

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**AND**  
**INDEPENDENT AUDITOR'S REPORTS**

**YEAR ENDED**

**DECEMBER 31, 2009**

***Oliwa & Company***  
Certified Public Accountants

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

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**BOROUGH OF OCEANPORT**  
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**STATE OF NEW JERSEY**

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**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

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**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
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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, 2009**

# *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 December 31, 2009 and 2008, and for the year ended December 31, 2009, 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.

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 has prepared these financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices differ from 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 .01% and 13.80% of the assets and liabilities, respectively, of the Borough's Trust Fund, as of December 31, 2009 and 2008.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the regulatory basis financial statements 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, 2009 and 2008, and changes in its financial position for the years then ended.

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 regulatory basis financial statements present fairly, in all material respects, the regulatory basis financial position of the various funds of the Borough as of December 31, 2009 and 2008, the regulatory basis results of operations and changes in fund balance of such funds for the years then ended, and the regulatory basis statement of revenues and the regulatory basis statement of expenditures for the year ended December 31, 2009 on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 20, 2010 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 and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit 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 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. Except for the LOSAP Fund supplementary schedules, 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  
August 20, 2010



**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, 2009, and have issued our report thereon dated August 20, 2010, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Borough's financial statements will not be prevented, or detected and corrected on a timely basis.

### **Internal Control Over Financial Reporting (Continued)**

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

### **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*.

This report is intended solely for the information of the Borough's management, the Governing Body, 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  
August 20, 2010

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET**  
**REGULATORY BASIS**  
**December 31, 2009 and 2008**

	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
<b><u>Assets</u></b>			
Cash and Cash Equivalents:			
Cash	A-4	\$4,005,804.82	\$3,735,977.45
Change Funds		300.00	300.00
Due from State of New Jersey (P.L. 1971, C. 20)	A-9	250.62	
		<u>4,006,355.44</u>	<u>3,736,277.45</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	217,664.02	182,151.06
Tax Title Liens Receivable	A-6	12,671.60	9,404.80
Revenue Accounts Receivable	A-7	7,524.48	6,883.99
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
Other		165.00	
	A	<u>242,325.10</u>	<u>203,911.35</u>
Deferred Charges:			
Emergency Authorizations (40A:4-47)	A-10	55,000.00	130,000.00
Special Emergency Authorizations (40A:4-53)	A-12	34,500.00	69,000.00
		<u>89,500.00</u>	<u>199,000.00</u>
		<u>4,338,180.54</u>	<u>4,139,188.80</u>
Federal and State Grant Fund:			
Interfunds Receivable	A-24	51,043.23	91,983.96
Grants Receivable	A-25	20,950.00	45,000.00
		<u>71,993.23</u>	<u>136,983.96</u>
		<u>\$4,410,173.77</u>	<u>\$4,276,172.76</u>

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET**  
**REGULATORY BASIS**  
**December 31, 2009 and 2008**

	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
<b><u>Liabilities, Reserves and Fund Balance</u></b>			
Appropriation Reserves	A-3,A-11	\$268,097.78	\$274,788.53
Reserve for Encumbrances	A-13	191,002.58	142,284.01
Accounts Payable	A-14	79,830.89	837.00
Prepaid Taxes	A-15	299,537.79	278,070.33
Tax Overpayments	A-16	25,142.22	2,293.91
County Taxes Payable	A-17	19,542.24	28,363.08
Local School District Tax Payable	A-18	1,572,364.33	1,456,978.36
Regional High School Tax Payable	A-19	872,768.37	674,528.37
Various Reserves	A-20	7,342.79	10,261.79
Special Emergency Note Payable	A-22	34,500.00	69,000.00
Emergency Note Payable	A-23	55,000.00	130,000.00
Due to State of New Jersey (P.L. 1971, C. 20)	A-9		646.64
Interfunds Payable	A-21	51,043.23	91,983.96
		<u>3,476,172.22</u>	<u>3,160,035.98</u>
Reserves for Receivables and Other Assets	A	242,325.10	203,911.35
Fund Balance	A-1	619,683.22	775,241.47
		<u>4,338,180.54</u>	<u>4,139,188.80</u>
<b>Federal and State Grant Fund:</b>			
Appropriated Reserves	A-26	71,993.23	113,796.19
Due to State of New Jersey D.E.P.			23,187.70
Unappropriated Reserves	A-27		0.07
		<u>71,993.23</u>	<u>136,983.96</u>
		<u>\$4,410,173.77</u>	<u>\$4,276,172.76</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, 2009 and 2008**

	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
<b><u>Revenue and Other Income Realized</u></b>			
Fund Balance Utilized	A-2	\$657,000.00	\$617,000.00
Miscellaneous Revenue Anticipated	A-2	1,034,458.45	1,183,726.58
Receipts from Delinquent Taxes	A-2	177,360.39	163,289.19
Receipts from Current Taxes	A-2	19,698,005.59	18,902,469.14
Non-Budget Revenues	A-2	282,286.68	75,125.22
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-11	155,125.54	62,854.41
Canceled Grant Reserves and Payables		28,691.91	
Interfunds Returned		1,171.50	790.90
Canceled Accounts Payable	A-14	15.00	
Statutory Excess in Animal Control Fund			1,171.50
Total Revenue		<u>22,034,115.06</u>	<u>21,006,426.94</u>
<b><u>Expenditures</u></b>			
Budget Appropriations Within CAPS:			
Operations:			
Salaries and Wages	A-3	2,741,641.00	2,630,184.00
Other Expenses	A-3	2,476,998.00	2,493,064.00
Deferred Charges and Statutory Expenditures	A-3	355,315.00	138,938.00
Budget Appropriations Excluded from CAPS:			
Operations:			
Other Expenses	A-3	113,796.32	479,448.92
Capital Improvements	A-3	50,000.00	75,000.00
Municipal Debt Service	A-3	589,771.62	508,598.27
Deferred Charges	A-3	165,242.35	72,000.00
County Taxes	A-17	3,482,809.46	3,400,288.04
Local District School Tax	A-18	7,777,644.00	7,248,627.40
Regional High School Tax	A-19	3,546,518.83	3,150,090.00
Local Open Space Tax		272,771.73	270,909.15
Canceled Grant Receivables	A-25	15,000.00	
Other		165.00	
Interfunds Advanced			1,171.50
Total Expenditures		<u>21,587,673.31</u>	<u>20,468,319.28</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, 2009 and 2008**

