

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
AND
INDEPENDENT AUDITOR'S REPORTS

YEAR ENDED

DECEMBER 31, 2008

Oliwa & Company
Certified Public Accountants

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

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COUNTY OF MONMOUTH
STATE OF NEW JERSEY

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COUNTY OF MONMOUTH
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STATE OF NEW JERSEY

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BOROUGH OF OCEANPORT

COUNTY OF MONMOUTH,
STATE OF NEW JERSEY

PART I

INDEPENDENT AUDITOR'S REPORTS

FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2008

Oliwa & Company

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Oceanport
County of Monmouth
Oceanport, New Jersey

We have audited the accompanying regulatory basis financial statements of the Borough of Oceanport, County of Monmouth, State of New Jersey (the "Borough") as of and for the year ended December 31, 2008, listed as financial statement exhibits in the table of contents. These financial statements are the responsibility of the Borough's management. Our responsibility is to express an opinion on these financial statements based on our audit. The regulatory basis financial statements of the Borough as of December 31, 2007, were audited by other auditors whose report dated June 30, 2008, expressed an unqualified opinion on those statements in accordance with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, prior to restatement, and an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

We conducted our audit 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; and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Borough prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the regulatory basis of accounting and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. In addition, the financial statements of the Length of Service Award Program (LOSAP) have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey

to audit the LOSAP Fund financial statements as part of our audit of the Borough's financial statements. The LOSAP Fund financial activities are included in the Borough's Trust Fund, and represent 17.24% of the assets and liabilities of the Borough's Trust Fund, as of December 31, 2008.

In our opinion, because of the Borough's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2008 or the results of its operations and changes in its fund balances for the year then ended.

Also, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Fund financial statements been audited, the financial statements referred to above present fairly, in all material respects, the financial position of the Borough as of December 31, 2008, and the results of its operations and changes in its fund balances for the year ended December 31, 2008, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2009 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the regulatory basis financial statements taken as a whole. The accompanying supplementary data and schedules section and the comments section listed in the table of contents are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the regulatory basis financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.



Robert S. Oliwa
Certified Public Accountant
Registered Municipal Accountant #414

Oliwa & Company

Freehold, New Jersey
June 26, 2009

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 Borough Council
Borough of Oceanport
County of Monmouth
Oceanport, New Jersey

We have audited the regulatory basis financial statements of the Borough of Oceanport, County of Monmouth, State of New Jersey (the "Borough"), as of and for the year ended December 31, 2008, and have issued our report thereon dated June 26, 2009, 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. 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 prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

Internal Control Over Financial Reporting (Continued)

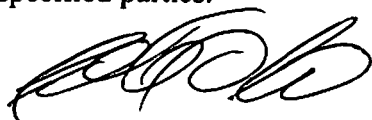
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough'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*. However, we noted certain matters that we have reported to the management of the Borough in the comments and recommendations section of this report.

This report is intended for the information of the governing body, management, others within the Borough, and the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not intended to be and should not be used by anyone other than these specified parties.



Robert S. Oliwa
Certified Public Accountant
Registered Municipal Accountant #414

Oliwa & Company

Freehold, New Jersey
June 26, 2009

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
December 31, 2008 and 2007

	<u>Ref.</u>	<u>2008</u>	<u>2007</u>
<u>Assets</u>			
Cash and Cash Equivalents			
Cash	A-4	\$3,735,977.45	\$3,561,285.91
Change Funds		300.00	300.00
		<u>3,736,277.45</u>	<u>3,561,585.91</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	182,151.06	156,105.02
Tax Title Liens Receivable	A-6	9,404.80	15,529.31
Revenue Accounts Receivable	A-7	6,883.99	7,110.04
Property Acquired for Taxes at Assessed Valuation	A-8	3,300.00	3,300.00
Code Official Security Deposit		1,000.00	1,000.00
Interfunds Receivable	A-21	1,171.50	790.90
	A	<u>203,911.35</u>	<u>183,835.27</u>
Deferred Charges:			
Emergency Authorizations (40A:4-47)	A-10	130,000.00	
Special Emergency Authorizations (40A:4-55)	A-12	69,000.00	103,500.00
		<u>199,000.00</u>	<u>103,500.00</u>
		<u>4,139,188.80</u>	<u>3,848,921.18</u>
Federal and State Grant Fund:			
Interfunds Receivable	A-23	91,983.96	44,867.80
Grants Receivable	A-24	45,000.00	45,617.00
		<u>136,983.96</u>	<u>90,484.80</u>
		<u>\$4,276,172.76</u>	<u>\$3,939,405.98</u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
December 31, 2008 and 2007

	<u>Ref.</u>	<u>2008</u>	<u>2007</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Appropriation Reserves	A-3,A-11	\$274,788.53	\$111,828.79
Reserve for Encumbrances	A-13	142,284.01	134,553.67
Accounts Payable	A-14	837.00	1,675.00
Prepaid Taxes	A-15	278,070.33	251,681.52
Tax Overpayments	A-16	2,293.91	
County Taxes Payable	A-17	28,363.08	14,791.50
Local School District Tax Payable	A-18	1,456,978.36	1,533,790.39
Regional High School Tax Payable	A-19	674,528.37	686,528.37
Various Reserves	A-20	10,261.79	7,195.11
Special Emergency Notes Payable	A-22	69,000.00	103,500.00
Emergency Note Payable		130,000.00	
Due to State of New Jersey (P.L. 1971, C. 20)	A-9	646.64	998.00
Interfunds Payable	A-21	91,983.96	94,409.75
		<u>3,160,035.98</u>	<u>2,940,952.10</u>
Reserves for Receivables and Other Assets	A	203,911.35	183,835.27
Fund Balance	A-1	775,241.47	724,133.81
		<u>4,139,188.80</u>	<u>3,848,921.18</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-25	113,796.19	61,015.28
Due to State of New Jersey D.E.P.		23,187.70	23,187.70
Unappropriated Reserves	A-26	0.07	1,588.07
Reserve for Encumbrances	A-27		4,693.75
		<u>136,983.96</u>	<u>90,484.80</u>
		<u><u>\$4,276,172.76</u></u>	<u><u>\$3,939,405.98</u></u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS
Years Ended December 31, 2008 and 2007

	<u>Ref.</u>	<u>2008</u>	<u>2007</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$617,000.00	\$636,000.00
Miscellaneous Revenue Anticipated	A-2	1,183,726.58	1,479,499.59
Receipts from Delinquent Taxes	A-2	163,289.19	128,572.22
Receipts from Current Taxes	A-2	18,902,469.14	17,880,626.84
Non-Budget Revenues	A-2	75,125.22	37,537.44
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-11	62,854.41	60,347.45
Accounts Payable Cancelled			900.00
Interfunds Returned		790.90	52,307.12
Statutory Excess in Animal Control Fund		1,171.50	
Total Revenue		<u>21,006,426.94</u>	<u>20,275,790.66</u>
Expenditures:			
Budget Appropriations Within CAPS:			
Operations:			
Salaries and Wages	A-3	2,630,184.00	2,501,872.00
Other Expenses	A-3	2,493,064.00	2,213,958.00
Deferred Charges and Statutory Expenditures	A-3	138,938.00	133,594.00
Budget Appropriations Excluded from CAPS:			
Operations:			
Other Expenses	A-3	479,448.92	413,563.01
Capital Improvements	A-3	75,000.00	217,500.00
Municipal Debt Service	A-3	508,598.27	411,072.82
Deferred Charges	A-3	72,000.00	46,500.00
County Taxes	A-17	3,371,924.96	3,392,683.23
Amount Due County for Added and Omitted Taxes	A-17	28,363.08	14,791.50
Local District School Tax	A-18	7,248,627.40	6,974,760.60
Regional High School Tax	A-19	3,150,090.00	3,174,577.18
Local Open Space Tax		270,909.15	276,163.64
Prior Year Revenue Refunded			949.81
Interfunds Advanced		1,171.50	
Total Expenditures		<u>20,468,319.28</u>	<u>19,771,985.79</u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS
Years Ended December 31, 2008 and 2007

	<u>Ref.</u>	<u>2008</u>	<u>2007</u>
Excess in Revenue		\$538,107.66	\$503,804.87
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Budget of Succeeding Year		<u>130,000.00</u>	<u> </u>
Statutory Excess to Fund Balance		668,107.66	503,804.87
Fund Balance January 1	A	<u>724,133.81</u>	<u>856,328.94</u>
		1,392,241.47	1,360,133.81
Decreased by:			
Utilized as Anticipated Revenue	A-1,A-2	<u>617,000.00</u>	<u>636,000.00</u>
Fund Balance December 31	A	<u><u>\$775,241.47</u></u>	<u><u>\$724,133.81</u></u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

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Sheet 1 of 3

CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
Year Ended December 31, 2008

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Special N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$617,000.00		\$617,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-7	500.00		800.00	\$300.00
Other	A-7	3,300.00		2,821.00	(479.00)
Fees and Permits	A-7	24,000.00		16,344.45	(7,655.55)
Municipal Court Fines and Costs	A-7	100,000.00		93,461.45	(6,538.55)
Interest and Costs on Taxes	A-7	30,000.00		47,559.22	17,559.22
Interest on Investments and Deposits	A-7	193,000.00		80,134.40	(112,865.60)
Consolidated Municipal Property Tax Relief Aid	A-7	119,183.00		119,183.00	
Energy Receipts Tax	A-7	580,713.00		580,713.00	
Uniform Construction Code Fees	A-7	95,000.00		84,351.09	(10,648.91)
Body Armor Fund	A-24	1,588.00	\$1,465.81	3,053.81	
Drunk Driving Enforcement Fund	A-24		5,033.28	5,033.28	
Clean Communities Program	A-24		7,819.47	7,819.47	
Alcohol Education and Rehabilitation Fund	A-24		428.36	428.36	
Municipal Stormwater Regulation	A-24		2,117.00	2,117.00	
Occupant Protection Program - Click it or Ticket 2008	A-24		3,250.00	3,250.00	
N.J. State Police - Emergency Management					
Exercise Improvement	A-24		10,000.00	10,000.00	
U.S. Department of Homeland Security - Assistance					
to Firefighters	A-24		28,815.00	28,815.00	
Life Hazard Use Fees	A-7	3,803.00		4,782.04	979.04
NJ State Police - Office of Emergency Management	A-24	7,000.00		7,000.00	
General Capital Fund Surplus	A-7	37,500.00		37,500.00	
Senior Citizen Housing - In Lieu of Taxes	A-7	41,400.00		48,560.01	7,160.01
Total Miscellaneous Revenues	A-1	1,236,987.00	58,928.92	1,183,726.58	(112,189.34)

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-2
Sheet 2 of 3

CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>Ref.</u>	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
		<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>		
Receipts from Delinquent Taxes	A-1,A-2	\$151,000.00		\$163,289.19	\$12,289.19
Subtotal General Revenues		2,004,987.00	\$58,928.92	1,964,015.77	(99,900.15)
Amount to be Raised by Taxes for Support of Municipal Budget: Local Tax for Municipal Purposes	A-2, A-5	4,563,375.00		4,842,554.55	\$279,179.55
Non-Budget Revenues	A-2			75,125.22	
Total		\$6,568,362.00	\$58,928.92	\$6,881,695.54	
	<u>Ref.</u>	A-3	A-3		

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>Ref.</u>	
<u>Analysis of Realized Revenues</u>		
Allocation of Current Tax Collections:		
Revenue from Collections	A-1,A-5	\$18,902,469.14
Allocated to School, County and Open Space Taxes		<u>14,419,914.59</u>
Balance for Support of Municipal Budget Appropriations		4,482,554.55
Add:		
Appropriation "Reserve for Uncollected Taxes"	A-3	<u>360,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u><u>\$4,842,554.55</u></u>
<u>Receipts from Delinquent Taxes:</u>		
Delinquent Tax Collections	A-5	\$156,105.02
Tax Title Lien Collections	A-6	7,184.17
	A-2	<u><u>\$163,289.19</u></u>
<u>Analysis of Non-Budget Revenues:</u>		
Sale of Assets		\$10,101.58
Photocopies		1,358.83
Board of Health		4,997.00
State of NJ - Senior Citizen Administrative Fee		1,559.72
Cable Franchise Fees		23,036.32
Off Duty Police Administrative Fee		22,156.08
DMV Inspection Fines		972.00
Pool Permits		150.00
Miscellaneous		2,293.69
Lawn Service Board of Education		<u>8,500.00</u>
	A-1,A-2	<u><u>\$75,125.22</u></u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 1 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>Operations Within "CAPS"</u>					
General Government Functions:					
Administrative and Executive					
Salaries and Wages	\$154,860.00	\$113,060.00	\$110,961.23	\$2,098.77	
Other Expenses	40,690.00	46,690.00	44,073.91	2,616.09	
Financial Administration					
Salaries and Wages	56,745.00	56,745.00	56,743.00	2.00	
Other Expenses	45,175.00	45,175.00	34,532.65	10,642.35	
Collection of Taxes					
Salaries and Wages	90,340.00	90,040.00	89,977.68	62.32	
Other Expenses	4,465.00	3,965.00	3,060.69	904.31	
Liquidation of Tax Title Liens					
Other Expenses	100.00	100.00		100.00	
Tax Sale					
Other Expenses	300.00	100.00		100.00	
Assessment of Taxes					
Salaries and Wages	24,295.00	22,895.00	22,593.00	302.00	
Other Expenses	4,250.00	4,250.00	2,859.87	1,390.13	
Legal Services and Costs					
Other Expenses (40A:4-47 + \$100,000.00)	150,000.00	250,000.00	176,494.69	73,505.31	

