed Assets		<u>\$ 80,987,244.00</u>	<u>\$ 79,398,741.00</u>
Investment in General Fixed Assets	1-G	<u>\$ 80,987,244.00</u>	<u>\$ 79,398,741.00</u>

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

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The Governmental Accounting Standards Board (GASB) established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") requires the financial statements of the Township of Marlboro ("Township") to be reported separately.

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

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

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

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds

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

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

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

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

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

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

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

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

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

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

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 and consumer charges are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of utility consumer charges, which should be recognized in the period they are earned and become measurable.

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

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Property Acquired for Taxes - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the governmental fixed assets at the lower of cost or fair market value.

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

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

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

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 3 to the financial statements.

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

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

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

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

Management has reviewed and evaluated all events and transactions that occurred from December 31, 2011 through July 25, 2012, the date that the financial statements were issued, and the effects of those that provided additional pertinent information about conditions that existed at the balance sheet date, have been recognized in the accompanying financial statements.

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

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.

As of December 31, 2011 and 2010, the amount held by the third party administrator amounted to \$3,127,704.97 and \$2,818,285.57, respectively.

TOWNSHIP OF MARLBORO
 MONMOUTH COUNTY, NEW JERSEY
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

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:

A. Summary of Municipal Debt for Capital Projects

	<u>Year 2011</u>	<u>Year 2010</u>
Issued:		
General:		
Bonds	\$ 25,694,000.00	\$ 27,245,000.00
Green Acres Trust Loan	283,743.56	306,589.93
Water Utility:		
Bonds	<u>19,975,000.00</u>	<u>22,090,000.00</u>
Total debt issued	45,952,743.56	49,641,589.93
Authorized but not issued:		
General:		
Bonds and notes	7,647,601.66	2,334,322.98
Swimming Pool Utility:		
Bonds and notes	446,250.00	446,250.00
Water Utility:		
Bonds and notes	<u>614,250.00</u>	<u>-</u>
Total authorized but not issued	<u>8,708,101.66</u>	<u>2,780,572.98</u>
Net bonds and notes issued and authorized but not issued	<u>\$ 54,660,845.22</u>	<u>\$ 52,422,162.91</u>

TOWNSHIP OF MARLBORO
 MONMOUTH COUNTY, NEW JERSEY
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

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

B. Summary of Statutory Debt Condition - Annual Debt Statement – 2011

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	\$ 30,325,000.00	\$ 30,325,000.00	\$ -
Regional school district debt	9,057,063.10	9,057,063.10	-
Green Trust fund loan	283,744.00	-	283,744.00
Self-Liquidating debt	21,035,500.00	21,035,500.00	-
General debt	<u>33,341,601.66</u>	<u>2,552,331.71</u>	<u>30,789,269.95</u>
	<u>\$ 94,042,908.76</u>	<u>\$ 62,969,894.81</u>	<u>\$ 31,073,013.95</u>

Net Debt \$31,073,013.95 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$7,498,037,352 equals 0.41%.

EQUALIZED VALUATION BASIS

2009 Equalized Valuation Basis of Real Property	\$ 7,584,031,317.00
2010 Equalized Valuation Basis of Real Property	7,472,289,477.00
2011 Equalized Valuation Basis of Real Property	<u>7,437,791,262.00</u>

Average Equalized Valuation	<u>\$ 7,498,037,352.00</u>
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BORROWING POWER UNDER N.J.S.A 40A:2-6 AS AMENDED

3 1/2% of Equalized Valuation Basis Municipal	\$ 262,431,307.32
Net Debt	<u>31,073,013.95</u>

Remaining Borrowing Power	<u>\$ 231,358,293.37</u>
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The Township of Marlboro Board of Education and Freehold Regional School District are Type II School Districts. As such, the members of the Boards of Education are elected by the citizens of the Township and school appropriations are set by the Board of Education. Bonds and notes authorized by voter referendum to finance capital expenditures are general obligations of the Boards of Education and, as such, are reported on the balance sheets of the Boards of Education.

TOWNSHIP OF MARLBORO
 MONMOUTH COUNTY, NEW JERSEY
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

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 13, 2022

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

<u>Year</u>	<u>General Capital</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 1,475,000.00	\$ 615,039.50	\$ 2,090,039.50
2013	1,604,000.00	570,495.00	2,174,495.00
2014	1,729,000.00	525,270.00	2,254,270.00
2015	1,769,000.00	474,972.50	2,243,972.50
2016	1,860,000.00	403,210.00	2,263,210.00
2017-2021	11,627,000.00	1,998,667.50	13,625,667.50
2022-2026	<u>5,630,000.00</u>	<u>215,240.00</u>	<u>5,845,240.00</u>
	<u>\$ 25,694,000.00</u>	<u>\$ 4,802,894.50</u>	<u>\$ 30,496,894.50</u>

TOWNSHIP OF MARLBORO
 MONMOUTH COUNTY, NEW JERSEY
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

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

Water Utility Capital			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 2,160,000.00	\$ 420,912.50	\$ 2,580,912.50
2013	2,210,000.00	429,220.00	2,639,220.00
2014	1,545,000.00	316,418.50	1,861,418.50
2015	1,580,000.00	323,105.50	1,903,105.50
2016	1,630,000.00	321,696.00	1,951,696.00
2017-2021	5,865,000.00	1,385,362.50	7,250,362.50
2022-2026	1,995,000.00	453,462.50	2,448,462.50
2027-2031	1,460,000.00	306,000.00	1,766,000.00
2032-2036	<u>1,530,000.00</u>	<u>334,687.50</u>	<u>1,864,687.50</u>
	<u>\$ 19,975,000.00</u>	<u>\$ 4,290,865.00</u>	<u>\$ 24,265,865.00</u>

Green Trust Loan Payable			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2017-2021	133,998.86	10,323.64	144,322.50
2022	<u>28,437.28</u>	<u>427.22</u>	<u>28,864.50</u>
	<u>\$ 283,743.56</u>	<u>\$ 33,765.95</u>	<u>\$ 317,509.51</u>

TOWNSHIP OF MARLBORO
 MONMOUTH COUNTY, NEW JERSEY
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

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

<u>Year</u>	Capital Lease Program		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 197,400.00	\$ 15,404.64	\$ 212,804.64
2013	147,300.00	8,265.00	155,565.00
2014	<u>43,000.00</u>	<u>1,720.00</u>	<u>44,720.00</u>
	<u>\$ 387,700.00</u>	<u>\$ 25,389.64</u>	<u>\$ 413,089.64</u>

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	
	2011	2010	2011	2010
	Balance of tax Deferred	\$ 35,719,617.00 <u>33,815,162.50</u>	\$ 33,969,252.00 <u>33,965,350.00</u>	\$ 14,724,232.88 <u>13,548,122.50</u>
Tax Payable	<u>\$ 1,904,454.50</u>	<u>\$ 3,902.00</u>	<u>\$ 1,176,110.38</u>	<u>\$ 1,409,618.15</u>

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2011 and 2010 were appropriated and included as anticipated revenue in its own respective funds or in the current fund for the "Fiscal Year" ending December 31, 2012 and 2011 as follows:

	2012	2011
Current fund	\$ 3,475,260.00	\$ 5,500,000.00
Swim utility fund	331,045.19	242,539.85
Water utility fund	800,000.00	800,000.00

TOWNSHIP OF MARLBORO
 MONMOUTH COUNTY, NEW JERSEY
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

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, 2011, the following Deferred Charges were on the Township's Current Fund Balance Sheet:

Special Emergency Appropriations	\$ <u>400,000.00</u>
Emergency Appropriations	\$ <u>200,000.00</u>

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, 2011, the book value of the cash and cash equivalents and investments of the Township consisted of the following:

Cash (Demand Accts.)	\$ 31,626,061.00
Money market funds	12,860,786.00
Total	<u>\$ 44,486,847.00</u>

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

Depository Account	<u>Bank Balance</u>
Insured-FDIC	\$ 750,000.00
Insured-NJGUDPA (N.J.S.A. 17:941)	<u>46,154,896.00</u>
Total	<u>\$ 46,904,896.00</u>

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

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 Asset and 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, 2011 AND 2010

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, 2011 AND 2010

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, 2011, 2010 and 2009 were \$3,113,196, \$2,580,778.82 and \$1,251,289.63, respectively, equal to the required contributions for each year. In 2009, the State of New Jersey permitted Municipalities to defer up to 50% of their contributions due in 2009. The Township elected this option, resulting in the deferral of \$2,409,955.

NOTE 10: POST RETIREMENT HEALTH BENEFITS

State Health Benefits Program (SHBP)

Plan Description:

The Township contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits for a very limited number of employees. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents. Participation by the Township in this plan is limited to 5 retirees and their benefits.

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

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

Plan Coverage:

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

Funding Policy:

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

Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Township on a monthly basis. Eligible employees and retirees have the option of choosing from four medical benefit plans (NJ Direct15, NJ Direct10, Aetna or CIGNA HealthCare HMO) with rates ranging from \$527.84 for a single participant to \$1,385.73 for Family coverage and \$148.73 for a prescription single coverage to \$371.80 for prescription family coverage.

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 10: POST RETIREMENT HEALTH BENEFITS (CONTINUED)

Other:

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

NOTE 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, 2011. 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 involved in lawsuits with the State of New Jersey and a builder regarding the Township's affordable housing obligations. This lawsuit is not expected to affect the Township's operations as it relates to the use of the accumulated balances related to affordable housing in the Township's Trust Other Fund.

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 \$2,483,174.74 and \$3,024,707.26 at December 31, 2011 and 2010 respectively. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

TOWNSHIP OF MARLBORO
 MONMOUTH COUNTY, NEW JERSEY
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 13: TAX APPEALS

At December 31, 2011, there are several tax appeals pending before the New Jersey Tax Court requesting a reduction of assessed valuation for 2011 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, 2011, 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, 2011, 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, 2011:

Fund	Receivable	Payable
Current Fund	\$ -	\$ 761,000.36
Grant Fund	761,000.36	275,947.19
General Capital Fund	525,947.19	-
Swimming Pool Utility Operating Fund	80,000.03	-
Swimming Pool Utility Capital Fund	-	330,000.03
	<u> </u>	<u> </u>
Total	<u>\$ 1,366,947.58</u>	<u>\$ 1,366,947.58</u>

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

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

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

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

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

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

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

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

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

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

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

TOWNSHIP OF MARLBORO
MONMOUTH COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 16: LENGTH OF SERVICE AWARD PROGRAM ("LOSAP") - UNAUDITED (CONTINUED)

The Township has authorized The Variable Annuity Life Insurance Company, as the plan provider. As of December 31, 2011 and 2010, the cumulative balance of the Length of Service Award Program was \$657,545.53 and \$616,549.83, respectively and is recorded in the Trust fund of the Township as part of the reserve for deferred compensation.