	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
Excess in Revenue		\$446,441.75	\$538,107.66
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Budget of Succeeding Year		<u>55,000.00</u>	<u>130,000.00</u>
Statutory Excess to Fund Balance		501,441.75	668,107.66
Fund Balance January 1	A	<u>775,241.47</u>	<u>724,133.81</u>
		1,276,683.22	1,392,241.47
Decreased by:			
Utilized as Anticipated Revenue	A-1,A-2	<u>657,000.00</u>	<u>617,000.00</u>
Fund Balance December 31	A	<u><u>\$619,683.22</u></u>	<u><u>\$775,241.47</u></u>

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

A-2  
Sheet 1 of 3

**CURRENT FUND**  
**STATEMENT OF REVENUES**  
**REGULATORY BASIS**  
**Year Ended December 31, 2009**

	<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>		
Fund Balance Anticipated	A-1	\$657,000.00		\$657,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-7	800.00		800.00	
Other	A-7	2,800.00		2,932.00	\$132.00
Fees and Permits	A-7	16,300.00		17,361.21	1,061.21
Municipal Court Fines and Costs	A-7	93,400.00		100,949.10	7,549.10
Interest and Costs on Taxes	A-7	40,000.00		42,395.92	2,395.92
Interest on Investments and Deposits	A-7	80,000.00		15,821.69	(64,178.31)
Consolidated Municipal Property Tax Relief Aid	A-7	74,004.00		74,004.00	
Energy Receipts Tax	A-7	608,395.00		608,395.00	
Uniform Construction Code Fees	A-7	84,000.00		86,988.17	2,988.17
Drunk Driving Enforcement Fund	A-25		\$6,000.00	6,000.00	
Clean Communities Program	A-25		10,029.22	10,029.22	
Alcohol Education and Rehabilitation Fund	A-25		464.10	464.10	
Life Hazard Use Fees		3,803.00			(3,803.00)
Comcast Technology Grant	A-25	18,000.00		18,000.00	
Senior Citizen Housing - In Lieu of Taxes	A-7	45,000.00		50,318.04	5,318.04
Total Miscellaneous Revenues	A-1	<u>1,066,502.00</u>	<u>16,493.32</u>	<u>1,034,458.45</u>	<u>(48,536.87)</u>

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, 2009**

	<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	\$180,000.00		\$177,360.39	(\$2,639.61)
Subtotal General Revenues		<u>1,903,502.00</u>	<u>\$16,493.32</u>	<u>1,868,818.84</u>	<u>(51,176.48)</u>
Amount to be Raised by Taxes for Support of Municipal Budget: Local Tax for Municipal Purposes	A-2, A-5	4,867,949.35		4,968,261.57	<u>\$100,312.22</u>
Non-Budget Revenues	A-2			<u>282,286.68</u>	
Total		<u>\$6,771,451.35</u>	<u>\$16,493.32</u>	<u>\$7,119,367.09</u>	
	<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, 2009**

	<u>Ref.</u>	
<b><u>Analysis of Realized Revenues</u></b>		
Allocation of Current Tax Collections:		
Revenue from Collections	A-1,A-5	\$19,698,005.59
Allocated to School, County and Open Space Taxes		<u>15,079,744.02</u>
Balance for Support of Municipal Budget Appropriations		4,618,261.57
Add:		
Appropriation "Reserve for Uncollected Taxes"	A-3	<u>350,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u><u>\$4,968,261.57</u></u>
<b><u>Receipts from Delinquent Taxes:</u></b>		
Delinquent Tax Collections	A-2,A-5	<u><u>\$177,360.39</u></u>
<b><u>Analysis of Non-Budget Revenues:</u></b>		
Federal Reimbursement - Fort Monmouth Planning		\$195,723.19
Cable Franchise Fees		26,161.79
Lawn Service Board of Education		17,000.00
Off Duty Police Administrative Fee		14,850.42
Prior Year Reimbursements		6,647.50
Public Assistance Funds		6,615.77
Miscellaneous		5,459.88
Board of Health		4,716.00
DMV Inspection Fines		1,981.25
Photocopies		1,528.47
State of NJ - Senior Citizen Administrative Fee		1,512.41
Court Restitution		<u>90.00</u>
	A-1,A-2	<u><u>\$282,286.68</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, 2009**

	<b><u>APPROPRIATIONS</u></b>		<b><u>EXPENDED</u></b>		<b><u>Unexpended Balance Canceled</u></b>
	<b><u>Budget</u></b>	<b><u>Budget After Modification</u></b>	<b><u>Paid or Charged</u></b>	<b><u>Reserved</u></b>	
<b><u>Operations Within "CAPS"</u></b>					
General Government Functions:					
Administrative and Executive					
Salaries and Wages	\$132,864.00	\$122,864.00	\$120,407.84	\$2,456.16	
Other Expenses	44,890.00	52,890.00	49,057.43	3,832.57	
Financial Administration					
Salaries and Wages	58,204.00	58,204.00	57,878.00	326.00	
Other Expenses	42,800.00	42,800.00	33,446.54	9,353.46	
Collection of Taxes					
Salaries and Wages	108,806.00	89,606.00	89,324.58	281.42	
Other Expenses	4,215.00	4,215.00	1,812.49	2,402.51	
Liquidation of Tax Title Liens					
Other Expenses	100.00	100.00		100.00	
Tax Sale					
Other Expenses	300.00	300.00	170.52	129.48	
Assessment of Taxes					
Salaries and Wages	18,800.00	19,000.00	18,925.00	75.00	
Other Expenses (40A:4-47, \$55,000.00+)	4,225.00	63,225.00	61,363.03	1,861.97	
Legal Services and Costs					
Other Expenses	125,000.00	111,500.00	87,179.27	24,320.73	