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 2 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>Operations Within "CAPS"</u>					
Engineering Services and Costs					
Other Expenses	\$38,000.00	\$52,000.00	\$45,209.05	\$6,790.95	
Land Use Administration:					
Planning Board and Board of Adjustment					
Salaries and Wages	5,000.00	6,000.00	6,000.00		
Other Expenses	5,800.00	4,800.00	2,747.56	2,052.44	
Planning Fees - Land Development					
Other Expenses (40A:4-47 + \$30,000.00)	25,000.00	90,000.00	74,157.56	15,842.44	
Environmental Commission					
Other Expenses	600.00	600.00	517.00	83.00	
Public Safety Functions:					
Municipal Court					
Salaries and Wages	63,600.00	62,600.00	61,474.50	1,125.50	
Other Expenses	4,100.00	4,100.00	3,173.34	926.66	
Public Defender					
Salaries and Wages	2,400.00	2,400.00	1,000.00	1,400.00	

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 3 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	APPROPRIATIONS		EXPENDED		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>Operations Within "CAPS"</u>					
Police Department					
Salaries and Wages	\$1,873,001.00	\$1,873,001.00	\$1,804,788.30	\$68,212.70	
Other Expenses	98,218.00	89,718.00	87,974.26	1,743.74	
Other Expenses - Police Car	40,592.00	40,142.00	40,135.66	6.34	
Emergency Management Services					
Salaries and Wages	3,000.00	3,000.00	3,000.00		
Other Expenses	8,400.00	8,400.00	8,333.82	66.18	
First Aid Organization - Contribution	40,000.00	40,000.00	40,000.00		
Fire					
Other Expenses					
Miscellaneous	60,300.00	62,300.00	60,056.30	2,243.70	
Fire Hydrant Service	55,000.00	55,925.00	55,902.00	23.00	
Municipal Prosecutor					
Salaries and Wages	8,000.00	8,100.00	8,075.00	25.00	
Public Works Functions:					
Road Repairs and Maintenance					
Salaries and Wages	290,210.00	289,210.00	286,180.80	3,029.20	
Other Expenses	76,700.00	72,700.00	71,625.09	1,074.91	
Garbage and Trash Removal					
Other Expenses	185,000.00	185,000.00	185,000.00		

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 4 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>Operations Within "CAPS"</u>					
Public Buildings and Grounds					
Other Expenses	\$52,200.00	\$58,200.00	\$56,661.86	\$1,538.14	
Shade Tree Commission					
Other Expenses	9,100.00	9,100.00	6,796.92	2,303.08	
Recycling					
Other Expenses	33,000.00	33,000.00	32,219.96	780.04	
Health and Human Services:					
Board of Health					
Salaries and Wages	1,800.00	2,100.00	2,077.00	23.00	
Other Expenses	1,500.00	500.00	13.68	486.32	
Bloodborne Pathogens					
Other Expenses	500.00	500.00		500.00	
Parks and Recreation Functions:					
Recreation and Education					
Salaries and Wages	13,230.00	13,230.00	13,229.96	0.04	
Other Expenses	15,210.00	13,210.00	11,002.42	2,207.58	
Senior Citizen Committee					
Other Expenses	2,000.00	2,000.00	2,000.00		

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 5 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>Operations Within "CAPS"</u>					
Insurance Functions:					
General Liability	\$83,964.00	\$83,964.00	\$62,208.80	\$21,755.20	
Worker Compensation	110,900.00	111,000.00	110,901.70	98.30	
Employee Group Health	570,000.00	560,400.00	559,807.65	592.35	
Dental	43,500.00	40,200.00	40,150.10	49.90	
Education:					
Expenses in Participation in Free County Library					
Salaries and Wages	1,500.00	1,500.00	1,330.00	170.00	
Other Expenses	5,800.00	5,800.00	5,755.65	44.35	
Transportation of High School Students					
Other Expenses	11,800.00	12,100.00	12,092.66	7.34	
Other Common Operating Functions:					
Celebration of Public Events					
Other Expenses	5,000.00	2,000.00		2,000.00	
State Uniform Construction Code					
Salaries and Wages	81,510.00	81,010.00	80,894.82	115.18	
Other Expenses	12,000.00	13,000.00	12,343.29	656.71	
Code Enforcement					
Salaries and Wages	6,093.00	5,293.00	5,205.00	88.00	
Other Expenses	4,000.00	500.00		500.00	

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 6 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Reserved</u>	<u>Balance</u> <u>Canceled</u>
<u>Operations Within "CAPS"</u>					
Utility Expenses and Bulk Purchases:					
Street Lighting	\$81,500.00	\$87,000.00	\$82,848.83	\$4,151.17	
Gasoline	65,000.00	72,500.00	62,259.94	10,240.06	
Electricity	50,000.00	53,500.00	49,032.27	4,467.73	
Telephone	17,500.00	18,400.00	18,161.67	238.33	
Water and Sewer	8,000.00	8,000.00	6,456.99	1,543.01	
Natural Gas	30,000.00	31,225.00	20,639.44	10,585.56	
Landfill/Solid Waste Disposal Costs:					
Tipping Fees	<u>222,500.00</u>	<u>221,000.00</u>	<u>220,690.33</u>	<u>309.67</u>	
Total Operations - Within "CAPS"	<u>4,993,248.00</u>	<u>5,123,248.00</u>	<u>4,861,427.90</u>	<u>261,820.10</u>	
Detail:					
Salaries and Wages	2,675,584.00	2,630,184.00	2,553,530.29	76,653.71	
Other Expenses (including Contingent)	<u>2,317,664.00</u>	<u>2,493,064.00</u>	<u>2,307,897.61</u>	<u>185,166.39</u>	

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 7 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Canceled</u>
<u>Deferred Charges and Statutory Expenditures Within "CAPS"</u>					
Statutory Expenditures:					
Contribution To:					
Public Employees' Retirement System	\$3,738.00	\$3,738.00	\$3,738.00		
Social Security System (O.A.S.I.)	135,200.00	135,200.00	131,385.29	\$3,814.71	
Deferred Charges and Statutory Expenditures Within "CAPS"	138,938.00	138,938.00	135,123.29	3,814.71	
Total General Appropriations Within "CAPS"	5,132,186.00	5,262,186.00	4,996,551.19	265,634.81	
<u>Operations Excluded from "CAPS"</u>					
Monmouth County 911 Program	10,000.00	10,000.00	4,649.28	5,350.72	
Contribution to:					
Police and Firemen's Retirement System of N.J.	275,869.00	275,869.00	275,869.00		
Public Employees' Retirement System	58,260.00	58,260.00	58,260.00		
Length of Service Awards Program	64,000.00	64,000.00	64,000.00		
Total Operations - Excluded from "CAPS"	408,129.00	408,129.00	402,778.28	5,350.72	
Detail:					
Other Expenses	408,129.00	408,129.00	402,778.28	5,350.72	

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 8 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>Public and Private Revenues Offset by Revenues:</u>					
Drunk Driving Enforcement Fund (40A:4-87, \$5,033.28+)		\$5,033.28	\$5,033.28		
Clean Communities Program (40A:4-87, \$7,819.47+)		7,819.47	7,819.47		
Emergency Management Exercise Improvement Grant (40A:4-87, \$10,000.00+)		10,000.00	10,000.00		
Body Armor Fund (40A:4-87, \$1,465.81+)	\$1,588.00	3,053.81	3,053.81		
Municipal Alcohol Education/Rehabilitation (40A:4-87, \$428.36+)		428.36	428.36		
Municipal Stormwater Regulation Program (40A:4-87, \$2,117.00+)		2,117.00	2,117.00		
Life Hazard Fees	3,803.00	3,803.00		\$3,803.00	
Occupant Protection Program - Click It or Ticket 2008 (40A:4-87, \$3,250.00+)		3,250.00	3,250.00		
U.S. Dept. of Homeland Security - Assistance to Firefighters (40A:4-87, \$28,815.00+)		28,815.00	28,815.00		
NJ State Police - Office of Emergency Management	7,000.00	7,000.00	7,000.00		
Total Public and Private Revenues Offset by Revenues	12,391.00	71,319.92	67,516.92	3,803.00	
Total Operations - Excluded from CAPS	420,520.00	479,448.92	470,295.20	9,153.72	
<u>Capital Improvements - Excluded from "CAPS"</u>					
Capital Improvement Fund	75,000.00	75,000.00	75,000.00		
<u>Municipal Debt Service Excluded from "CAPS"</u>					
Payment of Bond Principal	271,000.00	271,000.00	271,000.00		
Payment of Bond Anticipation Notes and Capital Notes	58,000.00	58,000.00	58,000.00		
Interest on Bonds	127,595.00	127,595.00	127,594.46		\$0.54
Interest on Notes	25,089.00	25,089.00	25,031.84		57.16
Green Trust Loan Program - Loan Repayments for Principal and Interest	26,972.00	26,972.00	26,971.97		0.03
Total Municipal Debt Service Excluded from "CAPS"	508,656.00	508,656.00	508,598.27		57.73

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 9 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Deferred Charges - Municipal Excluded from "CAPS"					
Special Emergency Authorizations - 5 Years					
N.J.S. 40A:4-55	\$34,500.00	\$34,500.00	\$34,500.00		
Unfunded Improvement Authorization Ordinance					
832 (1) Acquisition of Rescue Pumper	37,500.00	37,500.00	37,500.00		
Total Deferred Charges - Municipal Excluded from "CAPS"	72,000.00	72,000.00	72,000.00		
Total General Appropriations Excluded from "CAPS"	1,076,176.00	1,135,104.92	1,125,893.47	\$9,153.72	\$57.73
Subtotal General Appropriations	6,208,362.00	6,397,290.92	6,122,444.66	274,788.53	57.73
Reserve for Uncollected Taxes	360,000.00	360,000.00	360,000.00		
Total General Appropriations	<u>\$6,568,362.00</u>	<u>\$6,757,290.92</u>	<u>\$6,482,444.66</u>	<u>\$274,788.53</u>	<u>\$57.73</u>
<u>Ref.</u>	A-2		A-1	A, A-1	

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-3
Sheet 10 of 10

CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2008

	<u>Ref.</u>	<u>Budget After Modification</u>
Budget	A-3	\$6,568,362.00
Emergency Appropriations N.J.S. 40A:4-47	A-10	130,000.00
Appropriation by N.J.S. 40A:4-87	A-2	58,928.92
		<hr/>
		<u>\$6,757,290.92</u>

		<u>Paid or Charged</u>
Disbursements	A-4	\$5,878,143.73
Reserve for Encumbrances	A-13	142,284.01
Appropriated Reserves for Federal and State Grants	A-21,A-23,A-25	67,516.92
Reserve for Uncollected Taxes	A-2	360,000.00
Deferred Charges - Special Emergency	A-12	34,500.00
		<hr/>
	A-3	<u>\$6,482,444.66</u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

B
Sheet 1 of 2

TRUST FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
December 31, 2008 and 2007

	<u>Ref.</u>	<u>2008</u>	<u>(As restated) 2007</u>
<u>Assets</u>			
Animal Control Trust Fund: Cash and Cash Equivalents	B-1	<u>\$11,087.50</u>	<u>\$9,776.70</u>
Open Space Trust Fund: Cash and Cash Equivalents	B-1	<u>259,290.06</u>	<u>365,665.40</u>
Trust Other Fund: Cash and Cash Equivalents	B-1	<u>390,089.62</u>	<u>412,510.67</u>
Length of Service Award Program Fund: (LOSAP) - Unaudited Investments	B-8	<u>137,581.65</u>	<u>119,309.49</u>
		<u><u>\$798,048.83</u></u>	<u><u>\$907,262.26</u></u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