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

CURRENT AND GRANT FUND

SCHEDULES

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	A		\$ 12,079,582.75
Increased By Receipts:			
Non-Budget Revenues	A-2	\$ 493,567.97	
Due From State of New Jersey:			
Senior Citizens' and Veterans' Deductions	2-A	250,951.72	
Taxes Receivable	3-A	140,251,428.72	
Monmouth County Improvement Authority	5-A	297,967.35	
Revenue Accounts Receivable	7-A	6,241,746.46	
2011 Prepaid Taxes	13-A	683,754.38	
Tax Overpayments	14-A	396,899.94	
Due To State of New Jersey - Marriage			
License Fees	20-A	2,200.00	
Various Reserves	22-A	2,508,353.91	
Prepaid Fees	29-A	15,120.00	
Prepaid Licenses	28-A	13,360.97	
Federal and State Grants Receivable	24-A	374,327.03	
Grant Fund Unappropriated Reserves	26-A	<u>124,873.32</u>	
			<u>151,654,551.77</u>
			163,734,134.52
Decreased By Disbursements:			
2011 Budget Appropriations	A-3	28,473,345.03	
2010 Appropriations Reserves	10-A	785,434.09	
Monmouth County Improvement Authority	5-A	201,078.67	
Interfunds	8-A	28,500.00	
Accounts Payable	11-A	5,340.00	
Tax Overpayments	14-A	415,237.21	
County Taxes Payable	15-A	21,303,795.51	
Local District School Tax	16-A	65,882,960.00	
Regional High School Tax	17-A	27,311,893.50	
Special District Taxes	18-A	2,741,134.00	
Municipal Open Space Tax Payable	19-A	693,725.00	
Due To State of New Jersey - Marriage			
License Fees	20-A	2,350.00	
Various Reserves	22-A	1,955,866.70	
Federal/State Grant Appropriations	25-A	<u>258,331.04</u>	
			<u>150,058,990.75</u>
Balance, December 31, 2011	A		\$ <u>13,675,143.77</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, 2011

	<u>Reference</u>		
Balance, December 31, 2010	A	\$	9,252.40
Increased By:			
Senior Citizens' Deductions Per Tax Billing	Below	\$	33,375.00
Veterans' Deductions Per Tax Billing	Below		210,625.00
2011 Senior Citizens' Deductions, Veterans' and Disabled Deductions Allowed	Below		<u>13,750.00</u>
			<u>257,750.00</u>
			267,002.40
Decreased By:			
Cash Receipts	1-A		250,951.72
2010 Senior Citizens' Deductions Disallowed	A-1, 3-A		2,923.28
2011 Senior Citizens' Deductions Disallowed	Below		<u>2,823.29</u>
			<u>256,698.29</u>
Balance, December 31, 2011	A	\$	<u><u>10,304.11</u></u>
 <u>Analysis of Senior Citizens, Veterans and Disability Deductions Realized as Revenues in FY 2011</u>			
Deductions Allowed Per Tax Billings	Above	\$	244,000.00
Plus:			
2011 Deductions Allowed by Collector	Above		13,750.00
Less:			
2011 Deductions Disallowed by Collector	Above		<u>2,823.29</u>
Amount Realized as Revenue - 2011	3-A	\$	<u><u>254,926.71</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year ended December 31, 2011

Year	Balance December 31, 2010	2011 Levy	Collections		Senior Citizens' and Veterans' Deductions Allowed/ (Disallowed)	Transferred To Tax Title Liens	(Cancellations) and Adjustments	Balance December 31, 2011
			2010	2011				
2007	\$ 19,810.31							\$ 19,810.31
2008	29,378.03							29,378.03
2009	37,053.39						(1.00)	37,052.39
2010	<u>819,874.11</u>			\$ 718,036.92	\$ (2,923.28)	\$ 30,194.57	(40,104.89)	<u>34,461.01</u>
Subtotal - PY	906,115.84			718,036.92	(2,923.28)	30,194.57	(40,105.89)	120,701.74
2011		\$ 141,753,838.62	\$ 616,632.60	139,533,391.80	254,926.71	38,911.15	(598,787.68)	711,188.68
	<u>\$ 906,115.84</u>	<u>\$ 141,753,838.62</u>	<u>\$ 616,632.60</u>	<u>\$ 140,251,428.72</u>	<u>\$ 252,003.43</u>	<u>\$ 69,105.72</u>	<u>\$ (638,893.57)</u>	<u>\$ 831,890.42</u>
Reference	A	Below	13-A	1-A	2-A	4-A		A

Analysis of Property Tax Levy

Tax Yield:

General Purpose Tax	3-A	\$ 138,226,683.19	
Special District Tax	3-A	2,795,185.15	
Added and Omitted Tax	3-A	<u>731,970.28</u>	
	Above		<u>\$ 141,753,838.62</u>

Tax Levy:

Local School Tax	16-A	67,630,325.00	
Regional School Tax	17-A	27,231,573.23	
County Taxes:			
County Tax	15-A	18,708,099.53	
County Health Tax	15-A	360,709.03	
County Library Tax	15-A	1,066,976.85	
County Open Space Tax	15-A	1,124,235.91	
Due County for Added and Omitted Taxes	15-A	110,171.64	
Special District Taxes:			
Fire District #3	18-A	2,795,185.15	
Municipal Open Space Tax	19-A	<u>693,725.00</u>	
	A-2		\$ 119,721,001.34
Tax for Municipal Purposes	A-2	21,346,465.83	
Additional Taxes Added		<u>686,371.45</u>	
			<u>22,032,837.28</u>
	Above		<u>\$ 141,753,838.62</u>

Analysis of Current Year Tax Collections

2010 Cash Collections of 2011 Taxes	\$ 616,632.60
2011 Cash Collections of 2011 Taxes	139,533,391.80
Veterans' and Senior Citizens' Deductions	<u>254,926.71</u>
	<u>\$ 140,404,951.11</u>

Reference A-1,A-2

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	A	\$ 170,926.33
Increased By:		
Transfers From Taxes Receivable	3-A	<u>69,105.72</u>
		240,032.05
Decreased By:		
Cancellations	Reserved	<u>53.87</u>
Balance, December 31, 2011	A	<u><u>\$ 239,978.18</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE FROM MONMOUTH COUNTY IMPROVEMENT AUTHORITY

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	A	\$ 162,969.10
Increased By:		
Cash Disbursements	A-1, 1-A	<u>201,078.67</u>
		364,047.77
Decreased By:		
Cash Receipts	A-1, 1-A	<u>297,967.35</u>
Balance, December 31, 2011	A	<u><u>\$ 66,080.42</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, 2011

Reference

Balance, December 31, 2011 and 2010	A	<u>\$ 802,400.00</u>
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TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2011

	<u>Reference</u>	Balance December 31, <u>2010</u>	Accrued in <u>2011</u>	Collected <u>in 2011</u>	Balance December 31, <u>2011</u>
Licenses:					
Other	A-2		\$ 21,285.00	\$ 21,285.00	
Fees and Permits	A-2		650,372.31	650,372.31	
Fines and Costs:					
Municipal Court	A-2	\$ 29,104.82	465,938.99	462,544.61	\$ 32,499.20
Interest and Costs on Taxes	A-2		228,320.06	228,320.06	
Interest on Investments and Deposits	A-2		124,757.81	124,757.81	
Cable Franchise Fees	A-2		160,099.69	160,099.69	
Cell Tower Rental	A-2		215,761.46	215,761.46	
Energy Receipts Tax	A-2		2,203,357.00	2,203,357.00	
Consolidated Municipal Property Tax Relief Act	A-2		65,592.00	65,592.00	
Uniform Fire Safety Act	A-2		52,156.52	52,156.52	
Aquatic Center Lease	A-2		70,000.00	70,000.00	
Capital Surplus	A-2		1,000,000.00	1,000,000.00	
Utility Operating Surplus	A-2		800,000.00	800,000.00	
Hospital Property Security Agreement	A-2		187,500.00	187,500.00	
		<u>\$ 29,104.82</u>	<u>\$ 6,245,140.84</u>	<u>\$ 6,241,746.46</u>	<u>\$ 32,499.20</u>
	<u>Reference</u>	A		1-A	A

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF INTERFUND - DUE TO OTHER TRUST FUND

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	A	\$	28,500.00
Decreased By:			
Cash Disbursements	1-A		<u>28,500.00</u>
Balance, December 31, 2011	A	\$	<u>0.00</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, 2011

	Balance December 31, <u>2010</u>	<u>Decreased</u>	Balance December 31, <u>2011</u>
Special Emergency Authorization (N.J.S.A. 40A:4-55)	<u>\$ 600,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 400,000.00</u>
<u>Reference</u>	A	A-3	A

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES - N.J.S.A. 40A:4-48
 EMERGENCY AUTHORIZATIONS

Year ended December 31, 2011

	Balance December 31, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2011</u>
Emergency Authorization (N.J.S.A. 40A:4-48)	<u>\$ 370,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 370,000.00</u>	<u>\$ 200,000.00</u>
<u>Reference</u>	A	A-1, A-3	A-3	A

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

Year ended December 31, 2011

	Balance December 31,		Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered			
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	\$ 7,591.59		\$ 7,591.59		\$ 7,591.59
Other Expenses	2,559.09	\$ 13,589.09	16,148.18	\$ 9,642.04	6,506.14
Office of the Mayor:					
Salaries and Wages	528.74		528.74		528.74
Other Expenses	2,676.47	50.00	2,726.47	(245.00)	2,971.47
Ethics Commission:					
Other Expenses	581.00		581.00		581.00
Township Council:					
Salaries and Wages	3,901.80		3,901.80		3,901.80
Other Expenses	750.00		750.00		750.00
Municipal Clerk:					
Salaries and Wages	297.05		297.05		297.05
Other Expenses	88.62	12,594.17	12,682.79	9,625.74	3,057.05
Financial Administration (Treasury):					
Salaries and Wages	9,677.47		9,677.47		9,677.47
Other Expenses	5,752.30	1,077.25	6,829.55	1,077.25	5,752.30
Annual Audit	7,500.00	5,000.00	12,500.00		12,500.00
Central Computer Services:					
Salaries and Wages	9,915.08		9,915.08		9,915.08
Other Expenses	5,319.38	7,668.67	12,988.05	6,784.66	6,203.39
Revenue Administration (Tax Collection):					
Salaries and Wages	5,033.12		5,033.12		5,033.12
Other Expenses	2,449.90		2,449.90		2,449.90
Tax Assessment Administration:					
Salaries and Wages	7,992.87		7,992.87		7,992.87
Other Expenses	23,320.11	59,788.75	83,108.86	6,453.75	76,655.11
Legal Services (Legal Department):					
Other Expenses	28,533.05	171,295.12	199,828.17	168,476.49	31,351.68
Engineering Services:					
Salaries and Wages	10,359.64		10,359.64	(1,855.00)	12,214.64
Other Expenses	563.91	11,492.61	12,056.52	11,492.61	563.91
Economic Development:					
Salaries and Wages	1,850.00		1,850.00		1,850.00
Other Expenses	1,239.05		1,239.05		1,239.05
Grant Administration					
Other Expenses		3,000.00	3,000.00	1,000.00	2,000.00
Cable Studio					
Other Expenses	4.03	7,745.97	7,750.00	7,745.97	4.03
Intergovernmental Relations					
Other Expenses	1,000.00		1,000.00		1,000.00
Historic Sites Commission:					
Other Expenses	1,000.00		1,000.00		1,000.00
LAND USE ADMINISTRATION					
Planning Board:					
Salaries and Wages	2,229.05		2,229.05		2,229.05
Other Expenses	1,596.78	122.25	1,719.03	814.33	904.70
Planning Board Contractual:					
Other Expenses	22,807.01	32,017.50	54,824.51	29,853.96	24,970.55
Zoning Board:					
Salaries and Wages	1,362.70		1,362.70		1,362.70
Other Expenses	6,444.52	12,568.15	19,012.67	9,315.50	9,697.17
INSURANCE					
General Liability	9,019.04	4,350.00	13,369.04	4,350.00	9,019.04
Workers Compensation	19,750.00		19,750.00		19,750.00
Employee Group Health	127,597.70	1,433.83	129,031.53	(227.08)	129,258.61
PUBLIC SAFETY					
Police Department:					
Salaries and Wages	330,502.87	12,676.92	343,179.79	12,676.92	330,502.87
Other Expenses	36,627.62	87,387.24	124,014.86	79,903.54	44,111.32
Crime Prevention:					
Other Expenses	13,411.35		13,411.35		13,411.35
School Educational Programs					
Other Expenses	13,900.00		13,900.00		13,900.00
Highway Safety:					
Other Expenses	16,097.71	1,303.22	17,400.93	888.42	16,512.51
Office of Emergency Management:					
Other Expenses	14,719.20	730.00	15,449.20	539.35	14,909.85