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, 2009**

	<b><u>APPROPRIATIONS</u></b>		<b><u>EXPENDED</u></b>		<b><u>Unexpended Balance Canceled</u></b>
	<b><u>Budget</u></b>	<b><u>Budget After Modification</u></b>	<b><u>Paid or Charged</u></b>	<b><u>Reserved</u></b>	
<b><u>Operations Within "CAPS"</u></b>					
Engineering Services and Costs					
Other Expenses	\$38,000.00	\$48,000.00	\$42,017.83	\$5,982.17	
<b>Land Use Administration:</b>					
Planning Board and Board of Adjustment					
Salaries and Wages	6,500.00	6,500.00	5,500.00	1,000.00	
Other Expenses	4,700.00	4,700.00	1,416.34	3,283.66	
Planning Fees - Land Development					
Other Expenses	30,000.00	24,200.00	24,151.88	48.12	
Environmental Commission					
Other Expenses	600.00	600.00	600.00		
<b>Public Safety Functions:</b>					
Municipal Court					
Salaries and Wages	64,783.00	64,783.00	63,306.00	1,477.00	
Other Expenses	4,100.00	4,100.00	3,075.29	1,024.71	
Public Defender					
Salaries and Wages	2,000.00	3,600.00	3,000.00	600.00	

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

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**CURRENT FUND**  
**STATEMENT OF EXPENDITURES**  
**REGULATORY BASIS**  
**Year Ended December 31, 2009**

	<b><u>APPROPRIATIONS</u></b>		<b><u>EXPENDED</u></b>		<b><u>Unexpended Balance Canceled</u></b>
	<b><u>Budget</u></b>	<b><u>Budget After Modification</u></b>	<b><u>Paid or Charged</u></b>	<b><u>Reserved</u></b>	
<b><u>Operations Within "CAPS"</u></b>					
Police Department					
Salaries and Wages	\$1,959,400.00	\$1,959,400.00	\$1,847,241.76	\$112,158.24	
Other Expenses	102,413.00	105,413.00	103,518.19	1,894.81	
Other Expenses - Police Car	30,985.00	30,985.00	30,543.90	441.10	
Emergency Management Services					
Salaries and Wages	3,000.00	3,000.00	3,000.00		
Other Expenses	8,400.00	8,400.00	8,353.51	46.49	
First Aid Organization - Contribution	39,800.00	39,800.00	36,857.37	2,942.63	
Fire					
Other Expenses					
Miscellaneous	55,360.00	55,360.00	52,823.12	2,536.88	
Fire Hydrant Service	59,400.00	60,400.00	59,865.96	534.04	
Municipal Prosecutor					
Salaries and Wages	8,000.00	10,000.00	7,695.00	2,305.00	
Public Works Functions:					
Road Repairs and Maintenance					
Salaries and Wages	291,803.00	301,803.00	299,639.14	2,163.86	
Other Expenses	77,700.00	82,700.00	77,683.01	5,016.99	
Garbage and Trash Removal					
Other Expenses	195,550.00	195,550.00	195,550.00		

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

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Sheet 4 of 10

**CURRENT FUND**  
**STATEMENT OF EXPENDITURES**  
**REGULATORY BASIS**  
**Year Ended December 31, 2009**

	APPROPRIATIONS		EXPENDED		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<u>Operations Within "CAPS"</u>					
Public Buildings and Grounds					
Other Expenses	\$51,000.00	\$55,000.00	\$52,889.52	\$2,110.48	
Shade Tree Commission					
Other Expenses	9,000.00	9,000.00	9,000.00		
Recycling					
Other Expenses	35,000.00	35,000.00	34,101.73	898.27	
Health and Human Services:					
Board of Health					
Salaries and Wages	2,119.00	2,119.00	2,063.00	56.00	
Other Expenses	1,500.00	500.00		500.00	
Bloodborne Pathogens					
Other Expenses	500.00	500.00		500.00	
Parks and Recreation Functions:					
Recreation and Education					
Salaries and Wages	13,496.00	13,496.00	13,494.96	1.04	
Other Expenses	15,160.00	20,160.00	19,004.56	1,155.44	
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**

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Sheet 5 of 10

**CURRENT FUND**  
**STATEMENT OF EXPENDITURES**  
**REGULATORY BASIS**  
**Year Ended December 31, 2009**

	APPROPRIATIONS		EXPENDED		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
<u>Operations Within "CAPS"</u>					
Insurance Functions:					
Insurance					
General Liability	\$97,700.00	\$98,700.00	\$98,282.67	\$417.33	
Worker Compensation	110,900.00	110,900.00	110,856.28	43.72	
Employee Group Health	646,500.00	638,500.00	633,256.43	5,243.57	
Dental	44,000.00	44,500.00	44,446.05	53.95	
Education:					
Expenses in Participation in Free County Library					
Salaries and Wages	1,500.00	2,000.00	1,679.38	320.62	
Other Expenses	5,880.00	5,880.00	5,764.45	115.55	
Transportation of High School Students					
Other Expenses	12,920.00	12,920.00	11,142.25	1,777.75	
Other Common Operating Functions:					
Celebration of Public Events					
Other Expenses	1,500.00	1,500.00	611.52	888.48	
State Uniform Construction Code					
Salaries and Wages	82,412.00	79,112.00	76,672.80	2,439.20	
Other Expenses	12,000.00	15,000.00	13,164.76	1,835.24	
Code Enforcement					
Salaries and Wages	6,154.00	6,154.00	5,309.04	844.96	
Other Expenses	4,000.00	1,000.00		1,000.00	