B
Sheet 2 of 2

TRUST FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
December 31, 2008 and 2007

	<u>Ref.</u>	<u>2008</u>	<u>(As restated) 2007</u>
<u>Liabilities and Reserves</u>			
Animal Control Trust Fund:			
Due to State of New Jersey	B-3	\$3.60	
Interfund - Current Fund	B-4	1,171.50	\$790.90
Reserve for Animal Control Trust Fund Expenditures	B-2	9,912.40	8,985.80
		<u>11,087.50</u>	<u>9,776.70</u>
Open Space Trust Fund:			
Reserve for Open Space	B-5	259,290.06	365,665.40
Trust Other Fund:			
Various Reserves	B-7	390,089.62	412,510.67
Length of Service Award Program Fund:			
(LOSAP) - Unaudited Miscellaneous Reserves	B-9	137,581.65	119,309.49
		<u>\$798,048.83</u>	<u>\$907,262.26</u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

C

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
December 31, 2008 and 2007

	<u>Ref.</u>	<u>2008</u>	<u>2007</u>
<u>Assets</u>			
Cash and Cash Equivalents	C-2	\$786,448.56	\$1,151,540.05
Deferred Charges to Future Taxation:			
Funded	C-4	5,090,838.72	4,388,774.38
Unfunded	C-5	742.35	552,942.35
Grants Receivable	C-6	233,406.37	193,406.37
Interfund - Current Fund	C-7		49,541.95
		<u>\$6,111,436.00</u>	<u>\$6,336,205.10</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Serial Bonds	C-11	\$4,754,000.00	\$4,032,000.00
Bond Anticipation Notes	C-12	456,700.00	514,700.00
Green Trust Loans Payable	C-14	336,838.72	356,774.38
Improvement Authorizations:			
Funded	C-10	509,231.34	542,699.17
Unfunded	C-10	74.00	150,299.85
Capital Improvement Fund	C-13	26,918.50	418.50
Accrued Interest on Bonds	C-9	3,478.24	3,478.24
Reserve for:			
Encumbrances	C-10	14,387.00	620,454.80
Payment of Bonds	C-15	6,801.49	6,801.49
Fort Monmouth Planning	C-8		69,200.00
Fund Balance	C-1	<u>3,006.71</u>	<u>39,378.67</u>
		<u>\$6,111,436.00</u>	<u>\$6,336,205.10</u>

There were bonds and notes authorized but not issued on December 31, 2008 of \$742.35 (Schedule C-16).

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

C-1

GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE
REGULATORY BASIS
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$39,378.67
Increased by:		
Premium on Sale of Bonds	C-2	<u>1,128.04</u>
		40,506.71
Decreased by:		
Utilized as Revenue in Current Fund Budget	C-2	<u>37,500.00</u>
Balance, December 31, 2008	C	<u><u>\$3,006.71</u></u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
December 31, 2008 and 2007

	<u>Ref.</u>	<u>2008</u>	<u>2007</u>
General Fixed Assets:			
Land and Buildings		\$1,725,141.00	\$1,725,141.00
Machinery and Equipment		2,902,164.00	2,328,473.00
		<u>\$4,627,305.00</u>	<u>\$4,053,614.00</u>
Investment in General Fixed Assets	D-1	<u>\$4,627,305.00</u>	<u>\$4,053,614.00</u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

PAYROLL FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<u>Assets</u>		
Cash	<u>\$21,755.02</u>	<u>\$14,450.00</u>
<u>Liabilities</u>		
Reserve for Expenditures	<u>\$21,755.02</u>	<u>\$14,450.00</u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<u>Assets</u>		
Cash	<u>\$11,615.77</u>	<u>\$11,615.77</u>
<u>Liabilities and Reserves</u>		
Reserve for Public Assistance	<u>\$11,615.77</u>	<u>\$11,615.77</u>

See Accompanying Notes

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of the Borough of Oceanport, County of Monmouth, State of New Jersey (the "Borough"), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough as required by N.J.S. 40A:5-5. The financial statements of the Borough do not include the operations of the Board of Education, first aid squad or volunteer fire department, which are subject to separate audits.

The Governmental Accounting Standards Board ("GASB") established criteria to be used to determine if component units should be included in the financial statements of the oversight entity. These criteria differ from the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") requirements where certain boards, commissions, and agencies of the Borough, by statute or other directive, report separately on their financial statements. The Borough had no component units during 2008.

B. Descriptions of Funds

The GASB is the recognized standard setting body for establishing governmental accounting and financial reporting principles generally accepted in the United States of America. The GASB codification establishes certain fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The accounting policies of the Borough conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

Current Fund - used to record revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

Animal Control Trust Fund - used to record animal license revenues and expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Descriptions of Funds (Continued)

Other Trust Fund - used to account for assets held by the Borough in a trustee capacity or as an agent for individuals and other governmental agencies.

Length of Service Award Program Fund - used to record Borough contributions, changes in market value and administrative charges for program-eligible volunteers.

Open Space Trust Fund - used to account for receipts and disbursements relative to open space acquisition and maintenance.

General Capital Fund - used to record resources, including Federal and State Grants in aid of construction, 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.

Public Assistance Trust Fund - used to account for receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes.

Payroll Fund - used to account for payroll related transactions.

General Fixed Assets Account Group - used to account for fixed assets in general government operations.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local governmental units. A modified accrual basis of accounting is followed with minor exceptions. The more significant differences are as follows:

Property Taxes and Other Revenues - property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenues - Federal and State grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough's budget. Federal and State grant revenues received for purposes of capital projects financed by capital ordinances are recognized when received. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - unexpended or uncommitted appropriations at December 31 are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves - are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Deferred Charges - the regulatory basis of accounting utilized by the Borough 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, 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 respective balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the Current Fund and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the general fixed assets account group at its market value.

Sale of Municipal Assets - Cash proceeds from the sale of Borough owned property may be reserved until utilized as an item of anticipated revenue in a subsequent year budget. Year end balances of such proceeds are reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period when the terms of the sales contract become legally enforceable.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Interfunds - advances in the Current Fund are reported as interfund receivables with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

General Fixed Assets - In accordance with the Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division, which differs in certain respects from GAAP, the Borough is required to develop a fixed assets accounting and reporting system.

Fixed assets used in governmental operations (general fixed assets) are required to be accounted for in the General Fixed Assets Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

For fixed assets acquired through December 31, 1985, valuation is required at historical cost or estimated historical cost if actual historical cost is not available. For assets acquired beginning on January 1, 1986, the required basis for valuation is historical cost. Depreciation is not required. GAAP requires fixed assets to be valued at cost and be depreciated.

D. Financial Statements

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

E. Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the Division in accordance with applicable statutes.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include cash on hand, change funds, amounts on deposit and short-term investments with original maturities of three months or less.

A. 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.

The Governmental Unit Deposit Protection Act ("GUDPA") requires public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

-the market value of the collateral must equal five percent of the average daily balance of public funds; or

-if the public funds deposited exceed seventy five percent of the capital funds of the depository, the depository must provide collateral having a market value equal to one hundred percent of the amount exceeding seventy five percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Borough's cash and cash equivalents at December 31, 2008 totaled \$5,216,563.98. The carrying amount of these amounts equaled market value at December 31, 2008. As of December 31, 2008 the Borough had funds on deposit in accounts at various financial institutions, insured as follows:

<u>Depository Account</u>	<u>Bank Balance Amount</u>
Insured by:	
FDIC	\$491,390.44
GUDPA	<u>4,137,319.72</u>
	<u><u>\$4,628,710.16</u></u>

Also, as of December 31, 2008, the Borough had \$632,298.07 on deposit in the New Jersey Cash Management Fund (the "Fund"). The operations of this Fund are governed by the provisions of the State Investment Council Regulations for the purpose of determining authorized investments for the Fund.

Custodial Credit Risk on Deposits

Custodial Credit Risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

B. Investments

a. When authorized by a cash management plan approved pursuant to N.J.S. 40A:5-14, the Borough may use available funds for the purchase of the following types of securities, which, if suitable for registry, may be registered, in the name of the Borough:

- (1) Bonds or other obligations of the United States 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 that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (4) Bonds or other obligations of the Borough, or bonds or other obligations of school districts of which the Borough is a part or within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investments, New Jersey Department of the Treasury.
- (6) Municipal investment pools.
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P. L. 1977, c. 281; or
- (8) Agreements for the repurchase of fully collateralized securities, if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this section;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a GUDPA bank;
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

b. Any investment instruments in which the security is not physically held by the Borough shall be covered by a third party custodial agreement, which shall provide for the designation of such investments in the name of the Borough and prevent unauthorized use of such investments.

c. Investments are further regulated and restricted in accordance with N. J. S. 40A: 5-15.1.

Interest Rate Risk

LOSAP investment options are at the discretion of each individual participant and not the Borough. The market value of the Borough's LOSAP investments was \$137,581.65 at December 31, 2008.

Credit Risk

State law limits investments as noted above. During the year, the Borough had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Borough.

NOTE 3. FIXED ASSETS

Fixed assets activity for the year ended December 31, 2008 was as follows:

	Balance Dec. 31, 2007	Additions	Dispositions	Balance Dec. 31, 2008
Land and Buildings	\$1,725,141.00			\$1,725,141.00
Machinery and Equipment	2,328,473.00	\$894,178.00	\$320,487.00	2,902,164.00
	<u>\$4,053,614.00</u>	<u>\$894,178.00</u>	<u>\$320,487.00</u>	<u>\$4,627,305.00</u>

NOTE 4. DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the regulatory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes (the "notes") are issued to temporarily finance capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. No notes shall be renewed beyond the third anniversary date of the original notes unless an amount of such notes, at least equal to the first legally payable installment of the bonds in anticipation of which the notes are issued, is paid and retired on or before each subsequent anniversary date beyond which such notes are renewed from funds other than the proceeds of obligations. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

A. Long-Term Debt

The Borough's long-term bonded debt is summarized as follows:

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2008</u>
General Improvements	12/01/02	\$1,010,000.00	3.125%-5.000%	\$729,000.00
General Improvements	09/01/05	2,849,000.00	3.600%-3.750%	2,250,000.00
General Improvements	12/13/07	803,000.00	4.000%-5.000%	732,000.00
General Improvements	12/04/08	1,043,000.00	3.000%-5.000%	<u>1,043,000.00</u>
				<u>\$4,754,000.00</u>

NOTE 4. DEBT (CONTINUED)**A. Long-Term Debt (Continued)**

Long-term bonded debt service requirements are as follows:

Year	General Capital		
	Principal	Interest	Total
2009	\$442,000.00	\$199,028.08	\$641,028.08
2010	451,000.00	183,345.01	634,345.01
2011	460,000.00	165,648.75	625,648.75
2012	472,000.00	146,598.75	618,598.75
2013	486,000.00	125,748.75	611,748.75
2014-2018	2,140,000.00	308,596.25	2,448,596.25
2019	303,000.00	12,400.00	315,400.00
	<u>\$4,754,000.00</u>	<u>\$1,141,365.59</u>	<u>\$5,895,365.59</u>

Green Trust Loans

During 1999, the Borough closed on a Green Trust Loan in the amount of \$151,250.00 at an interest rate of 2.00%. Also, during 2005 and 2006, the Borough closed on Green Trust Loans in the amounts of \$247,299.54 and \$35,200.46, respectively, for the Multi Parks Development Project at an interest rate of 2.00%.