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

Schedule 10-A
Page 2 of 3

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

Year ended December 31, 2011

	Balance December 31,		Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered			
Uniform Fire Safety Act (P.L. 1983, Ch. 383):					
Salaries and Wages	\$ 21,008.30		\$ 21,008.30		\$ 21,008.30
Other Expenses	4,814.54	\$ 3,440.73	8,255.27	\$ 2,386.00	5,869.27
Municipal Prosecutor:					
Salaries and Wages	552.00		552.00		552.00
PUBLIC WORKS					
Streets and Road Maintenance:					
Salaries and Wages	3,938.37		3,938.37		3,938.37
Other Expenses	11,184.49	11,771.62	22,956.11	9,459.77	13,496.34
Snow Removal:					
Salaries and Wages	3,605.77		3,605.77		3,605.77
Other Expenses	70,660.64	35.17	70,695.81	134.55	70,561.26
Other Public Works Functions:					
Salaries and Wages	12,351.08		12,351.08		12,351.08
Other Expenses	10,281.06	13,364.68	23,645.74	13,335.25	10,310.49
Shade Tree Commission:					
Other Expenses	734.95	997.50	1,732.45	997.50	734.95
Solid Waste Collection:					
Salaries and Wages	4,244.63		4,244.63		4,244.63
Other Expenses	79,154.75	75,909.37	155,064.12	73,398.22	81,665.90
Buildings and Grounds:					
Salaries and Wages	6,002.39		6,002.39		6,002.39
Other Expenses	377.17	60,013.65	60,390.82	48,721.13	11,669.69
Vehicle Maintenance:					
Salaries and Wages	160.16		160.16		160.16
Other Expenses	9,810.02	25,173.10	34,983.12	27,672.46	7,310.66
Community Services Act:					
Other Expenses	51,085.36		51,085.36	50,861.59	223.77
Open Space Committee					
Other Expenses	2,000.00		2,000.00		2,000.00
HEALTH AND HUMAN SERVICES					
Public Health Services (Board of Health):					
Other Expenses	1,594.78	75.00	1,669.78		1,669.78
Drug Abuse Control:					
Salaries and Wages	7,615.15		7,615.15		7,615.15
Other Expenses	818.12	283.50	1,101.62	195.50	906.12
Environmental Health Services:					
Other Expenses	4,459.43		4,459.43	9.18	4,450.25
PARK AND RECREATION					
Recreation Services and Programs:					
Salaries and Wages	43,736.43		43,736.43		43,736.43
Other Expenses	20,685.03	5,042.62	25,727.65	6,012.62	19,715.03
Maintenance of Parks:					
Salaries and Wages	9,541.69		9,541.69		9,541.69
Other Expenses	748.17	5,737.19	6,485.36	3,554.11	2,931.25
Municipal Library:					
Other Expenses	9,091.77	5,502.70	14,594.47	5,498.90	9,095.57
Municipal Court:					
Salaries and Wages	7,413.41		7,413.41		7,413.41
Other Expenses	4,851.73	1,326.50	6,178.23	1,326.50	4,851.73
Public Defender:					
Salaries and Wages	1,781.08		1,781.08		1,781.08
UNCLASSIFIED					
Accumulated Leave Compensation	1,000.00		1,000.00		1,000.00
Postage	19,000.00		19,000.00		19,000.00
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	41,202.43	57,651.20	98,853.63	51,932.33	46,921.30
Street Lighting	23,508.52	50,000.00	73,508.52	55,958.28	17,550.24
Telephone (excluding equipment acquisition)	45,593.97	20,181.56	65,775.53	23,660.84	42,114.69
Water	322.36	95.65	418.01	316.31	101.70
Gas (natural or propane)	22,981.25	26,118.41	49,099.66	21,181.32	27,918.34
Sewerage Processing and Disposal	69.14	1,636.70	1,705.84	1,636.70	69.14
Gasoline	33,722.03	50,210.07	83,932.10	29,993.89	53,938.21
Landfill/Solid Waste Disposal Costs	62,794.42	61,763.92	124,558.34	7,343.27	117,215.07
Contingent	10,000.00		10,000.00		10,000.00
STATUTORY EXPENDITURES					
Contribution To:					
Social Security System (O.A.S.I.)	53,909.01		53,909.01		53,909.01

CURRENT FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

Year ended December 31, 2011

	Balance December 31,		Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered			
Homeland Security: Other Expenses	\$ 7,743.56	\$ 11,618.88	\$ 19,362.44	\$ 11,468.88	\$ 7,893.56
Length of Services Awards Program (LOSAP): Other Expenses	2,872.75		2,872.75		2,872.75
Public Employees Retirement System	4,260.18	3,354.82	7,615.00	3,354.82	4,260.18
Police and Firemen Retirement System	11.00		11.00		11.00
Defined Contribution Retirement Program	500.00		500.00		500.00
Police Dispatch/911: Salaries and Wages	5,126.33		5,126.33		5,126.33
Other Expenses	62,336.59	7,111.51	69,448.10	7,152.15	62,295.95
SFSP Fire District Payments: Other Expenses	1,905.00		1,905.00		1,905.00
Affordable Housing: Other Expenses	4,300.00		4,300.00		4,300.00
	<u>\$ 1,564,010.83</u>	<u>\$ 944,306.79</u>	<u>\$ 2,508,317.62</u>	<u>\$ 815,875.52</u>	<u>\$ 1,692,442.10</u>
Reference	A	A, A-12		Below	A-1
Cash Disbursed	1-A			\$ 785,434.09	
Accounts Payable	11-A			30,441.43	
	Above			<u>\$ 815,875.52</u>	

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	A	\$ 208,285.85
Increased By:		
Transfer From Appropriation Reserves	10-A	<u>30,441.43</u>
		238,727.28
Decreased By:		
Cash Disbursements	1-A	<u>5,340.00</u>
Balance, December 31, 2011	A	<u><u>\$ 233,387.28</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	A		\$ 1,013,560.19
Increased By:			
2011 Budget Appropriations	A-3		<u>1,334,993.84</u>
			2,348,554.03
Decreased By:			
Transfer To Appropriation Reserves	10-A	\$ 944,306.79	
Cancelled to Various Reserves	22-A	<u>69,253.40</u>	
			<u>1,013,560.19</u>
Balance, December 31, 2011	A		<u><u>\$ 1,334,993.84</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PREPAID TAXES

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	A	\$ 616,632.60
Increased By:		
Cash Receipts:		
Collection of 2012 Taxes	1-A	<u>683,754.38</u>
		1,300,386.98
Decreased By:		
Amount Applied To 2011 Taxes		
Receivable	3-A	<u>616,632.60</u>
Balance, December 31, 2011	A	<u><u>\$ 683,754.38</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

Year ended December 31, 2011

	<u>Reference</u>	
Balance December 31, 2010	A	\$ 116,124.07
Increased By:		
Cash Receipts	1-A	<u>396,899.94</u>
		513,024.01
Decreased By:		
Cash Disbursements	1-A	<u>415,237.21</u>
Balance, December 31, 2011	A	<u><u>\$ 97,786.80</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2011

Reference

Balance, December 31, 2010	A		\$ 43,774.19
Increased By:			
2011 Tax Levy:			
County Tax		\$ 18,708,099.53	
County Library Tax		1,066,976.85	
County Health Tax		360,709.03	
County Open Space Fund Tax		1,124,235.91	
Due To County for Added and Omitted Taxes		<u>110,171.64</u>	
	A-1,3-A		<u>21,370,192.96</u>
			21,413,967.15
Decreased By:			
Cash Disbursements	1-A		<u>21,303,795.51</u>
Balance, December 31, 2011	A		<u>\$ 110,171.64</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010:			
School Tax Payable	A	\$ 3,902.00	
School Tax Deferred	16-A	<u>33,965,350.00</u>	
			\$ 33,969,252.00
Increased By:			
Levy (School Year July 1, 2011 to June 30, 2012)	3-A		<u>67,630,325.00</u>
			101,599,577.00
Decreased By:			
Cash Disbursements	1-A		<u>65,882,960.00</u>
Balance, December 31, 2011:			
School Tax Payable	A	1,904,454.50	
School Tax Deferred	16-A	<u>33,815,162.50</u>	
			<u>\$ 35,719,617.00</u>
 <u>2011 Liability for Local District School Tax</u>			
Tax Payable, December 31, 2011	A		\$ 1,904,454.50
Tax Paid	1-A		<u>65,882,960.00</u>
			67,787,414.50
Less:			
Tax Payable, December 31, 2010	A		<u>3,902.00</u>
Amount Charged To 2011 Operations	A-1		<u>\$ 67,783,512.50</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010:			
School Tax Payable	A	\$ 1,409,618.15	
School Tax Deferred	17-A	<u>13,394,935.00</u>	
			\$ 14,804,553.15
Increased By:			
Levy (School Year July 1, 2011 to June 30, 2012)	3-A		<u>27,231,573.23</u>
			42,036,126.38
Decreased By:			
Cash Disbursements	1-A		<u>27,311,893.50</u>
Balance, December 31, 2011:			
School Tax Payable	A	1,176,110.38	
School Tax Deferred	17-A	<u>13,548,122.50</u>	
			<u>\$ 14,724,232.88</u>
 <u>2011 Liability for Regional High School Tax</u>			
Tax Payable, December 31, 2011	A	\$ 1,176,110.38	
Tax Paid	1-A	<u>27,311,893.50</u>	
			28,488,003.88
Less:			
Tax Payable, December 31, 2010	A	<u>1,409,618.15</u>	
Amount Charged To 2011 Operations	A-1		<u>\$ 27,078,385.73</u>

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF SPECIAL DISTRICT TAX

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	A	\$	-
Increased By:			
Fire Districts Levy	A-1 , 3-A		<u>2,795,185.15</u>
			2,795,185.15
Decreased By:			
Cancelled	A-1, A-2	\$	54,051.15
Cash Disbursed	1-A		<u>2,741,134.00</u>
			<u>2,795,185.15</u>
Balance, December 31, 2011	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, 2011

	<u>Reference</u>		
Balance, December 31, 2010	A	\$	-
Increased By:			
Municipal Open Space Levy	A-1 , 3-A		<u>693,725.00</u>
			693,725.00
Decreased By:			
Cash Disbursed	1-A		<u>693,725.00</u>
Balance, December 31, 2011	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, 2011

	<u>Reference</u>	
Balance, December 31, 2010	A	\$ 475.00
Increased By:		
Cash Receipts	1-A	<u>2,200.00</u>
		2,675.00
Decreased By:		
Cash Disbursements	1-A	<u>2,350.00</u>
Balance, December 31, 2011	A	<u><u>\$ 325.00</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF DUE FROM (TO) GENERAL CAPITAL FUND

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010 (From)	A		\$ 2,000.00
Decreased By:			
Cash Disbursed by General Capital Fund On-behalf of the Federal and State Grant Fund	25-A	\$ 242,772.69	
Cash Received by the Federal and State Grant Fund On-behalf of the General Capital Fund	24-A	<u>35,174.50</u>	<u>277,947.19</u>
Balance, December 31, 2011 (To)	A		<u>\$ 275,947.19</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2011

<u>Description</u>	Balance December 31, <u>2010</u>	Increased <u>By</u>	Decreased <u>By</u>	Balance December 31, <u>2011</u>
Traffic Lights	\$ 25,000.00			\$ 25,000.00
Blossom Heights - Sewer	65,103.27			65,103.27
Insurance	170,399.20	\$ 47,598.22	\$ 40,304.17	177,693.25
MUA Charges	8,038.60	61,028.99	66,695.86	2,371.73
Reserve for Revaluation	69,864.12		69,864.12	
Reserve for Park Improvements	50,000.00			50,000.00
Reserve for Snow Removal	300,746.61	69,253.40	312,751.28	57,248.73
Igoe Road Improvements	159.12			159.12
LEA Rebate	14,692.50	13,942.50	14,692.50	13,942.50
Third Party Liens	5,695.30	984,784.20	917,678.01	72,801.49
Reserve for Kara Homes		650,000.00	603,744.88	46,255.12
Reserve for Liquor License		751,000.00		751,000.00
	<u>\$ 709,698.72</u>	<u>\$ 2,577,607.31</u>	<u>\$ 2,025,730.82</u>	<u>\$ 1,261,575.21</u>

<u>Reference</u>	A	Below	Below	A
Cash Receipts	1-A	\$ 2,508,353.91		
PY Encumbrance Cancelled	12-A	<u>69,253.40</u>		
	Above	<u>\$ 2,577,607.31</u>		
Cash Disbursed	1-A		\$ 1,955,866.70	
Cancelled to Fund Balance	A-1		<u>69,864.12</u>	
	Above		<u>\$ 2,025,730.82</u>	

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE TO FEDERAL AND STATE GRANT FUND