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

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Sheet 6 of 10

**CURRENT FUND**  
**STATEMENT OF EXPENDITURES**  
**REGULATORY BASIS**  
**Year Ended December 31, 2009**

	<b><u>APPROPRIATIONS</u></b>		<b><u>EXPENDED</u></b>		<b><u>Unexpended Balance Canceled</u></b>
	<b><u>Budget</u></b>	<b><u>Budget After Modification</u></b>	<b><u>Paid or Charged</u></b>	<b><u>Reserved</u></b>	
<b><u>Operations Within "CAPS"</u></b>					
Utility Expenses and Bulk Purchases:					
Street Lighting	\$87,000.00	\$87,000.00	\$77,796.80	\$9,203.20	
Gasoline	65,000.00	65,000.00	44,575.83	20,424.17	
Electricity	55,000.00	55,000.00	46,685.17	8,314.83	
Telephone	18,200.00	19,200.00	19,006.84	193.16	
Water and Sewer	8,000.00	12,000.00	10,138.62	1,861.38	
Natural Gas	30,000.00	30,000.00	20,297.54	9,702.46	
Landfill/Solid Waste Disposal Costs:					
Tipping Fees	<u>222,500.00</u>	<u>222,500.00</u>	<u>221,884.28</u>	<u>615.72</u>	
Total Operations - Within "CAPS"	<u>5,163,639.00</u>	<u>5,218,639.00</u>	<u>4,959,527.48</u>	<u>259,111.52</u>	
Detail:					
Salaries and Wages	2,759,841.00	2,741,641.00	2,615,136.50	126,504.50	
Other Expenses (including Contingent)	<u>2,403,798.00</u>	<u>2,476,998.00</u>	<u>2,344,390.98</u>	<u>132,607.02</u>	

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

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Sheet 7 of 10

**CURRENT FUND**  
**STATEMENT OF EXPENDITURES**  
**REGULATORY BASIS**  
**Year Ended December 31, 2009**

	<b><u>APPROPRIATIONS</u></b>		<b><u>EXPENDED</u></b>		<b><u>Unexpended Balance Canceled</u></b>
	<b><u>Budget</u></b>	<b><u>Budget After Modification</u></b>	<b><u>Paid or Charged</u></b>	<b><u>Reserved</u></b>	
<b><u>Deferred Charges and Statutory Expenditures Within "CAPS"</u></b>					
Statutory Expenditures:					
Contribution To:					
Public Employees' Retirement System of N.J.	\$47,577.00	\$47,577.00	\$47,577.00		
Social Security System (O.A.S.I.)	139,250.00	139,250.00	135,432.96	\$3,817.04	
Police and Firemen's Retirement System of N.J.	167,488.00	167,488.00	167,487.50	0.50	
Defined Contribution Retirement Program	1,000.00	1,000.00		1,000.00	
Deferred Charges and Statutory Expenditures Within "CAPS"	355,315.00	355,315.00	350,497.46	4,817.54	
Total General Appropriations Within "CAPS"	5,518,954.00	5,573,954.00	5,310,024.94	263,929.06	
<b><u>Operations Excluded from "CAPS"</u></b>					
Monmouth County 911 Program	5,500.00	5,500.00	5,134.28	365.72	
Length of Service Awards Program	67,000.00	67,000.00	67,000.00		
Total Other Operations - Excluded from "CAPS"	72,500.00	72,500.00	72,134.28	365.72	

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, 2009**

	<b><u>APPROPRIATIONS</u></b>		<b><u>EXPENDED</u></b>		<b><u>Unexpended Balance Canceled</u></b>
	<b><u>Budget</u></b>	<b><u>Budget After Modification</u></b>	<b><u>Paid or Charged</u></b>	<b><u>Reserved</u></b>	
<b><u>Public and Private Programs Offset by Revenues:</u></b>					
Drunk Driving Enforcement Fund (40A:4-87, \$6,000.00+)		\$6,000.00	\$6,000.00		
Clean Communities Program (40A:4-87, \$10,029.22+)		10,029.22	10,029.22		
Municipal Alliance Grant - Local Match	\$3,000.00	3,000.00	3,000.00		
Municipal Alcohol Education/Rehabilitation (40A:4-87, \$464.10+)		464.10	464.10		
Life Hazard Fees	3,803.00	3,803.00		\$3,803.00	
Comcast Technology Grant	18,000.00	18,000.00	18,000.00		
<b>Total Public and Private Programs Offset by Revenues</b>	<b>24,803.00</b>	<b>41,296.32</b>	<b>37,493.32</b>	<b>3,803.00</b>	
<b>Total Operations - Excluded from CAPS</b>	<b>97,303.00</b>	<b>113,796.32</b>	<b>109,627.60</b>	<b>4,168.72</b>	
<b>Detail:</b>					
Other Expenses	97,303.00	113,796.32	109,627.60	4,168.72	
<b><u>Capital Improvements - Excluded from "CAPS"</u></b>					
Capital Improvement Fund	50,000.00	50,000.00	50,000.00		
<b><u>Municipal Debt Service Excluded from "CAPS"</u></b>					
Payment of Bond Principal	389,000.00	389,000.00	389,000.00		
Payment of Bond Anticipation Notes and Capital Notes					
Interest on Bonds	164,500.00	164,500.00	164,463.95		\$36.05
Interest on Notes	9,480.00	9,480.00	9,335.71		144.29
Green Trust Loan Program - Loan Repayments for Principal and Interest	26,972.00	26,972.00	26,971.96		0.04
<b>Total Municipal Debt Service Excluded from "CAPS"</b>	<b>589,952.00</b>	<b>589,952.00</b>	<b>589,771.62</b>		<b>180.38</b>