Green Trust Loans debt service requirements are as follows:

Year	Principal	Interest	Total
2009	\$20,336.36	\$6,635.60	\$26,971.96
2010	20,745.13	6,226.83	26,971.96
2011	21,162.09	5,809.87	26,971.96
2012	21,587.46	5,384.50	26,971.96
2013	22,021.36	4,950.60	26,971.96
2014-2018	116,926.92	17,932.92	134,859.84
2019-2023	85,103.56	7,432.81	92,536.37
2024-2026	28,955.84	677.60	29,633.44
	<u>\$336,838.72</u>	<u>\$55,050.73</u>	<u>\$391,889.45</u>

NOTE 4. DEBT (CONTINUED)

A. Long-Term Debt (Continued)

Changes in Outstanding Long-Term Debt

Long-Term Debt transactions for the year ended December 31, 2008 are summarized as follows:

	Balance Dec. 31, 2007	Additions	Deductions	Balance Dec. 31, 2008
General Capital Fund	\$4,032,000.00	\$1,043,000.00	\$321,000.00	\$4,754,000.00
Green Trust Loans	356,774.38		19,935.66	336,838.72
	<u>\$4,388,774.38</u>	<u>\$1,043,000.00</u>	<u>\$340,935.66</u>	<u>\$5,090,838.72</u>

B. Short-Term Debt

At December 31, 2008, the Borough's outstanding bond anticipation notes were as follows:

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
General Capital Fund	5/29/2008	2/27/2009	<u>\$456,700.00</u>	2.34%

Bond Anticipation Note transactions for the year ended December 31, 2008 are summarized as follows:

	Balance Dec. 31, 2007	Additions	Deductions	Balance Dec. 31, 2008
<u>General Capital Fund</u>				
Bond Anticipation Notes	<u>\$514,700.00</u>	<u>\$456,700.00</u>	<u>\$514,700.00</u>	<u>\$456,700.00</u>

Special Emergency Note

The Borough issues special emergency notes to fund special emergency appropriations. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than when the deferred charge has been fully funded from budget appropriations.

At December 31, 2008, the Borough's outstanding special emergency notes were as follows:

<u>Purpose</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Revaluation	10/31/2008	10/30/2009	<u>\$69,000.00</u>	2.00%

NOTE 4. DEBT (CONTINUED)

B. Short-Term Debt (continued)

Emergency Note

On December 19, 2008 the Borough issued an emergency note in the amount of \$130,000.00 to fund emergency appropriations. The emergency note matures on January 30, 2009 and will be funded in the 2009 budget.

NOTE 5. FUND BALANCES APPROPRIATED

Fund balances at December 31, 2008 which have been appropriated and included as anticipated revenue in the budget for the year ending December 31, 2009 are as follows:

Current Fund	\$657,000.00
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NOTE 6. TAXES COLLECTED IN ADVANCE

Taxes collected in advance and set forth as cash liabilities in the financial statements are as follows:

	Balance December 31,	
	2008	2007
Prepaid Taxes	\$278,070.33	\$251,681.52

NOTE 7. ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the local unit tax assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Borough, Local School District, Regional School District and County, the tax rate is struck by the County Tax Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Borough tax collector on or before May 13. New Jersey statutes require that each local unit provide for sufficient anticipated cash receipts equal to the "lawful yearly expenditure" which includes the total amount of property taxes to be raised by the local unit.

Taxes are levied on an annual basis and are due quarterly on February 1, May 1, August 1, and November 1. Any taxes not paid as of December 31 are subject to tax sale and lien in the subsequent year, with the exception of bankruptcies. The date of tax sale is at the discretion of the tax collector.

NOTE 8. DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED

Upon the authorization of capital projects, the Borough establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. In accordance with New Jersey Statutes the Borough may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Borough raises the debt requirements for the particular year in the current budget. As funds are raised, the deferred charges are reduced.

NOTE 9. ACCRUED UNUSED SICK BENEFITS - UNAUDITED

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 Borough's liability related to unused sick pay. The Borough permits its employees to accumulate unused sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation was \$90,561.60 at December 31, 2008. In accordance with accounting principles and practices prescribed by the Division, this amount is not reported as an expenditure or liability in the accompanying financial statements.

NOTE 10. UNEMPLOYMENT COMPENSATION INSURANCE

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et. seq.). The Borough has elected to fund a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The reserve for unemployment compensation insurance at December 31, 2008 was \$7,882.21.

NOTE 11. PENSION PLANS

Description of Systems

The Borough contributes to the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS") cost-sharing multiple employer defined benefit pension plans administered by the Division of Pensions in the Department of the Treasury, State of New Jersey. The plans provide retirement, death, disability benefits and medical benefits to certain qualifying members and beneficiaries. PERS was established on January 1, 1955 under the provisions of N.J.S.A. 43:15A. PFRS was established on July 1, 1944, under the provisions of N.J.S.A. 43:16A. PERS and PFRS issue publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing to the State of New Jersey, Division of Pensions.

NOTE 11. PENSION PLANS (CONTINUED)

Funding Policy

PERS employee contributions were five percent (5.00%) of base wages through June 30, 2008. Effective July 1, 2008 PERS employee contributions were five and one-half percent (5.50%) of base wages. PFRS employee contributions were eight and one-half percent (8.50%) of base wages. The Division of Pensions actuarially determines employer's contributions annually. Contributions to the plans for the past three years are as follows:

<u>PERS</u>		<u>PFRS</u>	
<u>Year</u>	<u>Borough</u>	<u>Year</u>	<u>Borough</u>
2008	\$61,998.00	2008	\$275,869.00
2007	31,191.00	2007	174,367.20
2006	19,831.20	2006	118,426.60

All contributions by the Borough were equal to the required contributions for each of the three years.

NOTE 12. POST-EMPLOYMENT RETIREMENT HEALTH BENEFITS

In addition to the pension benefits described in Note 11, the Borough provides post-employment retirement health benefits for employees who meet certain service requirements. Benefits consist of full medical coverage and costs are reported as they are paid. At December 31, 2008, the Borough had eleven former employees eligible for post-employment retirement health benefits. During 2008, the Borough paid \$163,997.00 for post-employment retirement health benefits.

NOTE 13. DEFERRED COMPENSATION PLAN

The Borough offers its employees a Deferred Compensation Plan (the "Plan") created in accordance with the Internal Revenue Code, Section 457. The Plan permits participants to defer a portion of their salary until future years and is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the Plan, and all property and rights purchased with the amounts, and all income attributable to these amounts are for the exclusive benefit of the Plan participants and their beneficiaries. The Borough serves as Trustee under the Plan.

NOTE 14. 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 Borough raises its share of local district and regional high school taxes on a school year basis and has elected to defer these taxes at December 31, 2008 and 2007 as follows:

Local District School Tax

	<u>2008</u>	<u>2007</u>
Balance of tax	\$3,042,100.33	\$2,768,912.36
Deferred	<u>1,585,121.97</u>	<u>1,235,121.97</u>
Payable	<u>\$1,456,978.36</u>	<u>\$1,533,790.39</u>

Regional High School Tax

	<u>2008</u>	<u>2007</u>
Balance of tax	\$1,575,000.00	\$1,587,000.00
Deferred	<u>900,471.63</u>	<u>900,471.63</u>
Payable	<u>\$674,528.37</u>	<u>\$686,528.37</u>

NOTE 15. RESTATEMENT/RECLASSIFICATION

The December 31, 2007 Length of Service Award Program Fund unaudited investment balance of \$119,309.49 and the Length of Service Award Program Fund unaudited miscellaneous reserves balance of \$119,309.49 has been included in the restated 2007 financial statements presentation. Also, certain amounts in the 2007 financial statements have been reclassified to conform to the 2008 financial statements presentation.

NOTE 16. COMMITMENTS AND CONTINGENCIES**Grant Financial Assistance**

The Borough receives certain financial assistance in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2008, the Borough anticipates that no material liabilities will result from such audits.

Tax Appeals

Any successful tax appeal will result in the refund of prior years taxes in the year the appeal is settled. These successful appeals would be funded through taxation or the issuance of refunding bonds.

NOTE 16. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Lease Agreements

The Borough leases certain equipment under long-term lease agreements. At December 31, 2008, such arrangements with initial or remaining terms in excess of one year are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$28,073.63	\$2,470.27	\$30,543.90
2010	10,551.72	627.85	11,179.57
	<u>\$38,625.35</u>	<u>\$3,098.12</u>	<u>\$41,723.47</u>

NOTE 17. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

At December 31, 2008 the following deferred charges are reflected on the balance sheet of the following fund:

	<u>Balance Dec. 31, 2008</u>	<u>2009 Budget Appropriation</u>	<u>Balance to Succeeding Budget</u>
Current Fund:			
Special Emergency Authorizations (40A:4-55)	\$69,000.00	\$34,500.00	\$34,500.00
Emergency Authorizations (40A:4-47)	130,000.00	130,000.00	-

The appropriations in the 2009 budget are not less than required by statute.

NOTE 18. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission; injuries to employees; and natural disaster. The Borough is a member of the Monmouth Municipal Joint Insurance Fund (the "Fund"). The Fund is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The Fund participates in the Municipal Excess Liability Program which has a contract for excess liability insurance for property. The Fund also purchased an excess Faithful Performance and Employee Dishonesty Bond.

NOTE 19. LENGTH OF SERVICE AWARD PROGRAM

The Borough has established a Length of Service Award Program to reward the members of the Borough's volunteer fire department, volunteer fire police and volunteer first aid squad for their loyal diligent and devoted service to the residents of the Borough. The Length of Service Award Program has been established under the laws of the State of New Jersey with the intent that it meets requirements under Section 457(e)(11)(B) of the Internal Revenue Code.

Annual Contributions - The annual contribution to be made by the Borough for each active volunteer member shall be \$1,150.00 per year of active emergency service.

Appropriations - Appropriations for the purpose of funding the Borough's Length of Service Award Program are included as a separate line item in the Borough's budget.

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Borough for each active member shall be subject to periodic increases based upon the "consumer price index factor" pursuant to subsection f. of section 3 of P.L. 1997, c. 388 (N.J.S.A. 40A:14-185).

Estimated Cost - The estimated cost of the program to the Borough has been calculated to be approximately \$69,000.00 per year. (This amount may vary annually, however, based upon the total number of eligible active volunteer members in the program).

NOTE 20. SUBSEQUENT EVENTS

In May 2009 the Borough adopted an ordinance authorizing the issuance of bonds and notes of \$271,472.00 for various capital improvements.

In June 2009 the Borough introduced an ordinance wherein it guarantees the payment of principal (not to exceed \$110,204.00) and interest on a capital lease between the Shore Regional School District and the Monmouth County Improvement Authority. A public hearing and second reading for final adoption of the ordinance is expected to take place in July 2009.

In June 2009 the Borough introduced a special assessment ordinance to authorize the issuance of bonds and notes of \$25,000,000.00 for the construction, repair, rehabilitation, maintenance and reconstruction of stormwater basins at Monmouth Park Racetrack. Also, the Borough intends to receive grants from the State of New Jersey and levy special assessments against the owners of all such lots and parcels of real estate benefiting from the improvements. A public hearing and second reading for final adoption of the special assessment ordinance is expected to take place in July 2009.

BOROUGH OF OCEANPORT

COUNTY OF MONMOUTH
STATE OF NEW JERSEY

PART II

SUPPLEMENTARY DATA AND SCHEDULES

YEAR ENDED DECEMBER 31, 2008

COMPARATIVE SCHEDULE OF FUND BALANCE AT DECEMBER 31

<u>Year</u>	<u>Current Fund Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
2008	\$775,241.47	\$657,000.00
2007	724,133.81	617,000.00
2006	856,328.94	636,000.00

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>\$1.411</u>	<u>\$1.346</u>	<u>\$1.306</u>
Apportionment of Tax Rate			
Municipal	.340	.312	.285
Municipal Open Space	.020	.020	.020
County	.251	.254	.250
Local School	.566	.522	.507
Reginonal High School	.234	.238	.244
Assessed Valuation			
2008	\$1,343,248,986.00		
2007		\$1,336,274,205.00	
2006			\$1,331,987,553.00

COMPARISON OF TAX LEVIES AND COLLECTIONS CURRENTLY

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collections</u>
2008	\$19,112,452.61	\$18,902,469.14	98.90%
2007	18,064,598.41	17,880,626.84	98.98%
2006	17,444,116.64	17,276,986.45	99.04%

DELINQUENT TAXES AND TAX TITLE LIENS

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax title liens	\$9,404.80	\$15,529.31	\$12,813.08
Delinquent taxes	<u>182,151.06</u>	<u>156,105.02</u>	<u>128,572.22</u>
Total delinquent	<u>\$191,555.86</u>	<u>\$171,634.33</u>	<u>\$141,385.30</u>
% of tax levy	1.00%	0.95%	0.81%

SUMMARY OF MUNICIPAL DEBT

<u>Issued</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General bond and notes	\$5,547,538.72	\$4,903,474.38	\$4,425,282.13
Less:			
Open space trust (40A:2-44h)	729,000.00	779,000.00	827,000.00
Funds on hand to pay bonds and notes	456,700.00		
Reserve to pay notes	<u>6,801.49</u>	<u>6,801.49</u>	<u>6,801.49</u>
Total Deductions	<u>1,192,501.49</u>	<u>785,801.49</u>	<u>833,801.49</u>
Net debt issued	4,355,037.23	4,117,672.89	3,591,480.64
<u>Authorized but not issued</u>			
General bond and notes	<u>742.35</u>	<u>38,242.35</u>	<u>742.35</u>
Net bonds and notes issued and authorized but not issued	<u>\$4,355,779.58</u>	<u>\$4,155,915.24</u>	<u>\$3,592,222.99</u>

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.341%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$2,558,000.00	\$2,558,000.00	
General Debt	<u>5,629,428.58</u>	<u>1,273,649.00</u>	<u>\$4,355,779.58</u>
	<u>\$8,187,428.58</u>	<u>\$3,831,649.00</u>	<u>\$4,355,779.58</u>

Net Debt \$4,355,779.58 divided by Equalized Valuation basis per N.J.S. 40A: 2-2 as amended, \$1,276,171,254.00 equals 0.341%.