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	A		\$ 520,131.05
Increased By:			
Deposited in Current Fund:			
Unappropriated Grant Reserves	26-A	\$ 124,873.32	
Grants Receivable	24-A	374,327.03	
2011 Budget Appropriations	A-3,25-A	<u>322,403.98</u>	
			<u>821,604.33</u>
			1,341,735.38
Decreased By:			
Disbursed By Current Fund:			
Appropriated Grant Reserves	25-A	258,331.04	
2011 Anticipated Revenue	23-A	<u>322,403.98</u>	
			<u>580,735.02</u>
Balance, December 31, 2011	A		<u><u>\$ 761,000.36</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2011

	Balance December 31, <u>2010</u>	Increased By Revenue Realized <u>2011</u>	Decreased By	Balance December 31, <u>2011</u>
State Assistance:				
Alcohol Rehabilitation Grant		\$ 201.09	\$ 201.09	
Body Armor Replacement Fund	\$ 271.33			\$ 271.33
Body Armor Replacement Grant		2,209.25	2,209.25	
Clean Communities Program		68,350.11	68,350.11	
Over the Limit / Under Arrest	5,000.00		5,000.00	
Drunk Driving Enforcement Fund		4,213.43	4,213.43	
Drunk Driving Enforcement Fund		3,421.34	3,421.34	
Green Acres Park Improvement Grant	600,000.00		242,772.69	357,227.31
HDSRF - DiMeo Property	11,068.00			11,068.00
HDSRF - Hospital Property	11,537.00			11,537.00
Municipal Alliance on Drug and Alcohol Abuse	17,191.49		17,191.49	
Municipal Alliance on Drug and Alcohol Abuse		32,047.00	10,156.25	21,890.75
Municipal Recycling Service Grant		15,000.00	15,000.00	
Recycling Tonnage Grant		52,731.95	52,731.95	
2011 NJ Sustainable Grant		25,000.00	12,500.00	12,500.00
Stormwater Management Grant	15,464.00			15,464.00
Forest Service Grant	6,967.00		6,966.28	0.72
Federal Assistance:				
CDBG - Sr. Center Renovations	80,152.00			80,152.00
2011 Over the Limit / Under Arrest		4,400.00	4,400.00	
Click It or Ticket		4,000.00	4,000.00	
Green Team Grant		3,600.00		3,600.00
COPS in Shops Grant		1,600.00	1,600.00	
COPS Secure Our Schools		37,500.00		37,500.00
Drive Sober or Get Pulled Over		5,000.00		5,000.00
Drunk Driving Prevention Incentive Grant		42,817.31		42,817.31
Justice Assistance Grant	6,202.00		6,175.73	26.27
Federal Body Armor Grant		20,312.50	17,468.75	2,843.75
Secure our Schools	<u>21,674.16</u>			<u>21,674.16</u>
	<u>\$ 775,526.98</u>	<u>\$ 322,403.98</u>	<u>\$ 474,358.36</u>	<u>\$ 623,572.60</u>
	<u>Reference</u>	A	A-2,23-A,25-A	Below
Cash Receipts	1-A,23-A		\$ 374,327.03	
Due to the General Capital Fund	21-A		(35,174.50)	
Transferred From Unappropriated Grants	26-A		<u>135,205.83</u>	
	Above		<u>\$ 474,358.36</u>	

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2011

<u>Grant</u>	Balance December 31, <u>2010</u>	Transferred From 2011 <u>Appropriations</u>	<u>Expended</u>	Balance December 31, <u>2011</u>
State Assistance:				
Alcohol Education Grant	\$ 1,473.40			\$ 1,473.40
Alcohol Rehabilitation Grant	1,124.46			1,124.46
Alcohol Rehabilitation Grant	788.96			788.96
Alcohol Rehabilitation Grant		\$ 201.09		201.09
Body Armor Replacement Fund	245.29			245.29
Body Armor Replacement Fund	160.96			160.96
Body Armor Replacement Grant	584.25			584.25
Body Armor Replacement Grant	5,782.75		\$ 5,782.75	
Body Armor Replacement Grant		2,209.25		2,209.25
Clean Communities Program	2,651.09		2,651.09	
Clean Communities Program	22,701.61		22,701.61	
Clean Communities Program		68,350.11	36,631.89	31,718.22
Drunk Driving Enforcement Fund		4,213.43	3,912.41	301.02
Drunk Driving Enforcement Fund		3,421.34		3,421.34
Green Acres Park Improvements	600,000.00		242,772.69	357,227.31
Green Communities	3,000.00			3,000.00
Handicapped Recreational Opportunities	2,520.00			2,520.00
HDSRF - Hospital Property	9,147.18			9,147.18
HDSRF - DiMeo Property	11,068.00			11,068.00
Municipal Drug Alliance		32,047.00	30,862.49	1,184.51
Municipal Recycling Service Grant		15,000.00		15,000.00
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 Forestry Grant	0.72			0.72
Recycling Tonnage Grant	28,559.33		26,796.91	1,762.42
Recycling Tonnage Grant	40,233.38		18,550.32	21,683.06
Recycling Tonnage Grant		52,731.95		52,731.95
Stormwater Management Grant	20,619.00		2,500.00	18,119.00
Stormwater Regulation Grant	4,738.64			4,738.64
2011 NJ Sustainable Grant		25,000.00		25,000.00

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2011

<u>Grant</u>	Balance December 31, 2010	Transferred From 2011 Appropriations	<u>Expended</u>	Balance December 31, 2011
State Assistance:				
Federal Assistance:				
2010 Over the Limit / Under Arrest	\$ 3,232.72		\$ 3,232.72	
2011 Over the Limit / Under Arrest		\$ 4,400.00	4,057.50	\$ 342.50
CDBG - Sr. Center Renovations	71,569.02		63,625.68	7,943.34
Click It or Ticket		4,000.00	4,000.00	
Green Team Grant		3,600.00	980.24	2,619.76
COPS in Shops Grant		1,600.00	1,600.00	
COPS Secure Our Schools		37,500.00		37,500.00
Drive Sober or Get Pulled Over		5,000.00		5,000.00
Drunk Driving Prevention Incentive Grant		42,817.31		42,817.31
Energy Efficient Grant - ARRA	152,040.00		16,630.70	135,409.30
Justice Assistance Grant	6,541.39		5,689.73	851.66
Federal Body Armor Grant		20,312.50	8,125.00	12,187.50
Secure our Schools	2,515.27			2,515.27
	<u>\$ 1,162,452.20</u>	<u>\$ 322,403.98</u>	<u>\$ 501,103.73</u>	<u>\$ 983,752.45</u>
<u>Reference</u>	A	A-3,23-A,24-A	Below	A
Cash Disbursed	1-A,23-A		\$ 258,331.04	
Due to the General Capital Fund	21-A		<u>242,772.69</u>	
	Above		<u>\$ 501,103.73</u>	

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

Year ended December 31, 2011

	Balance December 31, <u>2010</u>	Utilized in <u>Budget</u>	Cash <u>Received</u>	Balance December 31, <u>2011</u>
Recycling Tonnage Grant	\$ 52,731.95	\$ 52,731.95	\$ 47,902.11	\$ 47,902.11
Clean Communities Program	68,350.11	68,350.11	70,115.09	70,115.09
Body Armor Replacement Fund	2,209.25	2,209.25	6,208.90	6,208.90
Drunk Driving Enforcement	4,213.43	4,213.43		
Municipal Recycling Service Grant	7,500.00	7,500.00		
Alcohol Rehabilitation Fund	<u>201.09</u>	<u>201.09</u>	<u>647.22</u>	<u>647.22</u>
	<u>\$ 135,205.83</u>	<u>\$ 135,205.83</u>	<u>\$ 124,873.32</u>	<u>\$ 124,873.32</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, 2011

	<u>Reference</u>	
Balance, December 31, 2010	A	\$ 302,502.00
Decreased By:		
Cancelled to Fund Balance	A-1	<u>302,502.00</u>
Balance, December 31, 2011	A	<u><u>\$ 0.00</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PREPAID LICENSES

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	A	\$ 0.00
Increased By:		
Cash Receipts	1-A	<u>13,360.97</u>
Balance, December 31, 2011	A	<u>\$ 13,360.97</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PREPAID FEES

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	A	\$	0.00
Increased By:			
Cash Receipts	1-A		<u>15,120.00</u>
Balance, December 31, 2011	A	\$	<u><u>15,120.00</u></u>

TRUST FUND
SCHEDULES

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF TRUST FUND CASH

Year ended December 31, 2011

	Reference	Animal Control Trust Fund	Escrow Deposit Trust Fund	Trust - Other Fund	Open Space Trust Fund
Balance, December 31, 2010	B	\$ 40,153.41	\$ 3,700,259.88	\$ 16,914,300.38	\$ 4,005,114.79
Increased By Receipts:					
Due To:					
Current Fund	2-B			28,500.00	
State of New Jersey	3-B	4,303.80			
Open Space Tax Levy	5-B				693,725.00
Interest Earned	5-B				12,546.06
Reserve for:					
Animal Control Trust Fund					
Expenditures	6-B	93,211.19			
Deposits	7-B		551,803.33		
DCA Training Fees	8-B			56,976.00	
Various Reserves	4-B			3,885,537.31	
		<u>97,514.99</u>	<u>551,803.33</u>	<u>3,971,013.31</u>	<u>706,271.06</u>
		<u>137,668.40</u>	<u>4,252,063.21</u>	<u>20,885,313.69</u>	<u>4,711,385.85</u>
Decreased By Disbursements:					
Due To:					
State of New Jersey	3-B	4,303.80			
Animal Control Trust Fund					
Expenditures	6-B	77,756.63			
Reserve for:					
Open Space	5-B				384,431.40
Deposits	7-B		1,475,335.50		
DCA Training Fees	8-B			50,681.00	
Various Reserves	4-B			3,860,754.52	
		<u>82,060.43</u>	<u>1,475,335.50</u>	<u>3,911,435.52</u>	<u>384,431.40</u>
Balance, December 31, 2011	B	<u>\$ 55,607.97</u>	<u>\$ 2,776,727.71</u>	<u>\$ 16,973,878.17</u>	<u>\$ 4,326,954.45</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF DUE FROM CURRENT FUND

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	B	\$ 28,500.00
Increased By:		
Cash Receipts	1-B	<u>28,500.00</u>
Balance, December 31, 2011	B	<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF DUE TO STATE OF NEW JERSEY

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	B		\$ 275.40
Increased By:			
Cash Receipts	1-B		<u>4,303.80</u>
			4,579.20
Decreased By:			
Cash Disbursements	1-B	\$ 4,303.80	
Cancellations	6-B	<u>275.40</u>	<u>4,579.20</u>
Balance, December 31, 2011	B		<u><u>\$ 0.00</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2011

	Balance December 31, <u>2010</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2011</u>
Performance Bonds	\$ 136,364.64			\$ 136,364.64
Road Opening Deposits	425,224.85	\$ 22,332.50	\$ 2,000.00	445,557.35
Stormwater Management	1,165,651.83	50,275.00	146,873.00	1,069,053.83
Public Defender		1,500.00	1,500.00	
Parking Offenses Adjudication Act	3,580.00	986.00		4,566.00
Off-Site Improvements	7,741.45			7,741.45
Fire Safety	126,686.91	20,825.00	801.00	146,710.91
Law Enforcement	77,798.58	8,464.53	940.00	85,323.11
Mount Laurel - Affordable Housing	13,388,375.35	439,838.47	606,135.34	13,222,078.48
Green Team		3,600.00		3,600.00
Park Acquisition or Development	10,000.00		3,200.00	6,800.00
Recreation	157,087.61	1,890,346.56	1,823,229.41	224,204.76
Police Evidence	139.90			139.90
Uniform Construction Code	447,806.66	994,533.98	808,263.07	634,077.57
Cablevision	15,000.00			15,000.00
Marlboro Knolls	2,575.24			2,575.24
Tax Sale Premiums	396,178.45	4,600.00		400,778.45
Snow Removal	1,964.54			1,964.54
Unclaimed Monies	2,774.15	383.57		3,157.72
Tree Bank	392,219.29		4,265.00	387,954.29
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	55,171.57	43,242.60	40,350.14	58,064.03
Off-Duty Police	67,286.36	404,609.10	423,197.56	48,697.90
Sidewalks	12,624.30			12,624.30
Shade Trees	19,500.00			19,500.00
	<u>\$ 16,933,050.38</u>	<u>\$ 3,885,537.31</u>	<u>\$ 3,860,754.52</u>	<u>\$ 16,957,833.17</u>
<u>Reference</u>	B	1-B	1-B	B