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

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Sheet 9 of 10

**CURRENT FUND**  
**STATEMENT OF EXPENDITURES**  
**REGULATORY BASIS**  
**Year Ended December 31, 2009**

	<b><u>APPROPRIATIONS</u></b>		<b><u>EXPENDED</u></b>		<b><u>Unexpended Balance Canceled</u></b>
	<b><u>Budget</u></b>	<b><u>Budget After Modification</u></b>	<b><u>Paid or Charged</u></b>	<b><u>Reserved</u></b>	
<b><u>Deferred Charges - Municipal Excluded from "CAPS"</u></b>					
Emergency Authorizations	\$130,000.00	\$130,000.00	\$130,000.00		
Special Emergency Authorizations - 5 Years N.J.S. 40A:4-53	34,500.00	34,500.00	34,500.00		
Unfunded Improvement Authorizations General Capital Ordinances 497, 594, 716, 742, 751, and 810	742.35	742.35	742.35		
<b>Total Deferred Charges - Municipal Excluded from "CAPS"</b>	<b>165,242.35</b>	<b>165,242.35</b>	<b>165,242.35</b>		
<b>Total General Appropriations Excluded from "CAPS"</b>	<b>902,497.35</b>	<b>918,990.67</b>	<b>914,641.57</b>	<b>\$4,168.72</b>	<b>\$180.38</b>
Subtotal General Appropriations	6,421,451.35	6,492,944.67	6,224,666.51	268,097.78	180.38
Reserve for Uncollected Taxes	350,000.00	350,000.00	350,000.00		
<b>Total General Appropriations</b>	<b>\$6,771,451.35</b>	<b>\$6,842,944.67</b>	<b>\$6,574,666.51</b>	<b>\$268,097.78</b>	<b>\$180.38</b>
<b><u>Ref.</u></b>	<b>A-2</b>		<b>A-1</b>	<b>A, A-1</b>	

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, 2009**

	<b><u>Ref.</u></b>	<b><u>Budget After Modification</u></b>
Budget	A-3	\$6,771,451.35
Emergency Appropriation 40A:4-47	A-10	55,000.00
Appropriation by 40A:4-87	A-2	<u>16,493.32</u>
		<u><u>\$6,842,944.67</u></u>

		<b><u>Paid or Charged</u></b>
Disbursements	A-4	\$5,831,670.61
Reserve for Encumbrances	A-13	191,002.58
Appropriated Reserves for Federal and State Grants	A-21,A-24,A-26	37,493.32
Deferred Charge - Emergency Authorizations (40A:4-47)	A-10	130,000.00
Reserve for Uncollected Taxes	A-2	350,000.00
Deferred Charge - Emergency Authorizations (40A:4-53)	A-12	<u>34,500.00</u>
		<u><u>\$6,574,666.51</u></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, 2009 and 2008**

<b><u>Assets</u></b>	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
Assessment Trust Fund:			
Assessments Receivable	B-11	<u>\$23,149,779.00</u>	<u></u>
Animal Control Trust Fund:			
Cash and Cash Equivalents	B-2	<u>9,401.10</u>	<u>\$11,087.50</u>
Open Space Trust Fund:			
Cash and Cash Equivalents	B-2	347,023.82	259,290.06
Notes Receivable		<u>89,500.00</u>	<u>199,000.00</u>
		<u>436,523.82</u>	<u>458,290.06</u>
Other Trust Fund:			
Cash and Cash Equivalents	B-2	<u>404,247.62</u>	<u>390,089.62</u>
Length of Service Award Program Fund (LOSAP) - Unaudited:			
Investments	B-9	<u>232,316.49</u>	<u>137,581.65</u>
		<u>\$24,232,268.03</u>	<u>\$997,048.83</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, 2009 and 2008**

	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
<b><u>Liabilities, Reserves and Fund Balance</u></b>			
Assessment Trust Fund:			
New Jersey Environmental Infrastructure Trust Loan	B-12	\$6,265,000.00	
New Jersey Department of Environmental Protection Fund Loan	B-13	16,884,779.00	
		<u>23,149,779.00</u>	
Animal Control Trust Fund:			
Due to State of New Jersey	B-4		\$3.60
Interfund - Current Fund	B-5		1,171.50
Reserve for Animal Control Trust Fund Expenditures	B-3	9,401.10	9,912.40
		<u>9,401.10</u>	<u>11,087.50</u>
Open Space Trust Fund:			
Reserve for Open Space	B-6	436,523.82	458,290.06
Other Trust Fund:			
Various Reserves	B-8	301,965.60	390,089.62
Fund Balance	B-1	102,282.02	
		<u>404,247.62</u>	<u>390,089.62</u>
Length of Service Award Program Fund (LOSAP) - Unaudited:			
Reserve For Length of Service Award Program Fund	B-10	232,316.49	137,581.65
		<u>\$24,232,268.03</u>	<u>\$997,048.83</u>

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**TRUST FUND**  
**COMPARATIVE STATEMENT OF OTHER TRUST FUND BALANCE**  
**REGULATORY BASIS**  
**Years Ended December 31, 2009 and 2008**

	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
Balance, January 1	B	\$0.00	\$0.00
Increased by:			
Canceled Reserve Deposits	B-8	102,282.02	
Balance, December 31	B	<u>\$102,282.02</u>	<u>\$0.00</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, 2009 and 2008**

	<u>Ref.</u>	<u>2009</u>	<u>2008</u>
<b><u>Assets</u></b>			
Cash and Cash Equivalents	C-2	\$150,825.18	\$786,448.56
Due from New Jersey Environmental Infrastructure Financing Program	C-17	22,513,039.00	
Deferred Charges to Future Taxation:			
Funded	C-4	4,628,502.36	5,090,838.72
Unfunded	C-5	2,121,693.00	742.35
Grants Receivable	C-6	329,822.75	233,406.37
		<u>\$29,743,882.29</u>	<u>\$6,111,436.00</u>
 <b><u>Liabilities, Reserves and Fund Balance</u></b>			
Serial Bonds	C-11	\$4,312,000.00	\$4,754,000.00
Bond Anticipation Notes	C-12		456,700.00
Green Trust Loans Payable	C-14	316,502.36	336,838.72
Improvement Authorizations:			
Funded	C-10	22,950,174.74	509,231.34
Unfunded	C-10	2,088,585.30	74.00
Capital Improvement Fund	C-13	42,630.50	26,918.50
Accrued Interest on Bonds	C-9	3,478.24	3,478.24
Reserve for:			
Encumbrances	C-8,C-10	19,779.00	14,387.00
Payment of Bonds	C-15	6,801.49	6,801.49
Fund Balance	C-1	3,930.66	3,006.71
		<u>\$29,743,882.29</u>	<u>\$6,111,436.00</u>

There were bonds and notes authorized but not issued on December 31, 2009 of \$2,121,693.00 and \$742.35 on December 31, 2008 (Schedule C-16).