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

3½ % of Equalized Valuation Basis	\$44,665,993.89
Net Debt	<u>4,355,779.58</u>
Remaining Borrowing Power	<u>\$40,310,214.31</u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

OFFICIALS IN OFFICE AND SURETY BONDS

YEAR ENDED DECEMBER 31, 2008

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

<u>Name</u>	<u>Position</u>	<u>Amount of Bond</u>
Michael J. Mahon	Mayor	
John W. Ibex	Councilman	
William Johnson	Councilman	
Joseph Irace	Councilman	
Gerald Briscione	Councilman	
Ellynn Kahle	Councilwoman	
Richard Gallo	Councilman	
Kimberly A. Jungfer	Borough Clerk, Assessment Search Officer	*
Gregory Mayers	Chief Financial Officer	*
Cynthia Cortale	Tax Collector	\$125,000.00
John O. Bennett III	Borough Attorney	
Richard Thompson	Judge of Municipal Court	*
Carol Smith	Court Administrator	*

*Employees are covered under a blanket bond in the amount of \$1,000,000.00, subject to certain deductible amounts.

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-4

CURRENT FUND
SCHEDULE OF CASH
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	A		\$3,561,285.91
Increased by Receipts:			
State of New Jersey (P.L. 1971, C. 20)	A-9	\$77,985.95	
Taxes Receivable	A-5	18,728,555.33	
Revenue Accounts Receivable	A-7	1,116,209.66	
Interfunds	A-21	127,336.82	
Non-Budget Revenues	A-2	75,125.22	
Prepaid Taxes	A-15	278,070.33	
Tax Overpayments	A-16	11,190.15	
Various Reserves	A-20	34,869.11	
Tax Title Liens	A-6	7,184.17	
Emergency Note		<u>130,000.00</u>	
			<u>20,586,526.74</u>
			24,147,812.65
Decreased by Disbursements:			
Budget Appropriations	A-3	5,878,143.73	
Appropriation Reserves	A-11	182,691.05	
Tax Overpayments	A-16	8,896.24	
County Taxes Payable	A-17	3,386,716.46	
Local School District Tax	A-18	7,325,439.43	
Regional High School Tax	A-19	3,162,090.00	
Various Reserves	A-20	31,802.43	
Interfunds	A-21	399,880.86	
Special Emergency Notes Payable	A-22	34,500.00	
Accounts Payable	A-14	<u>1,675.00</u>	
			<u>20,411,835.20</u>
Balance, December 31, 2008	A		<u><u>\$3,735,977.45</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-5

CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
Year Ended December 31, 2008

<u>Year</u>	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>2008 Levy</u>	<u>Collections by Cash</u>		<u>Transferred</u> <u>to Tax</u> <u>Title Liens</u>	<u>Senior</u> <u>Citizens and</u> <u>Veterans</u> <u>Deductions</u>	<u>Canceled,</u> <u>Remitted</u> <u>or Abated</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
			<u>2007</u>	<u>2008</u>				
2007	\$156,105.02			\$156,105.02				
2008		\$19,112,452.61	\$251,681.52	18,572,450.31	\$1,059.66	\$78,337.31	\$26,772.75	\$182,151.06
	<u>\$156,105.02</u>	<u>\$19,112,452.61</u>	<u>\$251,681.52</u>	<u>\$18,728,555.33</u>	<u>\$1,059.66</u>	<u>\$78,337.31</u>	<u>\$26,772.75</u>	<u>\$182,151.06</u>
<u>Ref.</u>	A	A-5	A-15	A-4	A-6	A-9		A
<u>Analysis of 2008 Property Tax Levy</u>			<u>Ref.</u>					
Tax Yield:								
General Purpose Tax					\$18,953,244.29			
Added Taxes (54:4-63.1 Et Seq.)					157,915.14			
Omitted Taxes (54:4-63.12 Et Seq.)					<u>1,293.18</u>			
			A-5			<u>\$19,112,452.61</u>		
Tax Levy:								
Regional High School Tax			A-19		\$3,150,090.00			
Local School District Tax			A-18		7,598,627.40			
County Taxes:								
County Tax			A-17	\$2,943,729.22				
County Library Tax			A-17	177,148.78				
County Health Tax			A-17	54,741.92				
County Open Space Tax			A-17	196,305.04				
Due County for Added and Omitted Taxes			A-17	<u>28,363.08</u>				
					3,400,288.04			
Local Municipal Open Space Tax			A-21	268,649.80				
Due Municipal Open Space Tax for Added and Omitted Taxes			A-21	<u>2,259.35</u>				
					270,909.15			
Local Tax for Municipal Purposes			A-2	4,563,375.00				
Add: Additional Tax Levied				<u>129,163.02</u>				
					<u>4,692,538.02</u>			
						<u>\$19,112,452.61</u>		

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$15,529.31
Increased by:		
Transfers from Taxes Receivable	A-5	1,059.66
		<u>16,588.97</u>
Decreased by:		
Cash Receipts	A-2,A-4	7,184.17
		<u>7,184.17</u>
Balance, December 31, 2008	A	<u><u>\$9,404.80</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
Year Ended December 31, 2008

	<u>Ref.</u>	<u>Balance Dec. 31, 2007</u>	<u>Accrued in 2008</u>	<u>Collected / Realized</u>	<u>Balance Dec. 31, 2008</u>
Alcoholic Beverages License	A-2		\$800.00	\$800.00	
Other Licenses	A-2		2,821.00	2,821.00	
Fees and Permits	A-2		16,344.45	16,344.45	
Interest and Costs on Taxes	A-2		47,559.22	47,559.22	
Interest on Investments and Deposits	A-2		80,134.40	80,134.40	
Consolidated Municipal Property Tax Relief Aid	A-2		119,183.00	119,183.00	
Energy Receipts Tax	A-2		580,173.00	580,713.00	
Senior Citizen Housing - In Lieu of Taxes	A-2		48,560.01	48,560.01	
Uniform Construction Code Fees	A-2		84,351.09	84,351.09	
Life Hazard Use Fees	A-2		4,782.04	4,782.04	
Municipal Court Fines and Costs	A-2	\$7,110.04	93,235.40	93,461.45	\$6,883.99
General Capital Fund Surplus	A-2		37,500.00	37,500.00	
		<u>\$7,110.04</u>	<u>\$1,115,443.61</u>	<u>\$1,116,209.66</u>	<u>\$6,883.99</u>
	<u>Ref.</u>	<u>A</u>		<u>A-4</u>	<u>A</u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
AT ASSESSED VALUATION
December 31, 2008 and 2007

Ref.

Balance, December 31, 2008 and 2007

A

\$3,300.00

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY (P.L. 1971, C.20)
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	A		\$998.00
Increased by:			
Deductions per Tax Duplicate:			
Senior Citizens		\$8,250.00	
Veterans		70,500.00	
Deductions Allowed by Collector		250.00	
	A-5	<u>79,000.00</u>	<u>79,000.00</u>
			(78,002.00)
Decreased by:			
Deductions Disallowed by Collector	A-5	662.69	
Received from State of New Jersey	A-4	<u>77,985.95</u>	
			<u>78,648.64</u>
Balance, December 31, 2008	A		<u><u>\$646.64</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF DEFERRED CHARGES - EMERGENCY AUTHORIZATIONS
Year Ended December 31, 2008

	<u>Added in 2008</u>	<u>Balance December 31, 2008</u>
Emergency Authorizations (40A:4-47)	<u>\$130,000.00</u>	<u>\$130,000.00</u>
<u>Ref.</u>	A-3	A

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
General Government:					
Administrative and Executive					
Salaries and Wages	\$1,864.60		\$64.60		\$64.60
Other Expenses	2,364.04	\$1,360.74	11,724.78	\$11,569.07	155.71
Financial Administration					
Salaries and Wages	339.10		139.10		139.10
Other Expenses	1,999.51	719.29	5,218.80	4,799.14	419.66
Collection of Taxes					
Salaries and Wages	41.37		41.37		41.37
Other Expenses	730.21		730.21		730.21
Liquidation of Tax Title Liens					
Other Expenses	100.00		100.00		100.00
Tax Sale					
Other Expenses	50.64		50.64		50.64
Assessment of Taxes					
Other Expenses	2,070.62		2,070.62	1,950.00	120.62
Legal Services and Costs					
Other Expenses	6,894.44	3,441.50	25,335.94	25,290.08	45.86
Engineering Services and Costs					
Other Expenses	268.84	5,027.40	7,546.24	5,799.90	1,746.34

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Land Use Administration:					
Planning Board and Board of Adjustment					
Other Expenses	\$1,482.18	\$108.08	\$890.26	\$428.08	\$462.18
Planning Fees - Land Development					
Other Expenses	50.35	7,492.00	13,742.35	13,152.73	589.62
Public Safety Functions:					
Municipal Court					
Salaries and Wages	1,099.56	90.00	1,189.56	90.00	1,099.56
Other Expenses	299.28		299.28		299.28
Public Defender					
Salaries and Wages	1,800.00		1,800.00		1,800.00
Police Department					
Salaries and Wages	14,758.29		958.29		958.29
Other Expenses	1,765.37	13,226.22	13,991.59	11,816.15	2,175.44
Other Expenses - Police Car	2,723.44		2,723.44		2,723.44
Emergency Management Services					
Other Expenses	57.67	7,349.91	7,407.58	7,407.58	
First Aid Organization - Contribution	1,651.70	2,948.11	4,599.81	1,799.47	2,800.34
Fire					
Other Expenses					
Miscellaneous	3,093.32	1,549.30	2,642.62	1,808.73	833.89
Fire Hydrant Service	198.99	4,543.00	5,141.99	5,116.65	25.34

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Public Safety Functions (Continued):					
Municipal Prosecutor					
Salaries and Wages	\$1,020.00		\$1,020.00	\$855.00	\$165.00
Public Works Function:					
Road Repairs and Maintenance					
Salaries and Wages	3,617.15		617.15		617.15
Other Expenses	6,619.20	\$6,065.10	7,684.30	5,822.66	1,861.64
Garbage and Trash Removal					
Other Expenses	1,033.32		1,033.32		1,033.32
Public Buildings and Grounds					
Other Expenses	2,939.39	1,770.00	4,709.39	3,704.00	1,005.39
Shade Tree Commission					
Other Expenses	1,950.00	900.00	2,850.00	2,775.00	75.00
Recycling					
Other Expenses	1,935.72	208.50	2,144.22	32.50	2,111.72
Health and Human Services:					
Board of Health					
Salaries and Wages	93.00		93.00		93.00
Other Expenses	637.06	26.12	663.18	6.12	657.06
Bloodbourne Pathogens					
Other Expenses	890.00	110.00	1,000.00	110.00	890.00

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
Year Ended December 31, 2008

	<u>Balance Dec. 31, 2007</u>	<u>Reserve for Encumbrances</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Park and Recreation Functions:					
Recreation and Education					
Other Expenses	\$931.03		\$931.03		\$931.03
Insurance Functions:					
General Liability	750.51	\$4,434.75	5,185.26	\$4,434.75	750.51
Worker Compensation	3,293.17		293.17		293.17
Employee Group Health	2,516.85	3,056.96	5,573.81	88.17	5,485.64
Dental	1,013.07		1,013.07		1,013.07
Education:					
Expenses in Participation in Free County Library					
Salaries and Wages	460.50		460.50		460.50
Other Expenses	319.41		319.41		319.41
Transportation of High School Students					
Other Expenses	219.76		219.76		219.76
Other Common Operating Functions:					
Celebration of Public Events					
Other Expenses	41.04		41.04		41.04
State Uniform Construction Code (NJSA 42:27d-120 et seq.)					
Salaries and Wages	474.60		474.60		474.60
Other Expenses	3,359.55	688.41	1,047.96	1,023.69	24.27