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

OPEN SPACE TRUST FUND

SCHEDULE OF RESERVE FOR OPEN SPACE

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	B		\$ 4,005,114.79
Increased By:			
Interest Earned	1-B	\$ 12,546.06	
Open Space Tax Levy	3-A, 1-B	<u>693,725.00</u>	
			<u>706,271.06</u>
			4,711,385.85
Decreased By:			
Cash Disbursed	1-B		<u>384,431.40</u>
Balance, December 31, 2011	B		<u><u>\$ 4,326,954.45</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	B		\$ 39,878.01
Increased By:			
Dog License Fees Collected	1-B	\$ 32,825.40	
Cat License Fees Collected	1-B	717.60	
Miscellaneous Dog License Fees Collected	1-B	4,668.19	
Cancellation of Prior Year Payable to State of N.J.	3-B	275.40	
Received From Current Fund - Budget Appropriation	1-B	<u>55,000.00</u>	
			<u>93,486.59</u>
Decreased By:			
Expenditures Under R.S. 4:19-15.11	1-B		<u>77,756.63</u>
Balance, December 31, 2011	B		<u>\$ 55,607.97</u>

License and Penalty Fees Collected:

2010 Fees	\$ 32,682.00
2009 Fees	<u>28,636.70</u>
	<u>\$ 61,318.70</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

ESCROW DEPOSIT TRUST FUND

SCHEDULE OF RESERVE FOR DEPOSITS

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	B	\$ 3,700,259.88
Increased By:		
Cash Receipts	1-B	<u>551,803.33</u>
		4,252,063.21
Decreased By:		
Cash Disbursements	1-B	<u>1,475,335.50</u>
Balance, December 31, 2011	B	<u><u>\$ 2,776,727.71</u></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, 2011

	<u>Reference</u>	
Balance, December 31, 2010	B	\$ 9,750.00
Increased By:		
Cash Receipts	1-B	<u>56,976.00</u>
		66,726.00
Decreased By:		
Cash Disbursements	1-B	<u>50,681.00</u>
Balance, December 31, 2011	B	<u><u>\$ 16,045.00</u></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, 2011

	<u>Reference</u>	
Balance, December 31, 2010	B	\$ 616,549.83
Increased By:		
Township Contributions and Earnings (Net)	10-B	<u>40,995.70</u>
Balance, December 31, 2011	B	<u>\$ 657,545.53</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, 2011

	<u>Reference</u>	
Balance, December 31, 2010	B	\$ 616,549.83
Increased By:		
Township Contributions and Earnings (Net)	9-B	<u>40,995.70</u>
Balance, December 31, 2011	B	<u><u>\$ 657,545.53</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, 2011

	<u>Reference</u>		
Balance, December 31, 2010	C		\$ 5,122,965.63
Increased By:			
Various Reserves	10-C	\$ 60,000.00	
Capital Improvement Fund	9-C	150,000.00	
Due From Water Utility Capital Fund	13-C	30,000.00	
Due From Open Space	15-C	149,625.00	
Due To NJDOT	3-C	438,750.00	
Due From Trust Other	14-C	275,000.00	
Grant Receipts	5-C	<u>183,415.65</u>	
			<u>1,286,790.65</u>
			6,409,756.28
Decreased By:			
Budgeted Current Fund Revenue	C-1	1,000,000.00	
Due From Federal and State Grant Fund	11-C	242,772.69	
Improvement Authorizations	8-C	3,477,327.36	
Various Reserves	10-C	<u>84,455.71</u>	
			<u>4,804,555.76</u>
Balance, December 31, 2011	C		<u><u>\$ 1,605,200.52</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

Year ended December 31, 2011

	Balance December 31, <u>2011</u>	Balance December 31, <u>2010</u>
Fund Balance	\$ 1,772,054.42	\$ 2,763,982.04
Various Reserves	642,376.16	700,957.37
Due From New Jersey Department of Transportation	(146,250.00)	(585,000.00)
Due From Swimming Pool Utility Capital Fund	(250,000.00)	(250,000.00)
Due From Water Utility Capital Fund		(30,000.00)
Due (From) To Grant Fund	(275,947.19)	2,000.00
Capital Improvement Fund	48,976.00	47,500.00
	<u>1,791,209.39</u>	<u>2,649,439.41</u>

<u>Ordinance Date/Number</u>	<u>Improvement Description</u>		
18-01	Various Improvements	36,073.03	40,108.17
02-17/03-04/03-07	Various Improvements		598.00
02-21	Various Improvements	20,689.96	39,089.20
02-27	Acquisition of Real Property		(19,425.00)
02-28	Acquisition of Real Property	(35,200.00)	(35,200.00)
03-14	Various Improvements		13,008.01
04-01	Hawkins Park	59,765.00	59,765.00
04-06	Various Improvements	(9,599.85)	(9,599.85)
04-21	Various Improvements	(54,817.54)	(50,510.60)
04-23	Bolling Hills	13,311.13	22,741.53
05-18	Street Lighting Program		429.66
05-19	Computer Operated Signs	2,250.00	2,250.00
05-36	Various Improvements	198,212.73	441,519.31
06-19	Various Improvements	494,718.26	329,140.25
07-12	Various Capital Improvements	163,947.25	224,056.48
08-14	Various Capital Improvements	10,380.16	10,380.16
08-23	Various Capital Improvements	(817,363.31)	(817,363.31)
09-28	Various Capital Improvements	(460.14)	616,337.00
10-07	Various Capital Improvements	52,506.23	171,647.25
10-16	Various Capital Improvements	270,333.88	1,434,554.96
11-2	Various Capital Improvements	(904,558.29)	
11-4	Acquisition of Land	114,725.58	
11-13	Glenbrook Improvements	94,077.05	
11-25	Taylor Road Drainage Improvements	105,000.00	
		<u>\$ 1,605,200.52</u>	<u>\$ 5,122,965.63</u>

Reference

C

C

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM NEW JERSEY DEPARTMENT OF TRANSPORTATION

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010	C	\$	585,000.00
Decreased By:			
Cash Receipts	1-C		<u>438,750.00</u>
Balance, December 31, 2011	C	\$	<u><u>146,250.00</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, 2011

	<u>Reference</u>		
Balance, December 31, 2010	C		\$ 27,551,589.93
Increased By:			
Refunding Bonds Issued	6-C		<u>5,484,000.00</u>
			33,035,589.93
Decreased By:			
Budget Appropriation To Pay Bonds	6-C	\$ 1,695,000.00	
Budget Appropriation To Pay Loans	7-C	22,846.37	
Bonds Refunded	6-C	<u>5,340,000.00</u>	
			<u>7,057,846.37</u>
Balance, December 31, 2011	C		<u><u>\$ 25,977,743.56</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

Year ended December 31, 2011

Purpose	Original Issue		Maturities of Bonds Outstanding December 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
	Date	Amount	Date	Amount					
General Improvements	12/19/97	\$ 5,404,000.00				\$ 518,000.00		\$ 518,000.00	
General Improvements	12/13/01	7,842,000.00				3,732,000.00		3,732,000.00	
General Improvements	12/04/02	4,999,000.00	12/01/12	\$ 320,000.00	5.000%				
			12/01/13	1,000.00	5.000%				
			12/01/14	2,000.00	5.000%				
			12/01/16	3,000.00	5.000%				
			12/01/17	3,000.00	5.000%				
			12/01/18	3,000.00	5.000%	2,906,000.00		2,574,000.00	\$ 332,000.00
General Improvements	12/18/03	3,249,000.00	12/01/12	218,000.00	3.550%				
			12/01/13	223,000.00	4.000%				
			12/01/14	235,000.00	4.250%				
			12/01/15	245,000.00	4.250%				
			12/01/16	254,000.00	4.250%				
			12/01/17	267,000.00	4.250%				
			12/01/18	276,000.00	4.250%	1,929,000.00		211,000.00	1,718,000.00
Open Space Improvements	10/14/10	2,536,000.00	10/01/12	125,000.00	2.000%				
			10/01/13	150,000.00	2.000%				
			10/01/14	150,000.00	2.000%				
			10/01/15	150,000.00	2.000%				
			10/01/16	170,000.00	2.000%				
			10/01/17	180,000.00	2.500%				
			10/01/18	190,000.00	2.500%				
			10/01/19	190,000.00	3.250%				
			10/01/20	190,000.00	3.500%				
			10/01/21	200,000.00	4.000%				
			10/01/22	210,000.00	4.000%				
			10/01/23	210,000.00	4.000%				
			10/01/24	210,000.00	4.000%				
			10/01/25	211,000.00	4.000%	2,536,000.00			2,536,000.00

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

Year ended December 31, 2011

Purpose	Original Issue		Maturities of Bonds Outstanding December 31, 2011		Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011								
	Date	Amount	Date	Amount													
General Improvements	10/15/10	\$ 15,624,000.00	10/01/12	\$ 200,000.00	2.000%	\$ 15,624,000.00			\$ 15,624,000.00								
			10/01/13	265,000.00	2.000%												
			10/01/14	350,000.00	2.000%												
			10/01/15	350,000.00	2.000%												
			10/01/16	360,000.00	2.000%												
			10/01/17	1,100,000.00	2.500%												
			10/01/18	1,125,000.00	2.500%												
			10/01/19	1,675,000.00	3.250%												
			10/01/20	1,725,000.00	3.500%												
			10/01/21	1,725,000.00	4.000%												
			10/01/22	1,750,000.00	4.000%												
			10/01/23	1,750,000.00	4.000%												
			10/01/24	1,749,000.00	4.000%												
			10/01/25	1,500,000.00	4.000%												
2011 Refunding	3/30/11	5,484,000.00	12/1/12	612,000.00	3.000%												
			12/1/13	965,000.00	3.000%												
			12/1/14	992,000.00	3.000%												
			12/1/15	1,024,000.00	5.000%												
			12/1/16	1,073,000.00	2.500%												
			12/1/17	401,000.00	4.000%												
			12/1/18	417,000.00	4.000%												
										\$ 5,484,000.00		5,484,000.00					
										<u>\$ 27,245,000.00</u>	<u>\$ 5,484,000.00</u>	<u>\$ 7,035,000.00</u>	<u>\$ 25,694,000.00</u>				
										Reference	C	Below	Below	C			
Bonds Refunded					4-C		\$ 5,484,000.00	\$ 5,340,000.00									
Paid by Budget Appropriation					4-C			1,695,000.00									
					Above		<u>\$ 5,484,000.00</u>	<u>\$ 7,035,000.00</u>									

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOAN PROGRAM PAYABLE

Year ended December 31, 2011

<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, 2010</u>	<u>Paid By Budget Appropriation</u>	<u>Balance December 31, 2011</u>
Municipal Park Development	12/13/02	\$ 464,185.00	2011 to 2022	See Page 2	2.00%	<u>\$ 306,589.93</u>	<u>\$ 22,846.37</u>	<u>\$ 283,743.56</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, 2011

<u>Payment Number</u>	<u>Due</u>	<u>Principal</u>	<u>Interest</u>
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>\$ 283,743.56</u>	<u>\$ 33,765.95</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2011