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

C-1

**GENERAL CAPITAL FUND**  
**COMPARATIVE STATEMENT OF FUND BALANCE**  
**REGULATORY BASIS**  
**Years Ended December 31, 2009 and 2008**

	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
Balance, January 1	C	\$3,006.71	\$39,378.67
Increased by:			
Permanently Funded Improvement			
Authorizations Canceled	C-10	65,923.95	
Premium on Sale of Bonds			1,128.04
		<u>68,930.66</u>	<u>40,506.71</u>
Decreased by:			
Appropriated to Finance Improvement			
Authorization	C-10	65,000.00	
Utilized as Revenue in Current Fund Budget			37,500.00
		<u>65,000.00</u>	<u>37,500.00</u>
Balance, December 31	C	<u><u>\$3,930.66</u></u>	<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, 2009 and 2008**

	<b><u>Ref.</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>
General Fixed Assets:			
Land and Buildings		\$1,836,606.00	\$1,725,141.00
Machinery and Equipment		2,943,664.00	2,902,164.00
		<u>\$4,780,270.00</u>	<u>\$4,627,305.00</u>
Investment in General Fixed Assets	D-1	<u>\$4,780,270.00</u>	<u>\$4,627,305.00</u>

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**PAYROLL FUND**  
**COMPARATIVE BALANCE SHEET**  
**REGULATORY BASIS**  
**December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<b><u>Assets</u></b>		
Cash	<u>\$22,405.95</u>	<u>\$21,755.02</u>
<b><u>Liabilities</u></b>		
Reserve for Expenditures	<u>\$22,405.95</u>	<u>\$21,755.02</u>

See Accompanying Notes

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**PUBLIC ASSISTANCE FUND**  
**COMPARATIVE BALANCE SHEET**  
**REGULATORY BASIS**  
**December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<b><u>Assets</u></b>		
Cash	<u>\$5,000.00</u>	<u>\$11,615.77</u>
<b><u>Liabilities and Reserves</u></b>		
Reserve for Public Assistance	<u>\$5,000.00</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, 2009**

**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 2009.

**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. 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)**

**Assessment Trust Fund** - used to record transactions relative to the financing of local improvements deemed to benefit the properties against which assessments are levied.

**Other Trust Fund** - used to record 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 record 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 record 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 record payroll related transactions.

**General Fixed Assets Account Group** - used to record fixed assets utilized 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** - Until lapsed at the close of the succeeding year, appropriation reserves are available 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** - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the general fixed assets account group at its market value.

**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.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Accounting (continued)**

**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.

**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.

**F. Reclassification**

Certain prior period amounts have been reclassified to conform to the current year financial statement presentation.

**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.

**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, 2009 totaled \$4,945,008.49. The carrying amount of these amounts equaled market value at December 31, 2009. As of December 31, 2009 the Borough had funds on deposit in accounts at various financial institutions, insured as follows:

<u>Depository Accounts</u>	<u>Bank Balance Amount</u>
Insured by:	
FDIC	\$405,854.61
GUDPA	<u>3,938,671.59</u>
	<u><u>\$4,344,526.20</u></u>

Also, as of December 31, 2009, the Borough had \$636,338.29 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 - Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits may not be returned to it. As of December 31, 2009, the Borough's bank balance was not exposed to custodial credit risk.



**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)**

**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) Local Government 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)**

**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**

Length of Service Award Program investment options are at the discretion of each individual participant and not the Borough. The market value of the Borough's Length of Service Award Program investments was \$232,316.49 at December 31, 2009.

**Credit Risk**

State law limits investments as described in prior sections of this note to the financial statements. 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, 2009 was as follows:

	Balance Dec. 31, 2008	Additions	Dispositions	Balance Dec. 31, 2009
Land and Buildings	\$1,725,141.00	\$118,965.00	\$7,500.00	\$1,836,606.00
Machinery and Equipment	2,902,164.00	44,000.00	2,500.00	2,943,664.00
	<u>\$4,627,305.00</u>	<u>\$162,965.00</u>	<u>\$10,000.00</u>	<u>\$4,780,270.00</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, 2009</u>
General Improvements	12/01/02	\$1,010,000.00	3.375%-5.000%	\$676,000.00
General Improvements	09/01/05	2,849,000.00	3.60%-3.75%	2,050,000.00
General Improvements	12/13/07	803,000.00	5.00%	655,000.00
General Improvements	12/04/08	1,043,000.00	4.00%-5.00%	931,000.00
				<u>\$4,312,000.00</u>

Long-term bonded debt service requirements are as follows:

<u>General Capital Fund</u>			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	501,000.00	104,198.75	605,198.75
2015-2019	1,942,000.00	216,797.50	2,158,797.50
	<u>\$4,312,000.00</u>	<u>\$942,337.51</u>	<u>\$5,254,337.51</u>

**NOTE 4. DEBT (continued)**

**A. Long-Term Debt (continued)**

**Green Trust Loans**

In 1999 the Borough closed on a Green Trust Loan in the amount of \$151,250.00 at an interest rate of 2.00%. In 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:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	22,464.00	4,507.96	26,971.96
2015-2019	114,574.54	15,582.69	130,157.23
2020-2024	82,064.52	5,769.26	87,833.78
2025-2026	11,883.26	183.42	12,066.68
	<u>\$316,502.36</u>	<u>\$48,415.13</u>	<u>\$364,917.49</u>