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Code Enforcement					
Salaries and Wages	\$137.00		\$137.00		\$137.00
Other Expenses	4,000.00		500.00		500.00
Utility Expenses and Bulk Purchases:					
Street Lighting	1,498.53		2,298.53	\$762.10	1,536.43
Gasoline	6,278.96	\$2,303.28	8,582.24	3,402.18	5,180.06
Electricity	4,233.98		4,233.98	3,925.61	308.37
Telephone	826.05	135.00	961.05	135.00	826.05
Water and Sewer	207.18		557.18	458.80	98.38
Natural Gas	3,664.89		5,164.89	5,164.89	
Landfill/Solid Waste Disposal Costs:					
Tipping Fees	899.83		899.83		899.83
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	3,960.00		3,960.00		3,960.00

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Contribution to:					
Police and Firemen's Retirement System of NJ	\$.80		\$.80		\$.80
Monmouth County 911 Program	1.57		1.57		1.57
Nor'easter Storm Emergency EO #64 (NJSA 40A:4-45.3bb)	2,500.00		2,500.00		2,500.00
Length of Service Awards Program		\$67,000.00	67,000.00	\$59,800.00	7,200.00
Life Hazard Fees	3,802.15		3,802.15		3,802.15
Total General Appropriations	<u>\$111,827.99</u>	<u>\$134,553.67</u>	<u>\$246,381.66</u>	<u>\$183,528.05</u>	<u>\$62,854.41</u>
	<u>Ref.</u>				
	A	A-13			A-1
Cash Disbursements	A-4			\$182,691.05	
Accounts Payable	A-14			<u>837.00</u>	
				<u>\$183,528.05</u>	

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY AUTHORIZATIONS
Year Ended December 31, 2008

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2007</u>	<u>Reduced in 2008</u>	<u>Balance Dec. 31, 2008</u>
4/21/2005	Revaluation of Real Property	<u>\$172,500.00</u>	<u>\$34,500.00</u>	<u>\$103,500.00</u>	<u>\$34,500.00</u>	<u>\$69,000.00</u>
		<u>Ref.</u>		A	A-3	A

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$134,553.67
Increased by:		
Current Appropriations Charged	A-3	142,284.01
		<u>276,837.68</u>
Decreased by:		
Transferred to Appropriation Reserves	A-11	134,553.67
		<u>134,553.67</u>
Balance, December 31, 2008	A	<u><u>\$142,284.01</u></u>

SCHEDULE OF ACCOUNTS PAYABLE
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$1,675.00
Increased by:		
Appropriation Reserves Charged	A-11	837.00
		<u>2,512.00</u>
Decreased by:		
Disbursements	A-4	1,675.00
		<u>1,675.00</u>
Balance, December 31, 2008	A	<u><u>\$837.00</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF PREPAID TAXES
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$251,681.52
Increased by:		
Collections of 2009 Taxes	A-4	278,070.33
		<u>529,751.85</u>
Decreased by:		
Applied to Taxes Receivable	A-5	251,681.52
		<u>251,681.52</u>
Balance, December 31, 2008	A	<u><u>\$278,070.33</u></u>

SCHEDULE OF TAX OVERPAYMENTS
Year Ended December 31, 2008

	<u>Ref.</u>	
Increased by:		
Receipts	A-4	\$11,190.15
Decreased by:		
Disbursements	A-4	8,896.24
		<u>8,896.24</u>
Balance, December 31, 2008	A	<u><u>\$2,293.91</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	A		\$14,791.50
Increased by:			
County Tax	A-5	\$2,943,729.22	
County Library Tax	A-5	177,148.78	
County Health	A-5	54,741.92	
County Open Space Tax	A-5	196,305.04	
Due County for Added and Omitted Taxes	A-5	28,363.08	
	A-1		<u>3,400,288.04</u>
			<u>3,415,079.54</u>
Decreased by:			
Payments	A-4		<u>3,386,716.46</u>
Balance, December 31, 2008	A		<u><u>\$28,363.08</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAX PAYABLE
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007:			
School Tax Payable	A	\$1,533,790.39	
School Tax Deferred		<u>1,235,121.97</u>	
			\$2,768,912.36
Increased by:			
Levy - School Year July 1, 2008 to June 30, 2009	A-5	<u>7,598,627.40</u>	
			10,367,539.76
Decreased by:			
Payments	A-4	<u>7,325,439.43</u>	
Balance, December 31, 2008:			
School Tax Payable	A	1,456,978.36	
School Tax Deferred		<u>1,585,121.97</u>	
			<u>\$3,042,100.33</u>
<u>2008 Liability for Local School District Tax:</u>			
Tax Paid	A-18	\$7,325,439.43	
School Tax Payable, December 31, 2008	A-18	<u>1,456,978.36</u>	
		8,782,417.79	
Less: School Tax Payable, December 31, 2007	A-18	<u>1,533,790.39</u>	
Amount Charged to 2008 Operations	A-1	<u>\$7,248,627.40</u>	

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007:			
School Tax Payable	A	\$686,528.37	
School Tax Deferred		<u>900,471.63</u>	
			\$1,587,000.00
Increased by:			
Levy - School Year July 1, 2008 to June 30, 2009	A-5		3,150,090.00
			<u>4,737,090.00</u>
Decreased by:			
Payments	A-4		<u>3,162,090.00</u>
Balance, December 31, 2008:			
School Tax Payable	A	674,528.37	
School Tax Deferred		<u>900,471.63</u>	
			<u>\$1,575,000.00</u>
<u>2008 Liability for Regional High School Tax:</u>			
Tax Paid	A-19		\$3,162,090.00
School Tax Payable, December 31, 2008	A-19		<u>674,528.37</u>
			3,836,618.37
Less: School Tax Payable, December 31, 2007	A-19		<u>686,528.37</u>
Amount Charged to 2008 Operations	A-1		<u>\$3,150,090.00</u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF VARIOUS RESERVES
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Increased by</u> <u>Cash Receipts</u>	<u>Decreased by</u> <u>Cash Disbursed</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
Reserve for:				
Maintenance of Free Public Library	\$1,376.80			\$1,376.80
Outside Liens		\$25,451.80	\$23,493.61	1,958.19
Due to State of New Jersey:				
Training Fees	5,718.31	8,817.31	7,958.82	6,576.80
Marriage License Fees	50.00	600.00	350.00	300.00
Domestic Partnership	50.00			50.00
	<u>\$7,195.11</u>	<u>\$34,869.11</u>	<u>\$31,802.43</u>	<u>\$10,261.79</u>
<u>Ref.</u>	A	A-4	A-4	A

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

A-21

CURRENT FUND
SCHEDULE OF INTERFUNDS - OTHER FUNDS
Year Ended December 31, 2008

	<u>Ref.</u>	<u>Total</u>	<u>Federal and State Grant Fund</u>	<u>Animal Control Trust Fund</u>	<u>General Capital Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2007:						
Interfunds Receivable	A	\$790.90		\$790.90		
Interfunds Payable	A	<u>(94,409.75)</u>	<u>(\$44,867.80)</u>		<u>(\$49,541.95)</u>	
Increased by:						
Grants Receivable	A-21,A-24	67,516.92	67,516.92			
Statutory Excess Animal Control Fund	A-2	1,171.50		1,171.50		
Disbursements	A-4	<u>399,880.86</u>	<u>19,429.76</u>		<u>109,541.95</u>	<u>\$270,909.15</u>
		<u>468,569.28</u>	<u>86,946.68</u>	<u>1,171.50</u>	<u>109,541.95</u>	<u>270,909.15</u>
		<u>374,950.43</u>	<u>42,078.88</u>	<u>1,962.40</u>	<u>60,000.00</u>	<u>270,909.15</u>
Decreased by:						
Grants Receivable	A-4,A-24	66,545.92	66,545.92			
Receipts	A-4	60,790.90		790.90	60,000.00	
Open Space Tax Levy	A-5	268,649.80				268,649.80
Due Open Space for Added and Omitted Tax Levy	A-5	2,259.35				2,259.35
Grant Appropriations	A-3,A-25	<u>67,516.92</u>	<u>67,516.92</u>			
		<u>465,762.89</u>	<u>134,062.84</u>	<u>790.90</u>	<u>60,000.00</u>	<u>270,909.15</u>
Balance, December 31, 2008:						
Interfunds Receivable	A	<u>\$1,171.50</u>		<u>\$1,171.50</u>		
Interfunds Payable	A	<u>(\$91,983.96)</u>	<u>(\$91,983.96)</u>		<u>\$0.00</u>	<u>\$0.00</u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$103,500.00
Decreased by:		
Cash Disbursed	A-4	<u>34,500.00</u>
Balance, December 31, 2008	A	<u><u>\$69,000.00</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF INTERFUNDS

	<u>Ref.</u>	<u>Current Fund</u>
Balance, December 31, 2007:		
Interfund Receivable	A	<u>\$44,867.80</u>
Increased by:		
Deposited in Other Funds:		
Grants Receivable	A-24	66,545.92
2008 Budget Appropriations	A-3,A-25	<u>67,516.92</u>
		<u>134,062.84</u>
Decreased by:		
Disbursed by Other Funds:		
Appropriated Reserves	A-25	19,429.76
Anticipated Revenue	A-21,A-24	<u>67,516.92</u>
		<u>86,946.68</u>
Balance, December 31, 2008:		
Interfund Receivable	A	<u><u>\$91,983.96</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
Year Ended December 31, 2008

<u>Grant</u>	<u>Balance Dec. 31, 2007</u>	<u>2008 Anticipated Revenue</u>	<u>Cash Received</u>	<u>Transfer from Unappropriated Reserves</u>	<u>Balance Dec. 31, 2008</u>
N.J.D.O.T. - Wolf Hill	\$15,000.00				\$15,000.00
State Homeland Security Grant Program	30,000.00				30,000.00
U.S. Dept of Justice - COPS	617.00		\$617.00		
Occupant Protection Program - Click it or Ticket 2008		\$3,250.00	3,250.00		
Drunk Driving Enforcement Fund		5,033.28	5,033.28		
Clean Communities Program		7,819.47	7,819.47		
Body Armor Fund		3,053.81	1,465.81	\$1,588.00	
Alcohol Education and Rehabilitation Fund		428.36	428.36		
Municipal Stormwater Regulation		2,117.00	2,117.00		
N.J. State Police - Emergency Management Exercise Improvement		10,000.00	10,000.00		
N.J. State Police - Office Emergency Management		7,000.00	7,000.00		
U.S. Department of Homeland Security		28,815.00	28,815.00		
	<u>\$45,617.00</u>	<u>\$67,516.92</u>	<u>\$66,545.92</u>	<u>\$1,588.00</u>	<u>\$45,000.00</u>
<u>Ref.</u>	A	A-2,A-21,A-23	A-21,A-23	A-26	A

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
Year Ended December 31, 2008

<u>Grant</u>	<u>Balance Dec. 31, 2007</u>	<u>Transfer from 2008 Budget Appropriation</u>	<u>Transfer from Reserve for Encumbrances</u>	<u>Expended</u>	<u>Balance Dec. 31, 2008</u>
Emergency Alert System	\$496.55				\$496.55
Body Armor Fund	1,854.10	\$3,053.81		\$717.00	4,190.91
Drunk Driving Enforcement Fund	1,307.25	5,033.28		925.51	5,415.02
Clean Communities Program	8,623.48	7,819.47			16,442.95
Recycling Tonnage Grant	2,727.31				2,727.31
U Drink, U Drive, U Lose Grant	5,000.00				5,000.00
Alcohol Education and Rehabilitation Fund	1,909.16	428.36		1,200.00	1,137.52
Matching Funds - Municipal Alliance	943.50			943.50	
N.J. Treasury - Recodification of Ordinances	700.00		\$4,693.75	5,393.75	
State and Local all Hazards Emergency Operation Planning Program	7.59				7.59
Municipal Stormwater Regulation	404.82	2,117.00			2,521.82
Cooperative Marketing Grant - Breeder's Cup	7,041.52				7,041.52
State Homeland Security Grant Program	30,000.00				30,000.00
Occupant Protection Program - Click it or Ticket 2008		3,250.00		3,250.00	
N.J. State Police - Emergency Management Exercise Improvement		10,000.00			10,000.00
N.J. State Police - Office Emergency Management		7,000.00		7,000.00	
U.S. Department of Homeland Security		28,815.00			28,815.00
	<u>\$61,015.28</u>	<u>\$67,516.92</u>	<u>\$4,693.75</u>	<u>\$19,429.76</u>	<u>\$113,796.19</u>
<u>Ref.</u>	A	A-3,A-21,A-23	A-27	A-23	A