Ordinance Number/Date	Item Description	Ordinance Date	Amount	Balance December 31, 2010		2011 Authorizations	Refund of Prior Year Expenditures	Paid or Charged	Authorizations Canceled	Balance December 31, 2011	
				Funded	Unfunded					Funded	Unfunded
18-01	Various Improvements	07/19/01	\$ 2,619,732.00	\$ 40,108.17				\$ 3,075.14	\$ 960.00	\$ 36,073.03	
02-17/03-04/03-07	Various Improvements	06/13/02	2,988,000.00	600.00				600.00			
02-21	Various Improvements	07/18/02	253,000.00	39,089.20				17,842.64	556.60	20,689.96	
02-27	Acquisition of Real Property	10/10/02	1,730,500.00		\$ 2,375.00				2,375.00		
03-14	Various Improvements	06/14/03	115,000.00	13,008.01				13,008.01			
04-01	Hawkins Park	03/25/04	59,765.00	59,765.00						59,765.00	
04-06	Various Improvements	04/29/04	100,000.00		55,400.15						\$ 55,400.15
04-21	Various Improvements	09/26/04	2,160,000.00		109,394.07			4,306.94	49,904.67		55,182.46
04-23	Bolling Hills	10/28/04	83,877.53	22,739.53				9,428.40		13,311.13	
05-18	Street Lighting Program	06/02/05	265,000.00	429.66				429.66			
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	441,519.31				222,730.27	20,576.31	198,212.73	
06-19	Various Improvements	08/10/06	3,686,000.00	329,140.25		\$ 47,500.00		(206,682.48)	88,604.47	494,718.26	
07-12	Various Capital Improvements	06/06/07	5,500,000.00	224,056.48	1,038,425.00			60,109.23	68,425.00	163,947.25	970,000.00
08-14	Various Capital Improvements	04/24/08	100,000.00	10,380.16						10,380.16	
09-28	Various Capital Improvements	08/06/09	1,750,000.00	616,337.00	145,200.00			616,797.14	28,000.00		116,739.86
10-07	Various Capital Improvements	04/15/10	200,000.00	171,647.25				119,141.02		52,506.23	
10-16	Road & Building Improvements	08/24/10	1,558,580.00	1,434,554.96	8,680.00			1,164,221.08		270,333.88	8,680.00
11-02	Various Capital Improvements	03/3/11	2,970,473.00			\$ 2,970,473.00		1,236,497.94			1,733,975.06
11-04	Acquisition of Land	03/3/11	2,992,500.00			2,992,500.00		34,899.42		114,725.58	2,842,875.00
11-13	Glenbrook Improvements	06/16/11	275,000.00			275,000.00		180,922.95		94,077.05	
11-25	Taylor Road Drainage Improvements	12/19/11	105,000.00			105,000.00				105,000.00	
				<u>\$ 3,405,624.98</u>	<u>\$ 1,402,224.22</u>	<u>\$ 6,342,973.00</u>	<u>\$ 47,500.00</u>	<u>\$ 3,477,327.36</u>	<u>\$ 259,402.05</u>	<u>\$ 1,635,990.26</u>	<u>\$ 5,825,602.53</u>
Reference				C	C	Below	10-C	Below	Below	C	C,5-C
Deferred Charge Unfunded				5-C, 16-C		\$ 5,664,824.00					
Open Space Trust Fund				15-C		149,625.00					
Due from Trust Other Fund				14-C		275,000.00					
Capital Improvement Fund				9-C		148,524.00					
Fund Balance				C-1		105,000.00					
				Above		<u>6,342,973.00</u>					
Cash Disbursements								3,720,100.05			
Due from Federal and State Grant Fund				1-C, 11-C				(242,772.69)			
				Above, 1-C				<u>\$ 3,477,327.36</u>			
Fund Balance				C-1					\$ 113,072.38		
Deferred Charges - Unfunded				5-C						146,329.67	
				Above					<u>\$ 259,402.05</u>		

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	C	\$ 47,500.00
Increased By:		
2011 Budget Appropriations	1-C	<u>150,000.00</u>
		197,500.00
Decreased By:		
Appropriation to Finance Improvement Authorizations	8-C	<u>148,524.00</u>
Balance, December 31, 2011	C	<u><u>\$ 48,976.00</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2011

<u>Improvement Description</u>	Balance December 31, 2010	<u>Increased</u>	<u>Decreased</u>	Balance December 31, 2011
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	26.45			26.45
Payment of Debt Service	16,331.71	\$ 13,374.50		29,706.21
Sidewalks - Tennant Road	3,465.00		1,317.21	2,147.79
Sidewalks	70,759.50		70,759.50	
Sidewalks - Crine Road	36,500.00			36,500.00
Emerald Hills	45,281.91		2,379.00	42,902.91
Union Hill - Costco		60,000.00	47,500.00	12,500.00
	<u>\$ 700,957.37</u>	<u>\$ 73,374.50</u>	<u>\$ 131,955.71</u>	<u>\$ 642,376.16</u>
<u>Reference</u>	C	Below	Below	C
Cash Receipts	1-C	\$ 60,000.00		
Due from Federal and State Grant Fund	11-C	<u>13,374.50</u>		
	Above	<u>\$ 73,374.50</u>		
Cash Disbursements	1-C		\$ 84,455.71	
Appropriated for Improvement Authorizations	8-C		<u>47,500.00</u>	
	Above		<u>\$ 131,955.71</u>	

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE TO (FROM) FEDERAL AND STATE GRANT FUND

Year ended December 31, 2011

	<u>Reference</u>		
Balance, December 31, 2010 (To)	C	\$	2,000.00
Decreased By:			
Cash Disbursed on behalf of the Federal and State Grant Fund	1-C	\$	242,772.69
Cash Received by the Federal and State Grant Fund on-behalf of the General Capital Fund	5-C, 10-C	<u>35,174.50</u>	<u>277,947.19</u>
Balance, December 31, 2011 (From)	C	<u>\$</u>	<u>275,947.19</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM SWIMMING POOL UTILITY CAPITAL FUND

Year ended December 31, 2011

Reference

Balance, December 31, 2011 and 2010	C	<u>\$ 250,000.00</u>
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TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM WATER UTILITY CAPITAL FUND

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	C	\$ 30,000.00
Increased By:		
Cash Received	1-C	<u>30,000.00</u>
Balance, December 31, 2011	C	<u>\$ -</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM TRUST OTHER FUND

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	C	\$ -
Increased By:		
Cash Received	1-C	<u>275,000.00</u>
		275,000.00
Decreased By:		
Amount Appropriated for Improvement Authorizations	8-C	<u>275,000.00</u>
Balance, December 31, 2011	C	<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM OPEN SPACE TRUST FUND

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	C	\$ -
Increased By:		
Cash Received	1-C	<u>149,625.00</u>
		149,625.00
Decreased By:		
Amount Appropriated for Improvement Authorizations	8-C	<u>149,625.00</u>
Balance, December 31, 2011	C	<u><u>\$ -</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2011

<u>Ordinance Number/Date</u>	<u>Improvement Description</u>	Balance December 31, <u>2010</u>	Increased By 2011 <u>Authorizations</u>	Funded by <u>Grant</u>	<u>Cancellations</u>	Balance December 31, <u>2011</u>
02-27	Acquisition of Real Property	\$ 21,800.00			\$ 21,800.00	
02-28	Acquisition of Real Property	35,200.00				\$ 35,200.00
04-06	Various Improvements	65,000.00				65,000.00
04-21	Various Improvements	159,904.67			49,904.67	110,000.00
05-19	Computer Operated Signs	42,750.00				42,750.00
07-12	Various Capital Improvements	1,038,425.00			68,425.00	970,000.00
08-23	Various Capital Improvements	817,363.31				817,363.31
09-28	Various Capital Improvements	145,200.00			28,000.00	117,200.00
10-16	Various Capital Improvements	8,680.00				8,680.00
11-2	Various Capital Improvements		\$ 2,821,949.00	\$ 183,415.65		2,638,533.35
11-4	Acquisition of Land		2,842,875.00			2,842,875.00
		<u>\$ 2,334,322.98</u>	<u>\$ 5,664,824.00</u>	<u>\$ 183,415.65</u>	<u>\$ 168,129.67</u>	<u>\$ 7,647,601.66</u>
	<u>Reference</u>	C	5-C , 8-C	1-C, 5-C	5-C	C

SWIMMING POOL UTILITY FUND

SCHEDULES

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

SCHEDULE OF SWIM POOL UTILITY CASH

Year ended December 31, 2011

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2010	D	\$ 724,199.08	\$ 5,247.88
Increased By Receipts:			
Membership Fees	D-2	\$ 277,204.00	
Recreation Lease	D-2	50,000.00	
Interest on Investments	D-2	65.86	
Miscellaneous	D-2	297,902.37	
Prepaid Membership Fees	8-D	138,049.00	
Prepaid Guest Book Fees	10-D	960.00	
Prepaid Miscellaneous Fees	11-D	609.00	
		<u>764,790.23</u>	
		1,488,989.31	5,247.88
Decreased By Disbursements:			
2011 Budget Appropriations	D-3	827,932.27	
2010 Appropriation Reserves	5-D	11,699.19	
Accounts Payable	7-D	158.00	
		<u>839,789.46</u>	
Balance, December 31, 2011	D	<u>\$ 649,199.85</u>	<u>\$ 5,247.88</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF SWIM POOL UTILITY CASH

December 31, 2011 and 2010

		Balance December 31, <u>2011</u>	Balance December 31, <u>2010</u>
Due To General Capital Fund		\$ 250,000.00	\$ 250,000.00
Due To Swim Pool Operating Fund		80,000.03	80,000.03
Reserve for Capital Outlay		43,490.61	43,490.61
<u>Ordinance</u>			
<u>Number</u>	<u>Improvement Authorizations</u>		
05-37	Various Swim Facility Improvements	<u>(368,242.76)</u>	<u>(368,242.76)</u>
		<u>\$ 5,247.88</u>	<u>\$ 5,247.88</u>
	<u>Reference</u>	D	D

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2011

	Balance December 31, <u>2010</u>	By Budget Capital <u>Outlay</u>	Balance December 31, <u>2011</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	2,755,153.30	\$ 4,000.00	2,759,153.30
Flume Slide	<u>204,287.32</u>		<u>204,287.32</u>
	<u>\$ 3,178,460.21</u>	<u>\$ 4,000.00</u>	<u>\$ 3,182,460.21</u>
<u>Reference</u>	D	D-3, 13-D	D

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year ended December 31, 2011

Ordinance Number	Description	Ordinance		Balance	Balance
		Date	Amount	December 31, 2010	December 31, 2011
05-37	Various Swim Facility Improvements	09/22/05	\$ 446,250.00	<u>\$ 78,007.24</u>	<u>\$ 78,007.24</u>
			<u>Reference</u>	D	D

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

Year ended December 31, 2011

	Balance December 31, 2010	<u>Encumbrances</u>	Modified <u>Balance</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 11,312.00		\$ 11,312.00		\$ 11,312.00
Other Expenses	<u>117,141.15</u>	\$ <u>37,448.81</u>	<u>154,589.96</u>	\$ <u>11,699.19</u>	<u>142,890.77</u>
Total Operating Expenses	<u>128,453.15</u>	<u>37,448.81</u>	<u>165,901.96</u>	<u>11,699.19</u>	<u>154,202.77</u>
Capital Outlay	<u>6,900.00</u>		<u>6,900.00</u>		<u>6,900.00</u>
Total Capital Outlay	<u>6,900.00</u>		<u>6,900.00</u>		<u>6,900.00</u>
	<u>\$ 135,353.15</u>	<u>\$ 37,448.81</u>	<u>\$ 172,801.96</u>	<u>\$ 11,699.19</u>	<u>\$ 161,102.77</u>
<u>Reference</u>	D	D, 6-D		1-D	D-1

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December, 31, 2010	D	\$ 37,448.81
Increased By:		
Transfer From Budget Appropriations	D-3	<u>36,446.60</u>
		73,895.41
Decreased By:		
Transfer To Appropriation Reserves	5-D	<u>37,448.81</u>
Balance, December 31, 2011	D	<u><u>\$ 36,446.60</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	D	\$ 35,483.06
Decreased By:		
Cash Disbursements	1-D	<u>158.00</u>
Balance, December 31, 2011	D	<u>\$ 35,325.06</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF PREPAID MEMBERSHIP FEES

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	D	\$ 182,849.00
Increased By:		
Cash Receipts	1-D	<u>138,049.00</u>
		320,898.00
Decreased By:		
Prepaid Applied	D-2	<u>182,849.00</u>
Balance, December 31, 2011	D	<u><u>\$ 138,049.00</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF INTERFUNDS PAYABLE