**New Jersey Environmental Infrastructure Trust and New Jersey Department of Environmental Protection Fund Loans**

In 2009 the Borough issued special assessment bonds to evidence the payment obligations of the Borough in consideration of loans made to the Borough by the New Jersey Environmental Infrastructure Trust (\$6,265,000.00) and the New Jersey Department of Environmental Protection (\$16,884,779.00). A special assessment agreement has been executed between the Borough and New Jersey Sports and Exposition Authority (the "NJSEA"). At the request of the NJSEA, and agreed to by the Borough, certain public improvements to Monmouth Park Racetrack will be funded solely from loans (the "Loans") made to the Borough from the New Jersey Environmental Infrastructure Trust and the New Jersey Department of Environmental Protection. In order to further secure the Loans and the special assessment bonds, and to recover costs incurred by the Borough in connection with the issuance of the special assessment bonds and the undertaking of the public improvements, the Borough has imposed a special assessment, to be paid by the NJSEA, to be used by the Borough to repay the Loans. The Borough is ultimately responsible for the repayment of these Loans.

**NOTE 4. DEBT (continued)****A. Long-Term Debt (continued)****New Jersey Environmental Infrastructure Trust and New Jersey Department of Environmental Protection Fund Loans (continued)**

Issuer	Date of Issue	Original Issue	Interest Rate	Balance Dec. 31, 2009
New Jersey Environmental Infrastructure Trust Loan	12/02/09	\$6,265,000.00	3.75%-5.00%	\$6,265,000.00
New Jersey Department of Environmental Protection Fund Loan	12/02/09	16,884,779.00	0.00%	16,884,779.00
				<u>\$23,149,779.00</u>

Debt service requirements on the loans are as follows:

Year	Assessment Trust Fund		
	Principal	Interest	Total
2010		\$197,929.83	\$197,929.83
2011		264,887.50	264,887.50
2012		264,887.50	264,887.50
2013	\$1,248,222.28	264,887.50	1,513,109.78
2014	1,258,222.28	252,137.50	1,510,359.78
2015	1,273,222.28	238,887.50	1,512,109.78
2016	1,288,222.28	224,887.50	1,513,109.78
2017	1,298,222.28	210,137.50	1,508,359.78
2018-2022	6,726,111.40	826,037.50	7,552,148.90
2023-2027	7,096,111.40	453,812.50	7,549,923.90
2028-2029	2,961,444.80	58,800.00	3,020,244.80
	<u>\$23,149,779.00</u>	<u>\$3,257,292.33</u>	<u>\$26,407,071.33</u>

Long-term debt transactions for the year ended December 31, 2009 are summarized as follows:

	Dec. 31, 2008	Additions	Deductions	Dec. 31, 2009
<b>General Capital Fund:</b>				
General Serial Bonds	\$4,754,000.00		\$442,000.00	\$4,312,000.00
Green Trust Loans	336,838.72		20,336.36	316,502.36
<b>Assessment Trust Fund:</b>				
New Jersey Environmental Infrastructure Trust Loan		\$6,265,000.00		6,265,000.00
New Jersey Department of Environmental Protection Fund Loan		16,884,779.00		16,884,779.00
	<u>\$5,090,838.72</u>	<u>\$23,149,779.00</u>	<u>\$462,336.36</u>	<u>\$27,778,281.36</u>

**NOTE 4. DEBT (continued)****B. Short-Term Debt**

Bond Anticipation Note transactions for the year ended December 31, 2009 are summarized as follows:

	Balance Dec. 31, 2008	Deductions	Balance Dec. 31, 2009
<u>General Capital Fund</u>			
Bond Anticipation Notes	<u>\$456,700.00</u>	<u>\$456,700.00</u>	<u>\$0.00</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. In 2009 a special emergency note was issued by the Borough's open space trust fund to the Borough's current fund. The special emergency note will be funded in the 2010 current fund budget.

At December 31, 2009, the Borough's outstanding special emergency notes was as follows:

<u>Purpose</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Revaluation	10/31/2009	10/30/2010	<u>\$34,500.00</u>	2.00%

**Emergency Note**

On November 25, 2009 the Borough's open space trust fund issued an emergency note in the amount of \$55,000.00 to the Borough's current fund to fund emergency appropriations. The emergency note matures on January 30, 2010 and will be funded in the 2010 current fund budget.

**NOTE 5. FUND BALANCES APPROPRIATED**

Fund balances at December 31, 2009 which have been appropriated and included as anticipated revenue in the current fund budget for the year ending December 31, 2010 are as follows:

Current Fund	\$519,738.00
Other Trust Fund	51,000.00

**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,	
	2009	2008
Prepaid Taxes	\$299,537.79	\$278,070.33

**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 UNPAID SICK PAY BENEFITS - UNAUDITED**

As discussed in Note 1 and in accordance with accounting principles prescribed by the Division, 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 \$166,800.00 at December 31, 2009. 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, 2009 was \$20,065.19.

**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, P.O. Box 295, Trenton, New Jersey 08625-0295.

**Funding Policy**

In 2009 PERS employee contributions were five and one-half percent (5.50%) of base wages and 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 were as follows:

<u>PERS</u>		<u>PFRS</u>	
<u>Year</u>	<u>Borough</u>	<u>Year</u>	<u>Borough</u>
2009	\$47,577.00	2009	\$167,487.50
2008	61,998.00	2008	275,869.00
2007	31,191.00	2007	174,367.20

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

**NOTE 12. INTERFUND BALANCES**

The balances of interfund receivables and payables at December 31, 2009 are presented below:

\$51,043.23      Due from the Current Fund to the Federal and State Grant Fund



**NOTE 13. SCHOOL TAXES**

Regulations provide for deferral of not more than fifty percent 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 and regional school taxes on a school year basis and has elected to defer these taxes at December 31, 2009 and 2008 as follows:

	<u>Local District School Tax</u>		<u>Regional High School Tax</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Balance of tax	\$3,157,486.30	\$3,042,100.33	\$1,773,240.00	\$1,575,000.00
Deferred	1,585,121.97	1,585,121.97	900,471.63	900,471.63
Tax Payable	<u>\$1,572,364.33</u>	<u>\$1,456,978.36</u>	<u>\$872,768.37</u>	<u>\$674,528.37</u>

**NOTE 14. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

At December 31, 2009 the following deferred charges are reflected on the balance sheet of the following fund:

	<u>Balance Dec. 31, 2009</u>	<u>2010 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations (40A:4-53)	\$34,500.00	\$34,500.00
Emergency Authorizations (40A:4-47)	55,000.00	55,000.00

The appropriations in the 2010 budget are not less than required by statute.