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
Year Ended December 31, 2008

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Transfer</u> <u>to</u> <u>Grants</u> <u>Receivable</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
New Jersey Body Armor Fund	<u>\$1,588.07</u>	<u>\$1,588.00</u>	<u>\$.07</u>
<u>Ref.</u>	<u>A</u>	<u>A-24</u>	<u>A</u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	A	\$4,693.75
Decreased by:		
Transfer to Appropriated Reserves	A-25	<u>4,693.75</u>
Balance, December 31, 2008	A	<u><u>\$0.00</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

TRUST FUND
SCHEDULE OF CASH
Year Ended December 31, 2008

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>Trust Other Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2007	B	\$9,776.70	\$412,510.67	\$365,665.40
Increased by Receipts:				
Reserve for Animal Control				
Trust Fund Expenditures	B-2	\$4,572.60		
Interfund - Current Fund	B-6			\$270,909.15
Various Reserves	B-7		\$395,597.99	
Due to State of New Jersey	B-3	1,004.40		
Reserve for Open Space	B-5			322,365.66
		<u>5,577.00</u>	<u>395,597.99</u>	<u>593,274.81</u>
		15,353.70	808,108.66	958,940.21
Decreased by Disbursements:				
Due to State of New Jersey	B-3	1,000.80		
Animal Control Trust Fund				
Expenditures (R.S. 4:19-15.11)	B-2	2,474.50		
Various Reserves	B-7		418,019.04	
Interfund - Current Fund	B-4,B-6	790.90		270,909.15
Reserve for Open Space	B-5			428,741.00
		<u>4,266.20</u>	<u>418,019.04</u>	<u>699,650.15</u>
Balance, December 31, 2008	B	<u><u>\$11,087.50</u></u>	<u><u>\$390,089.62</u></u>	<u><u>\$259,290.06</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	B		\$8,985.80
Increased by:			
Dog License Fees Collected		\$4,569.60	
Miscellaneous Dog Fees Collected		3.00	
	B-1	<u>4,572.60</u>	<u>13,558.40</u>
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-1	2,474.50	
Statutory Excess Due to Current Fund	B-4	<u>1,171.50</u>	
			<u>3,646.00</u>
Balance, December 31, 2008	B		<u><u>\$9,912.40</u></u>

License and Penalty Fees Collected:

<u>Year</u>	<u>Amount</u>
2006	\$4,508.40
2007	5,404.00
	<u><u>\$9,912.40</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
Year Ended December 31, 2008

	<u>Ref.</u>	
Increased by:		
Receipts	B-1	\$1,004.40
Decreased by:		
Disbursed	B-1	<u>1,000.80</u>
Balance, December 31, 2008	B	<u><u>\$3.60</u></u>

SCHEDULE OF INTERFUND - CURRENT FUND
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	B	\$790.90
Increased by:		
Statutory Excess in Reserve for Animal Control		
Trust Fund Expenditures	B-2	<u>1,171.50</u>
		1,962.40
Decreased by:		
Disbursed	B-1	<u>790.90</u>
Balance, December 31, 2008	B	<u><u>\$1,171.50</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

OPEN SPACE TRUST FUND
SCHEDULE OF RESERVE FOR OPEN SPACE
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	B		\$365,665.40
Increased by:			
Open Space Tax Levy	B-1	\$268,649.80	
Open Space Added and Omitted Levy	B-1	2,259.35	
Interest Earned	B-1	5,236.51	
Recreational and Other Fees	B-1	<u>46,220.00</u>	
			<u>322,365.66</u>
			688,031.06
Decreased by:			
Cash Disbursed	B-1		<u>428,741.00</u>
Balance, December 31, 2008	B		<u><u>\$259,290.06</u></u>

SCHEDULE OF INTERFUND - CURRENT FUND
Year Ended December 31, 2008

	<u>Ref.</u>		
Increased by:			
Open Space Added and Omitted Levy	B-1		\$270,909.15
Decreased by:			
Cash Receipts	B-1		<u>270,909.15</u>
Balance, December 31, 2008	B		<u><u>\$0.00</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF VARIOUS RESERVES
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
<u>Reserve for:</u>				
Recreation	\$5,735.26	\$34,040.75	\$28,346.89	\$11,429.12
Fireworks	5,736.24	18,689.00	19,589.28	4,835.96
Water Watch	9,879.16		2,034.42	7,844.74
Shade Tree	860.88	11.89	286.89	585.88
Law Enforcement	131.26	2.10		133.36
Historical Society	578.32	20.00		598.32
Old Wharf Senior Center	6,802.32	4,250.00	4,603.48	6,448.84
Parking Offense Adjudication Act	1,173.52	110.00		1,283.52
Wedding Trust	410.00	300.00		710.00
Unemployment Trust	3,519.01	4,363.20		7,882.21
Outside Off-Duty Police Employment	27,312.03	211,949.88	213,185.45	26,076.46
Snow Removal	3,705.00			3,705.00
Developer's Escrow	301,879.77	72,832.54	145,657.76	229,054.55
Tax Sale Premiums		13,100.00		13,100.00
Recycling	34,482.31	16,078.63	1,330.00	49,230.94
Public Defender	300.00	1,300.00	1,400.00	200.00
Community Center	775.00	2,100.00		2,875.00
Firehouse Donations	1,300.00	200.00		1,500.00
Donations	1,170.00			1,170.00
Memorial Benches	1,760.59			1,760.59
Strawberry Fair	5,000.00	5,000.00		10,000.00
Volunteer Emergency Services		2,750.00	1,584.87	1,165.13
Emergency Police Services Donations		8,500.00		8,500.00
	<u>\$412,510.67</u>	<u>\$395,597.99</u>	<u>\$418,019.04</u>	<u>\$390,089.62</u>
<u>Ref.</u>	B	B-1	B-1	B

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF INVESTMENTS
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	B		\$119,309.49
Increased By:			
Borough Contributions	B-9		<u>59,800.00</u>
			179,109.49
Decreased By:			
Administrative Charges	B-9	\$1,400.00	
Change in Market Value	B-9	<u>40,127.84</u>	
			<u>41,527.84</u>
Balance, December 31, 2008	B		<u><u>\$137,581.65</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF MISCELLANEOUS RESERVES
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	B		\$119,309.49
Increased By:			
Borough Contributions	B-8		<u>59,800.00</u>
			179,109.49
Decreased By:			
Administrative Charges	B-8	\$1,400.00	
Change in Market Value	B-8	<u>40,127.84</u>	
			<u>41,527.84</u>
Balance, December 31, 2008	B		<u><u>\$137,581.65</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CASH
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	C		\$1,151,540.05
Increased by Receipts:			
Bond Anticipation Notes	C-12	\$456,700.00	
General Serial Bonds	C-11	1,043,000.00	
Premium on Sale of Bonds:			
Fund Balance	C-1	1,128.04	
Deferred Charges to Future Taxation Unfunded	C-5	43,200.00	
Grants Receivable	C-6	120,000.00	
Interfund - Current Fund	C-7	109,541.95	
Budget Appropriations:			
Capital Improvement Fund	C-13	75,000.00	
Deferred Charges to Future Taxation Unfunded	C-5	95,500.00	
		<u>1,944,069.99</u>	
			<u>3,095,610.04</u>
Decreased by Disbursements:			
Bond Anticipation Notes	C-12	514,700.00	
Improvement Authorizations	C-10	1,612,761.48	
Interfund - Current Fund	C-7	60,000.00	
Reserve for Fort Monmouth Planning	C-8	84,200.00	
Capital Surplus to Current Fund	C-1	37,500.00	
		<u>2,309,161.48</u>	
Balance, December 31, 2008	C		<u><u>\$786,448.56</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL FUND CASH
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2008</u>
Fund Balance	\$3,006.71
Grants Receivable	(233,406.37)
Capital Improvement Fund	26,918.50
Reserve for Encumbrances	14,387.00
Accrued Interest on Bonds	3,478.24
Reserve for Payment of Bonds	6,801.49
Cash on Hand to Pay Bond Anticipation Notes	456,700.00

Improvement Authorizations:

<u>Ordinance</u> <u>Number</u>	<u>Improvement Description</u>	
497	Various Improvements	(2.85)
594	Fire, Snow, Dump Trucks	(22.50)
716	Various Improvements	(593.00)
742	Various Improvements	(45.00)
751	Various Improvements	(5.00)
761	Various Improvements	7,503.53
769	Various Improvements	58,420.42
792	Various Improvements	5,212.24
810	Various Improvements	59,984.07
823/832	Various General Improvements	70,948.12
842	Various Improvements	307,162.96
		<u>\$786,448.56</u>

Ref.

C

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$4,388,774.38
Increased by Receipts:		
Bonds Issued	C-5, C-11	<u>1,043,000.00</u> 5,431,774.38
Decreased by Disbursements:		
Budget Appropriation to Pay Bonds	C-11	\$271,000.00
Bonds Paid by Open Space Trust Fund	C-11	50,000.00
Budget Appropriation to Pay Green Trust Loans	C-14	<u>19,935.66</u> <u>340,935.66</u>
Balance, December 31, 2008	C	<u><u>\$5,090,838.72</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
Year Ended December 31, 2008

Ordinance Number	Improvement Description	Balance Dec. 31, 2007	2008 Authorizations	Transferred to Deferred Taxation Funded	Funded by Premium on Sale of Bonds	Budget Appropriations	Balance Dec. 31, 2008
497	Various Improvements	\$2.85					\$2.85
594	Fire, Snow, Dump Trucks	22.50					22.50
716	Various Improvements	593.00					593.00
742	Various Improvements	45.00					45.00
751	Various Improvements	5.00					5.00
810	Various Improvements	514,774.00		\$438,536.00	\$18,164.00	\$58,000.00	74.00
823/832	Various General Improvements	37,500.00				37,500.00	
842	Various Improvements		\$631,508.00	604,464.00	25,036.00		
		<u>\$552,942.35</u>	<u>\$631,508.00</u>	<u>\$1,043,000.00</u>	<u>\$43,200.00</u>	<u>\$95,500.00</u>	<u>\$742.35</u>
<u>Ref.</u>		C	C-10	C-4		C-2	C

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$193,406.37
Increased by:		
Grants Awarded	C-10	160,000.00
		<u>353,406.37</u>
Decreased by:		
Cash Receipts	C-2	120,000.00
		<u>120,000.00</u>
Balance, December 31, 2008	C	<u><u>\$233,406.37</u></u>

Detail:

<u>Ordinance Number</u>	<u>Description</u>	
792	County of Monmouth - Old Wharf Park	\$59,000.00
810	N.J.D.O.T. Road Improvements - Crescent Place	1,366.41
823/832	N.J.D.O.T. 2007 Road Program	58,039.96
823	County of Monmouth	75,000.00
842	N.J.D.O.T. Various Capital Improvements	40,000.00
		<u><u>\$233,406.37</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND - CURRENT FUND
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007 - (Due From)	C	\$49,541.95
Increased by:		
Cash Receipts	C-2	109,541.95
		<u>(60,000.00)</u>
Decreased by:		
Cash Disbursements	C-2	60,000.00
		<u>60,000.00</u>
Balance, December 31, 2008	C	<u><u>\$0.00</u></u>

SCHEDULE OF RESERVE FOR FORT MONMOUTH PLANNING
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$69,200.00
Increased by:		
Preliminary Costs Funded By Capital Improvement Fund	C-13	15,000.00
		<u>84,200.00</u>
Decreased by:		
Cash Disbursements	C-2	84,200.00
		<u>84,200.00</u>
Balance, December 31, 2008	C	<u><u>\$0.00</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS
December 31, 2008 and 2007

	<u>Ref.</u>	
Balance, December 31, 2008 and 2007	C	<u><u>\$3,478.24</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2008