Year ended December 31, 2011

	<u>Reference</u>	<u>General Capital Fund</u>	<u>Swim Pool Operating Fund</u>
Balance, December 31, 2011 and 2010	D	<u>\$ 250,000.00</u>	<u>\$ 80,000.03</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF PREPAID GUEST BOOK FEES

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	D	\$ 1,315.00
Increased By:		
Fees Collected	1-D	<u>960.00</u>
		2,275.00
Decreased By:		
Fees Applied	D-2	<u>1,315.00</u>
Balance, December 31, 2011	D	<u><u>\$ 960.00</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF PREPAID MISCELLANEOUS FEES

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	D	\$ 1,325.00
Increased By:		
Fees Collected	1-D	<u>609.00</u>
		1,934.00
Decreased By:		
Fees Applied	D-2	<u>1,325.00</u>
Balance, December 31, 2011	D	<u><u>\$ 609.00</u></u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR CAPITAL OUTLAY

Year ended December 31, 2011

Reference

Balance, December 31, 2011 and 2010

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, 2011

	<u>Reference</u>	
Balance, December 31, 2010	D	\$ 2,810,217.45
Increased by:		
Capital Outlay Paid by the Operating Budget	D-3, 3-D	<u>4,000.00</u>
Balance, December 31, 2011	D	<u><u>\$ 2,814,217.45</u></u>

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2011

<u>Ordinance Number</u>	<u>Description</u>	<u>Ordinance</u>		<u>Balance</u> December 31, 2010	<u>Balance</u> December 31, 2011
		<u>Date</u>	<u>Amount</u>	<u>Unfunded</u>	<u>Unfunded</u>
05-37	Various Swim Facility Improvements	09/22/05	\$ 446,250.00	<u>\$ 78,007.24</u>	<u>\$ 78,007.24</u>
			<u>Reference</u>	D	D

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Years ended December 31, 2011 and 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance December 31, 2011 and 2010</u>
05-37	Various Swim Pool Facility Improvements	09/22/05	<u>\$ 446,250.00</u>
		<u>Reference</u>	D

WATER UTILITY FUND

SCHEDULES

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY FUND

SCHEDULE OF WATER UTILITY CASH - TREASURER

Year ended December 31, 2011

	Reference	OPERATING FUND		CAPITAL FUND	
Balance, December 31, 2010	F	\$	2,952,860.30	\$	3,457,210.39
Increased by Receipts:					
Water Utility Capital Surplus	F-2	\$	1,425,483.00		
Consumer Accounts Receivable	F-2, 3-F		7,111,985.75		
Connection Fees	F-2		364,663.13		
Other Operating Revenues	F-2		60,259.93		
Interest Earned on Investments and Deposits	F-2		15,075.40		
Solar Renewable Energy Credits	F-2		410,817.00		
Miscellaneous Revenue Not Anticipated	F-2		23,823.93		
Various Reserves	4-F		40,136.16		
Security Deposits	F		25,000.00		
Interfunds	14-F		601.82		
			<u>9,477,846.12</u>		
			12,430,706.42		<u>3,457,210.39</u>
Decreased by Disbursements:					
Budgeted Current Fund Revenue	F-1		800,000.00		
Budgeted Water Utility Operating Revenue	F-2			\$ 1,425,483.00	
Budget Expenditures	F-3		6,965,912.60		
2010 Appropriation Reserves	16-F		621,440.62		
Various Reserves	4-F		154,337.95		
Accrued Interest on Bonds	6-F		752,624.29		
Improvement Authorizations	9-F			755,072.82	
Interfunds	14-F			<u>30,601.82</u>	
			<u>9,294,315.46</u>		<u>2,211,157.64</u>
Balance - December 31, 2011	F	\$	<u>3,136,390.96</u>	\$	<u>1,246,052.75</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF WATER UTILITY CASH

Year ended December 31, 2011 AND 2010

	Balance December 31, <u>2011</u>	Balance December 31, <u>2010</u>
Fund Balance	\$ 897,036.34	\$ 2,622,519.34
Accounts Payable	26,115.00	26,115.00
Due To Water Utility Operating Fund		601.82
Due To General Capital Fund		30,000.00
Reserve for Capital Improvement Fund	50,000.00	50,000.00
<u>Improvement Authorizations</u>		
09-46 Various Capital Improvements	39,992.00	39,992.00
10-17 Various Capital Improvements	220,074.43	687,982.23
11-03 Various Capital Improvements	(20,427.47)	
11-12 Acquisition of Land & Related Improvements	<u>33,262.45</u>	
Total	<u>\$ 1,246,052.75</u>	<u>\$ 3,457,210.39</u>
<u>Reference</u>	F	F

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	F	\$ 377,290.91
Increased by:		
Water Utility Billings (net)	Reserve	<u>7,034,001.09</u>
		7,411,292.00
Decreased by:		
Cash Receipts	1-F	<u>7,111,985.75</u>
Balance, December 31, 2011	F	<u><u>\$ 299,306.25</u></u>

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2011

	Balance December 31, <u>2010</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2011</u>
Water Operating:				
Reserve for:				
Escrow	\$ 891,681.90	\$ 40,136.16	\$ 154,337.95	\$ 777,480.11
Compensated Absences	18,040.00			18,040.00
	<u>\$ 909,721.90</u>	<u>\$ 40,136.16</u>	<u>\$ 154,337.95</u>	<u>\$ 795,520.11</u>
<u>Reference</u>	F	1-F	1-F	F

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF WATER RENT OVERPAYMENTS

Year ended December 31, 2011

Reference

Balance, December 31, 2011 and 2010

F

\$ 15,798.00

TOWNSHIP OF MARLBORO
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	F	\$ 67,115.70
Increased by:		
Accrued Interest Charged to Budget appropriations	F-3	\$ <u>750,056.01</u>
		817,171.71
Decreased by:		
Cash Disbursements	1-F	<u>752,624.29</u>
Balance, December 31, 2011	F, Below	<u><u>\$ 64,547.42</u></u>

Analysis of Balance - December 31, 2011

Principal Outstanding Dec. 31, 2011	Interest Rate	From	To	Period	Amount
<u>Water Utility Serial Bonds - 2011</u>					
\$ 10,490,000.00	Various	12/1/2011	12/31/2011	31 Days	\$ 17,818.63
8,645,000.00	Various	12/1/2011	12/31/2011	31 Days	16,520.24
840,000.00	Various	4/1/2011	12/31/2011	270 Days	<u>12,427.40</u>
					46,766.27
					17,781.15
					<u>\$ 64,547.42</u>

Excess Balances Raised

Reference

Above

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2011

<u>Account</u>	Balance December 31, <u>2010</u>	Balance December 31, <u>2011</u>
Water Utility: Various capital improvements	<u>\$ 32,967,341.00</u>	<u>\$ 32,967,341.00</u>
<u>Reference</u>	F	F

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year Ended December 31, 2011

<u>Ordinance Number</u>	<u>Date</u>	<u>Improvement Description</u>	Balance December <u>31, 2010</u>	2011 <u>Authorizations</u>	Balance December <u>31, 2011</u>
09-46	12/18/2009	Various Capital Improvements	\$ 840,000.00		\$ 840,000.00
11-03	4/13/2011	Various Capital Improvements		\$ 614,250.00	614,250.00
11-12	5/19/2011	Acquisition of Land & Related Capital Improvements		<u>300,000.00</u>	<u>300,000.00</u>
			<u>\$ 840,000.00</u>	<u>\$ 914,250.00</u>	<u>\$ 1,754,250.00</u>
		<u>Reference</u>	F	9-F	F

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2011

Ordinance Number	Improvement Description	Ordinance		Balance, December 31, 2010		2011 Authorizations	Paid or Charged	Balance, December 31, 2011	
		Date	Amount	Funded	Unfunded			Funded	Unfunded
09-46	Transfer From Dissolution of the Municipal Utilities Authority and Assumption of Certain Outstanding Obligations	12/18/2009	\$ 5,099,068.00	\$39,992.00				\$ 39,992.00	
10-17	Various Capital Improvements	07/15/2010	840,000.00	687,982.23			\$ 467,907.80	220,074.43	
11-03	Various Capital Improvements	04/07/2011	614,250.00			\$ 614,250.00	20,427.47		\$ 593,822.53
11-12	Acquisition of Land & Related Improvements	05/19/2011	300,000.00			300,000.00	266,737.55	33,262.45	
			<u>\$ 727,974.23</u>	<u>\$ -</u>		<u>\$ 914,250.00</u>	<u>\$ 755,072.82</u>	<u>\$ 293,328.88</u>	<u>\$ 593,822.53</u>
		<u>Reference</u>		F	F	8-F	1-F	F	F

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

Year ended December 31, 2011

Purpose	Ordinance Number	Original Issue		Maturities of Bonds Outstanding December 31, 2011		Interest Rate	Balance December 31, 2010	Decrease	Balance December 31, 2011							
		Date	Amount	Date	Amount											
Water Utility Improvements	09-46	01/14/2010	\$ 11,630,000.00	12/1/2012	\$ 555,000.00	2.000 %	\$ 11,030,000.00	\$ 540,000.00	\$ 10,490,000.00							
				12/1/2013	555,000.00	2.000										
				12/1/2014	570,000.00	1.250										
				12/1/2016	585,000.00	2.000										
				12/1/2017	605,000.00	3.500										
				12/1/2018	630,000.00	4.000										
				12/1/2019	540,000.00	4.000										
				12/1/2020	625,000.00	4.250										
				12/1/2021	655,000.00	4.250										
				12/1/2022	680,000.00	4.250										
				12/1/2023	715,000.00	4.250										
				12/1/2024	210,000.00	4.250										
				12/1/2030	1,460,000.00	4.000										
				12/1/2035	1,530,000.00	4.375										
Water Utility Improvements	09-46	01/14/2010	11,815,000.00	12/1/2012	1,595,000.00	2.250	10,220,000.00	1,575,000.00	8,645,000.00							
				12/1/2013	1,635,000.00	3.040										
				12/1/2014	945,000.00	3.390										
				12/1/2015	975,000.00	3.690										
				12/1/2016	1,015,000.00	4.080										
				12/1/2017	1,065,000.00	4.400										
				12/1/2018	1,095,000.00	4.650										
				12/1/2019	320,000.00	4.750										
				Water Utility Improvements	10-17	07/15/2010				840,000.00	4/1/2012	20,000.00	2.000	840,000.00		840,000.00
											4/1/2013	30,000.00	2.000			
4/1/2015	30,000.00	2.000														
4/1/2016	40,000.00	2.500														
4/1/2017	40,000.00	2.500														
4/1/2018	80,000.00	3.250														
4/1/2019	80,000.00	3.500														
4/1/2020	90,000.00	4.000														
4/1/2021	90,000.00	4.000														
4/1/2022	100,000.00	4.000														
4/1/2023	100,000.00	4.000														
4/1/2024	100,000.00	4.000														
							840,000.00		840,000.00							
							\$ 22,090,000.00	\$ 2,115,000.00	\$ 19,975,000.00							
<u>Reference</u>							F	F-3,12-F	F							

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2011

Reference

Balance, December 31, 2011 and 2010

F

\$ 50,000.00

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	F	\$ 11,717,341.00
Increased by:		
Payment of Bond Principal	10-F	<u>2,115,000.00</u>
Balance, December 31, 2011	F	<u>\$ 13,832,341.00</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2011

Reference

Balance, December 31, 2011 and 2010

F

\$ 26,115.00

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF INTERFUNDS PAYABLE

Year ended December 31, 2011

	<u>Reference</u>	Water Utility <u>Operating Fund</u>	General <u>Capital Fund</u>
Balance, December 31, 2010	F	\$ 601.82	\$ 30,000.00
Decreased by:			
Cash Disbursements	1-F	<u>601.82</u>	<u>30,000.00</u>
Balance, December 31, 2011	F	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

Year ended December 31, 2011

	<u>Reference</u>	
Balance, December 31, 2010	F	\$ -
Increased by:		
2011 Authorizations	8-F	<u>300,000.00</u>
Balance, December 31, 2011	F	<u>\$ 300,000.00</u>

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF 2010 APPROPRIATION RESERVES

Year ended December 31, 2011

	Balance December 31, <u>2010</u>	<u>Encumbrances</u>	Modified <u>Balance</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 46,478.61		\$ 46,478.61		\$ 46,478.61
Other Expenses	96,177.54	\$ 671,591.78	767,769.32	\$ 621,440.62	146,328.70
Total Operating Expenses	<u>142,656.15</u>	<u>671,591.78</u>	<u>814,247.93</u>	<u>621,440.62</u>	<u>192,807.31</u>
Capital Outlay	<u>49,807.00</u>		<u>49,807.00</u>		<u>49,807.00</u>
Total Capital Outlay	<u>49,807.00</u>		<u>49,807.00</u>		<u>49,807.00</u>
	<u>\$ 192,463.15</u>	<u>\$ 671,591.78</u>	<u>\$ 864,054.93</u>	<u>\$ 621,440.62</u>	<u>\$ 242,614.31</u>
<u>Reference</u>	F	F		1-F	F-1

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, 2011 and 2010

	<u>Reference</u>	Balance December 31, <u>2011</u>	Balance December 31, <u>2010</u>
Land, Buildings and Improvements	G	\$ 70,075,687.00	\$ 69,150,896.00
Machinery, Equipment and Vehicles	G	<u>10,911,557.00</u>	<u>10,247,845.00</u>
	G	<u>\$ 80,987,244.00</u>	<u>\$ 79,398,741.00</u>

SINGLE AUDIT SECTION



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

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

We have audited the regulatory-basis financial statements of the Township of Marlboro (the "Township"), County of Monmouth, New Jersey as of and for the year ended December 31, 2011, and have issued our report thereon dated July 25, 2012, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and a qualified opinion since the Division does not require the Length of Services Award Program ("LOSAP") to be audited. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Township is responsible for establishing and maintaining effective 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 over financial reporting that we consider to be material weaknesses, as defined previously.