Ordinance Number	Improvement Description	Ordinance Date	Balance December 31, 2007			2008 Authorizations	Paid or Charged	Balance December 31, 2008	
			Encumbered	Funded	Unfunded			Funded	Unfunded
761(7)	Engineering Services	05/31/03		\$7,503.53				\$7,503.53	
769(4)	Road Improvements	05/31/03		49,541.95				49,541.95	
769(5)	Pick-up Truck and Plow	03/04/04		0.50				0.50	
769(6)	Trinity Fountain and Tables	03/04/04		550.00				550.00	
769(7)	Community Center Renovations	03/04/04		1,307.65				1,307.65	
769(9)	Emergency Management Radio Station	03/04/04		7,020.32				7,020.32	
788	Park Improvements	04/14/05		5,910.04			\$5,910.04		
792(1)	Fire Department Equipment	05/19/05		565.95				565.95	
792(2)	Police Department Equipment	05/19/05		4,011.05				4,011.05	
792(3)	Furniture for Administration	05/19/05		1,978.22			1,838.48	139.74	
792(6)	Improvements to Old Wharf Park	05/19/05	\$9,704.00	495.50			9,704.00	495.50	
810(1)	Fire Department Exhaust System	05/20/06			\$27,273.80			27,273.80	
810(2)	Road Improvements - Summerfield and Horsepoint Road	05/20/06			74,500.10		74,500.10		
810(3)	Road Improvements - Crescent	05/20/06		21,758.32				21,758.32	
810(6)	Public Works Heavy Duty Loader	05/20/06			3,439.09			3,365.09	\$74.00
810(7)	Buildings and Grounds - Cement Pad at Park Avenue Firehouse and Repair Asbury Avenue Bulkhead	05/20/06	4,340.00				4,340.00		
810(8)	Fuel Pumps	05/20/06			1,771.88			1,771.88	
810(9)	Leaf Compost Facility	05/20/06			5,814.98			5,814.98	
823/832(1)	Acquisition of Rescue Pumper	6/21-12/20/07	420,985.00		29,015.00		440,802.03	9,197.97	
823/832(2)	2007 Road Improvements Program	6/21-12/20/07	1,631.75	311,941.25	8,485.00		286,947.23	35,110.77	
823/832(3)	Acquisition of First Aid Ambulance	6/21-12/20/07	167,004.00	96.00			167,004.00	96.00	
823/832(4)	Street Signage	6/21-12/20/07	12,199.80	1,733.89			12,014.00	1,919.69	
823/832(5)	Trailers for Police Department	6/21-12/20/07		40,000.00			38,286.00	1,714.00	
823/832(6)	Old Wharf Park Improvements	6/21-12/20/07	4,590.25	68,285.00			55,020.81	17,854.44	
823/832(7)	Recycling Yard Fence	6/21-12/20/07		20,000.00			14,944.75	5,055.25	

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2008

Ordinance Number	Improvement Description	Ordinance Date	Balance December 31, 2007			2008 Authorizations	Paid or Charged	Balance December 31, 2008	
			Encumbered	Funded	Unfunded			Funded	Unfunded
842(1)	Road Program	05/01/08				\$672,000.00	\$407,932.83	\$264,067.17	
842(2)	Acquisition of Police Department Equipment	05/01/08				77,000.00	73,024.21	3,975.79	
842(3)	Acquisition of Department of Public Works Equipment	05/01/08				17,000.00	12,290.00	4,710.00	
842(4)	Various Improvements to the Municipal Building	05/01/08				45,000.00	11,596.00	33,404.00	
842(5)	Acquisition of Recording and PA System	05/01/08				12,000.00	10,994.00	1,006.00	
			<u>\$620,454.80</u>	<u>\$542,699.17</u>	<u>\$150,299.85</u>	<u>\$825,008.00</u>	<u>\$1,627,148.48</u>	<u>\$509,231.34</u>	<u>\$74.00</u>
Detail:		<u>Ref.</u>	C	C	C			C	C
	Deferred Charges to Future Taxation - Unfunded	C-5				\$631,508.00			
	Grants Receivable	C-6				160,000.00			
	Capital Improvement Fund	C-13				33,500.00			
						<u>\$825,008.00</u>			
		<u>Ref.</u>							
			Disbursed			C-2	\$1,612,761.48		
			Encumbered			C	14,387.00		
							<u>\$1,627,148.48</u>		

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
Year Ended December 31, 2008

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>			<u>Balance</u>	<u>Serial Bonds</u>	<u>Paid by</u>	<u>Paid by</u>	<u>Balance</u>
			<u>Outstanding</u>	<u>Interest</u>	<u>Rate</u>	<u>Dec. 31, 2007</u>	<u>Issued</u>	<u>Budget</u>	<u>Open Space</u>	<u>Dec. 31, 2008</u>
			<u>December 31, 2008</u>					<u>Appropriation</u>	<u>Trust Fund</u>	
General Improvement Bonds	12/01/02	\$1,010,000.00	12/01/09	\$53,000.00	3.125%	\$779,000.00			\$50,000.00	\$729,000.00
			12/01/10	55,000.00	3.375%					
			12/01/11	56,000.00	5.00%					
			12/01/12	59,000.00	5.00%					
			12/01/13	62,000.00	5.00%					
			12/01/14	65,000.00	5.00%					
			12/01/15	69,000.00	5.00%					
			12/01/16	72,000.00	5.00%					
			12/01/17	76,000.00	5.00%					
			12/01/18	79,000.00	5.00%					
			12/01/19	83,000.00	5.00%					
General Improvement Bonds	09/01/05	2,849,000.00	09/01/09	200,000.00	3.60%	2,450,000.00		\$200,000.00		2,250,000.00
			09/01/10	200,000.00	3.60%					
			09/01/11	200,000.00	3.625%					
			09/01/12	200,000.00	3.625%					
			09/01/13	200,000.00	3.625%					
			09/01/14	200,000.00	3.625%					
			09/01/15	200,000.00	3.625%					
			09/01/16	205,000.00	3.625%					
			09/01/17	210,000.00	3.75%					
			09/01/18	215,000.00	3.75%					
			09/01/19	220,000.00	3.75%					
General Improvement Bonds	12/13/07	803,000.00	12/01/09	77,000.00	4.00%	803,000.00		71,000.00		732,000.00
			12/01/10	80,000.00	5.00%					
			12/01/11	84,000.00	5.00%					
			12/01/12	89,000.00	5.00%					
			12/01/13	93,000.00	5.00%					
			12/01/14	98,000.00	5.00%					
			12/01/15	103,000.00	5.00%					
			12/01/16	108,000.00	5.00%					

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
Year Ended December 31, 2008

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>			<u>Balance Dec. 31, 2007</u>	<u>Serial Bonds Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Paid by Open Space Trust Fund</u>	<u>Balance Dec. 31, 2008</u>
			<u>Outstanding December 31, 2008</u>		<u>Interest Rate</u>					
General Improvement Bonds	12/04/08	\$1,043,000.00	12/01/09	\$112,000.00	3.00%		\$1,043,000.00			\$1,043,000.00
			12/01/10	116,000.00	4.00%					
			12/01/11	120,000.00	4.00%					
			12/01/12	124,000.00	5.00%					
			12/01/13	131,000.00	5.00%					
			12/01/14	138,000.00	5.00%					
			12/01/15	145,000.00	5.00%					
			12/01/16	77,000.00	4.00%					
			12/01/17	80,000.00	4.00%					
						<u>\$4,032,000.00</u>	<u>\$1,043,000.00</u>	<u>\$271,000.00</u>	<u>\$50,000.00</u>	<u>\$4,754,000.00</u>
<u>Ref.</u>						C	C-2,C-4	C-4	C-4	C

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
Year Ended December 31, 2008

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Original Amount Issued</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2007</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2008</u>
810	Various Improvements	\$572,700.00	06/01/06	05/31/07	05/29/08	4.05%	\$514,700.00		\$514,700.00	
810	Various Improvements	572,700.00	06/01/06	05/29/08	02/27/09	2.34%		\$456,700.00		\$456,700.00
							<u>\$514,700.00</u>	<u>\$456,700.00</u>	<u>\$514,700.00</u>	<u>\$456,700.00</u>
						<u>Ref.</u>	C	C-2	C-2	C

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
Year Ended December 31, 2008

	<u>Ref.</u>		
Balance, December 31, 2007	C		\$418.50
Increased by:			
Budget Appropriation	C-2		75,000.00
			<u>75,418.50</u>
Decreased by:			
Appropriated to Finance Improvement			
Authorizations	C-10	\$33,500.00	
Preliminary Costs - Fort Monmouth Planning	C-8	<u>15,000.00</u>	
			<u>48,500.00</u>
Balance, December 31, 2008	C		<u><u>\$26,918.50</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE
Year Ended December 31, 2008

	<u>Ref.</u>	
Balance, December 31, 2007	C	\$356,774.38
Decreased by:		
Paid by Budget Appropriation	C-4	<u>19,935.66</u>
Balance, December 31, 2008	C	<u><u>\$336,838.72</u></u>

SCHEDULE OF RESERVE FOR PAYMENT OF BONDS
December 31, 2008 and 2007

	<u>Ref.</u>	
Balance, December 31, 2008 and 2007	C	<u><u>\$6,801.49</u></u>

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

C-16

GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
Year Ended December 31, 2008

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2007</u>	<u>2008 Authorizations</u>	<u>Serial Bonds Issued</u>	<u>Funded by Premium on Sale of Bonds</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2008</u>
497	Various Improvements	\$2.85					\$2.85
594	Fire, Snow, Dump Trucks	22.50					22.50
716	Various Improvements	593.00					593.00
742	Various Improvements	45.00					45.00
751	Various Improvements	5.00					5.00
810	Various Improvements	74.00					74.00
823/832	Various General Improvements	37,500.00				\$37,500.00	
842	Various Improvements		\$629,500.00	\$604,464.00	\$25,036.00		
		<u>\$38,242.35</u>	<u>\$629,500.00</u>	<u>\$604,464.00</u>	<u>\$25,036.00</u>	<u>\$37,500.00</u>	<u>\$742.35</u>

Ref.

(Footnote C)

BOROUGH OF OCEANPORT
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF INVESTMENT IN GENERAL FIXED ASSETS
Year Ended December 31, 2008

	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
General Fixed Assets:				
Land and Buildings	\$1,725,141.00			\$1,725,141.00
Machinery and Equipment	<u>2,328,473.00</u>	<u>\$894,178.00</u>	<u>\$320,487.00</u>	<u>2,902,164.00</u>
	<u><u>\$4,053,614.00</u></u>	<u><u>\$894,178.00</u></u>	<u><u>\$320,487.00</u></u>	<u><u>\$4,627,305.00</u></u>
<u>Ref.</u>	D			D

BOROUGH OF OCEANPORT

COUNTY OF MONMOUTH
STATE OF NEW JERSEY

PART III

COMMENTS

GENERAL COMMENTS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2008

GENERAL COMMENTS

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

N.J.S. 40A:11-4 states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law."

The governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory limit within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the municipal attorney's opinion should be sought before a commitment is made.

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

2008 Road Program
Tractor and Large Area Finish Mower
Old Wharf Park - Phase II
Breathing Air Cylinder Recharge Station

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

Our audit of expenditures did not reveal any individual payments in excess of the statutory limit for the performance of any work or the furnishing of any goods or services other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states, "For all contracts that in the aggregate are less than the bid threshold but exceed 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L. 1971, c. 198 (C.40A:11-5), except for paragraph (a) of that subsection concerning professional services and paragraph (b) of that subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered."

Collection of Interest on Delinquent Taxes and Assessments

N.J.S. 54:4-67 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.

On January 1, 2008 the governing body adopted the following resolution authorizing interest to be charged for nonpayment of taxes:

BE IT RESOLVED that the Collector of Taxes is authorized to charge eight (8%) percent interest on delinquent taxes with a rate of 1/10th of one percent (1%) for the first ten (10) days after each quarterly due date and eight percent (8%) for the first \$1,500 and eighteen percent (18%) for amounts over the first \$1,500 of said delinquent taxes retroactive to the quarterly due date if paid after such ten (10) days.

Based upon our audit of the tax collector's records, interest on delinquent taxes was charged in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on October 2, 2008 and was complete.

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

2008	2
2007	3
2006	3

COMMENTS AND RECOMMENDATIONS

The following comments and recommendations have been discussed with the Borough's management.

During the conduct of the 2008 audit we noted certain items relative to internal control over certain cash receipt transactions, the petty cash fund, internal control reports from outside service organizations, inactive balances in certain funds, and developer escrow accounts that require the Borough to develop a corrective action plan.

It is recommended that

- prenumbered receipts be issued for all cash receipt transactions.
- State of New Jersey, Division of Local Government Services approval be obtained for changes made to the named custodian of the petty cash fund maintained by the Borough.
- on an annual basis, the Borough obtain SAS No. 70 internal control reports from all outside service organizations.
- inactive balances in the federal and state grant fund, general capital fund and public assistance fund be analyzed for possible disposition.
- developer escrow accounts be analyzed for proper disposition.*

* A similar recommendation appeared in the predecessor auditor's 2007 audit report.