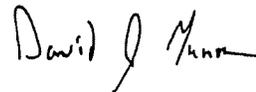
We noted certain matters involving internal control over financial reporting that we have reported to management in the comments and recommendations section of this report.

Compliance and Other Matters

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

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

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



David J. Gannon
Registered Municipal Accountant
No. 520



WISS & COMPANY, LLP

Iselin, New Jersey
July 25, 2012



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH NEW JERSEY OMB CIRCULAR 04-04

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

Compliance

We have audited the Township of Marlboro's, County of Monmouth, New Jersey ("Township") compliance with the types of compliance requirements described in the *New Jersey Compliance Supplement* that could have a direct and material effect on each of its major state programs for the year ended December 31, 2011. The Township's major state program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major state program is the responsibility of the Township's management. Our responsibility is to express an opinion on the Township's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"); and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and New Jersey OMB Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program have occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township's compliance with those requirements.

In our opinion, the Township complied, in all material respects with the compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended December 31, 2011.

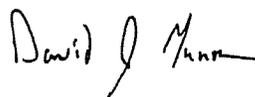
Internal Control Over Compliance

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered the Township's internal control over compliance with the requirements that could have a direct and material effect on a major state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify and deficiencies in internal control over compliance that we consider to be material weakness, as defined above.

This report is intended solely for the information and use of the Mayor and Township Council, management, others within the entity, the Division and state awarding agencies 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
July 25, 2012

SCHEDULES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Township of Marlboro
County of Monmouth, New Jersey

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2011

Federal Grantor/Pass Through Grantor/Program Title	Township Fund Reference	CFDA Number	Total Award	Grant Year	2011	
					Cash Receipts	Expenditures
Direct Awards:						
U.S. Department of Transportation:						
National Highway Traffic Safety Administration						
Click It or Ticket Grant	A	20.600	\$ 4,000.00	2010	\$ 4,000.00	\$ 4,000.00
Department of Justice:						
Pass Through the State:						
Justice Assistance Grant	A	16.803	6,612.00	2010 - 2011	6,175.73	5,689.73
Over the Limit/Under Arrest Grant	A	16.000		2010 - 2011	5,000.00	3,232.72
Over the Limit/Under Arrest Grant	A	16.000	4,400.00	2011	4,400.00	4,057.50
Body Armor Grant	A	16.000	20,312.50	2011	17,468.75	8,125.00
COPS in Shops Grant	A	16.000	1,600.00	2009 - 2011	1,600.00	1,600.00
Department of Energy:						
Energy Efficient Grant - ARRA	A	81.128	162,300.00	2009 - 2011		16,630.70
Green Team Grant	A	81.000	3,600.00	2011		980.24
Community Development Block Grant:						
Senior Center Renovations	A	14.218	80,152.00	2009 - 2011		63,625.68
Total expenditures					\$ 38,644.48	\$ 107,941.57

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

Township of Marlboro
County of Monmouth, New Jersey

Schedule of Expenditures of State Financial Assistance

Year Ended December 31, 2011

State Funding Department or Division	Program	Fund Reference	Total Award	State Account No.	Grant Year	2011	
						Cash Receipts	Expenditures
Environmental Protection							
	Recycling Tonnage Grant	A	\$ 143,764.57	4900-752-042-001	Prior Year Through 2011	\$ 47,902.11	\$ 45,347.23
	Municipal Recycling Service Grant	A	\$ 15,000.00	Unavailable	2011	15,000.00	
	Clean Community Grant	A	234,333.67	4900-765-042-4900-004-V42Y-6020	Prior Year Through 2011	70,115.09	61,984.59
	NJ Sustainable Grant	A	25,000.00	Unavailable	2011	12,500.00	
	Storm Water Management Grant	A	20,619.00	Unavailable	Prior Year Through 2011		2,500.00
	NJ Forestry	A	6,967.00	Unavailable	Prior Year Through 2011	6,966.28	
	Green Acres	A	600,000.00	Unavailable	2011	242,772.69	242,772.69
Department of Transportation							
	Union Hill Road	C	585,000.00	Various	Prior Year Through 2011	438,750.00	585,000.00
	Vanderberg Road	C	250,000.00	11-480-078-6320-AK3-6010	2011	183,415.65	183,415.65
Law and Public Safety							
	Municipal Alliance	A	167,007.00	G-02-241-709-080-628	Prior Year Through 2011	27,347.74	30,862.49
	Alcohol Rehabilitation Grant	A	61,372.00	9735-760-098-Y900-001-X100-6020	Prior Year Through 2011	647.22	
	Drunk Driving Enforcement Fund	A	33,252.56	1160-100-057-1160	Prior Year Through 2011	3,421.34	3,912.41
	Body Armor Replacement Grant	A	30,448.33	Unavailable	Prior Year Through 2011	6,208.90	5,782.75
Total expenditures						\$ 1,055,047.02	\$ 1,161,577.81

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, 2011

1. General

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

2. Basis of Accounting

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

3. Relationship to Federal and State Financial Reports

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

4. Relationship to Financial Statements – Regulatory Basis

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

5. Other

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

**Township of Marlboro
Monmouth County, New Jersey**

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified – OCBOA, except Qualified for LOSAP;
Adverse – U.S. GAAP

Internal Control over financial reporting:

- | | | | | |
|--|-------|-----|---------------|------------------|
| 1. Material weakness(es) identified? | _____ | Yes | _____ X _____ | No |
| 2. Significant deficiency(ies) identified? | _____ | Yes | _____ X _____ | None
Reported |

Noncompliance material to the financial statements noted?

_____ Yes _____ X _____ No

State Awards

Internal Control over major programs:

- | | | | | |
|--|-------|-----|---------------|------------------|
| 1. Material weakness(es) identified? | _____ | Yes | _____ X _____ | No |
| 2. Significant deficiency(ies) identified? | _____ | Yes | _____ X _____ | None
Reported |

Type of auditor's report issued on compliance for major programs

_____ Unqualified _____

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular 04-04?

_____ Yes _____ X _____ No

Identification of major programs:

<u>Program Number(s)</u>	<u>Name of State Program or Cluster</u>
480 078 6320	Department of Transportation – Highway Safety Program

Dollar threshold used to distinguish between type A and B programs:

_____ \$300,000.00 _____

Auditee qualified as low-risk auditee?

_____ Yes _____ X _____ No

**Township of Marlboro
Monmouth County, New Jersey**

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011**

Section II – Schedule of Financial Statement Findings

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance related to the regulatory basis financial statements that are required to be reported in accordance with chapter 5.18 of *Governmental Auditing Standards*.

None noted.

**Township of Marlboro
Monmouth County, New Jersey**

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011**

Section III – State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major state programs, as required by NJ OMB Circular 04-04.

State Award Programs:

None noted.

**Township of Monmouth
Marlboro County, New Jersey**

**Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2011**

SUMMARY OF PRIOR YEAR FINDINGS

Not applicable.

COMMENTS SECTION

**TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY
YEAR ENDED DECEMBER 31, 2011**

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, 2011, has recently been completed. The results of the audit are herewith set forth:

Scope of Audit

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

Cash and investment balances were reconciled with independent certifications obtained directly from the depositories.

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

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

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

N.J.S.A. 40A: 11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3: of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500 (effective January 1, 2011) except by contract or agreement."

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts and agreements for "Professional Services" per N.J.S.A. 40A:11-5. Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring or any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body, on January 6, 2011 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 tax billings and utility charges was made in accordance with regulations issued by the Division.

Alternate procedures for non-replies were performed as follows:

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

Comparative Schedule of Tax Rate Information

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Tax rate	\$ 2.004	\$ 1.979	\$ 4.144
Apportionment of tax rate:			
Municipal	\$ 0.310	\$ 0.297	\$ 0.588
Municipal Open Space	0.010	0.010	0.020
County	0.308	0.304	0.639
Local School	0.981	0.980	2.070
Regional High School	0.395	0.388	0.827
Assessed valuations	\$ 6,897,539,085	\$ 6,933,408,244	\$ 3,188,708,404

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>
2011	\$ 141,753,838.62	\$ 140,404,951.11	99.05%
2010	140,168,248.19	138,598,918.85	98.88
2009	135,373,142.72	133,787,392.95	98.83

Delinquent Taxes and Tax Title Liens

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

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2011	\$ 239,978.18	\$ 831,890.42	\$ 1,071,868.60	0.76%
2010	170,926.33	906,115.84	1,077,042.17	0.77%
2009	136,649.61	1,454,787.48	1,591,437.09	1.18%

The last tax sale was held on April 6, 2011, 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>
2011	21
2010	16
2009	13

Property Acquired by Tax Title Lien Liquidation

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

<u>Years</u>	<u>Amount</u>
2011	\$ 802,400.00
2010	802,400.00
2009	802,400.00

Equalized Valuations – Real Property

Year	Amount
2011	\$ 7,437,791,262
2010	7,472,289,477
2009	7,584,031,317

Comparative Schedule of Fund Balances

	Year	Balance December 31	Budget of Succeeding Year
Current Fund	2011	\$ 5,094,549.02	\$ 3,475,260.00
	2010	6,522,020.50	5,500,000.00
	2009	2,893,148.61	1,291,773.80
Swimming Pool Utility Operating Fund	2011	406,105.66	331,045.19
	2010	406,881.51	242,539.85
	2009	453,288.42	331,250.00
Water Utility Operating Fund	2011	1,293,398.06	800,000.00
	2010	1,096,771.59	800,000.00

Officials In Office and Surety Bonds

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

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

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

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

COMMENTS AND RECOMMENDATIONS

TOWNSHIP OF MARLBORO
COUNTY OF MONMOUTH, NEW JERSEY
YEAR ENDED DECEMBER 31, 2011

COMMENTS AND RECOMMENDATIONS

General Ledger

Journal Entries

During our audit of the Township's general ledger, we noted an opportunity for improvement as it relates to the documentation maintained supporting adjusting journal entries recorded in the Township's general ledger throughout the year.

We suggest that the Township develop a standardized form for all adjusting journal entries recorded in the Township's general ledger documenting the preparer and the approver of the journal entry and attach all supporting documentation related to the journal entry to that standardized form.

Municipal Court

Bank Reconciliations

During our audit of the Court, we noted that the bank reconciliation balance did not agree to the Court's book balance by \$427.

We suggest that the Court investigate the difference noted between the bank reconciliation balance and the book balance and record appropriate adjustments.