**NOTE 15. POST-EMPLOYMENT RETIREMENT BENEFITS**

In addition to the pension benefits described in Note 11, the Borough provides post-employment retirement health and dental coverage for employees who meet certain service requirements. Benefits consist of full medical and dental coverage and costs are reported as they are paid.

**Plan Description**

The Borough has a single-employer defined benefit healthcare plan with Horizon Blue Cross and Blue Shield of New Jersey (the "Fund"). The Borough provides medical, prescription and dental benefits to retirees and their spouses that meet certain eligibility requirements.

**Funding Policy**

The Borough's funding policy is to pay as you go.

**NOTE 15. POST-EMPLOYMENT RETIREMENT BENEFITS (continued)**

**Annual OPEB Cost and Net OPEB Obligation**

The Borough's annual other post employment benefits ("OPEB") cost is calculated based on the annual required contribution ("ARC") of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of thirty years. The following summarizes the Borough's annual OPEB cost for the year, the amount actually contributed, and changes in the Borough's net OPEB obligation:

January 1, 2009 Net OPEB Obligation	\$0.00
Plus: Annual OPEB Cost	<u>817,000.00</u>
	817,000.00
Less: Borough contributions	<u>(214,000.00)</u>
December 31, 2009 Net OPEB Obligation	<u>\$603,000.00</u> *

\* In accordance with accounting principles and practices prescribed by the Division, the net OPEB obligation amount is not reported as an expenditure or liability in the accompanying financial statements.

**Funding Status and Funding Progress**

The funded status of the Fund was as follows:

Actuarial accrued liability	\$8,608,000.00
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability	<u>\$8,608,000.00</u>
Funded ratio	0%

This is the Borough's transition year of implementing GASB Statement 45. In future years, this schedule will present multi-year trend information about whether the actuarial value of the Fund assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**NOTE 15. POST-EMPLOYMENT RETIREMENT BENEFITS (continued)**

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive Plan (the plan as understood by the employer and plan members) and include types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The actuarial valuation utilized the projected unit credit cost method. The 2009 actuarial assumptions included an initial annual medical cost trend rate of 9.5%, reduced by decrements to an ultimate rate of 5.0% in 2021. The trend rate for dental benefits is 5.0%. The amortization cost for the unfunded actuarial accrued liability is on a straight line basis, for a period of thirty years.

**NOTE 16. RISK MANAGEMENT**

The Borough is exposed to various risks of loss related to torts, theft and damage to and destruction of assets, errors and omission, injuries to employees, and natural disasters. 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, and is sustained through member premiums. The Fund participates in the Municipal Excess Liability Insurance Fund which has a contract for excess liability insurance for property.

**NOTE 17. 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).

## **NOTE 18. 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, 2009, the Borough anticipates that no material liabilities will result from such audits.

### **Lease Agreements**

The Borough leases certain equipment under long-term lease agreements. At December 31, 2009, the remaining payment terms are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	<u>\$10,551.72</u>	<u>\$627.85</u>	<u>\$11,179.57</u>

### **Legal Proceedings**

The Borough is party to certain legal proceedings, the resolution and impact of which, individually or in the aggregate, in the opinion of the Borough's administration, are not likely to have a material adverse impact on the Borough's financial position or adversely affect the Borough's ability to levy, collect, and enforce the collection of taxes or other revenue for the repayment of its bonds or other obligations.

## **NOTE 19. SUBSEQUENT EVENTS**

In June 2010 the Borough adopted an ordinance authorizing the issuance of bonds and notes of \$370,500.00 for the 2010 road and sidewalk improvement program and related expenses.

On August 19, 2010 the Borough introduced an ordinance authorizing the issuance of bonds and notes of \$190,000.00 for various security improvements and related expenses. A public hearing and second reading for final adoption of the proposed ordinance is expected to take place in September 2010.

**BOROUGH OF OCEANPORT**

**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**PART II**

**SUPPLEMENTARY DATA AND SCHEDULES**

**YEAR ENDED DECEMBER 31, 2009**

**COMPARATIVE SCHEDULE OF FUND BALANCE AT DECEMBER 31**

<u>Year</u>	<u>Current Fund Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
2009	\$619,683.22	\$519,738.00
2008	775,241.47	657,000.00
2007	724,133.81	617,000.00

**COMPARATIVE SCHEDULE OF TAX RATE INFORMATION AND  
APPORTIONMENT**

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	<u>\$1.470</u>	<u>\$1.411</u>	<u>\$1.346</u>

**Apportionment of Tax Rate**

Municipal	.360	.340	.312
Municipal Open Space	.020	.020	.020
County	.255	.251	.254
Local School	.573	.566	.522
Regional High School	.262	.234	.238

**Assessed Valuation**

2009	\$1,356,186,206.00		
2008		\$1,343,248,986.00	
2007			\$1,336,274,205.00

**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>Cash Collections</u>	<u>Currently Percentage of Collections</u>
2009	\$20,052,563.86	\$19,698,005.59	98.23%
2008	19,112,452.61	18,902,469.14	98.90%
2007	18,064,598.41	17,880,626.84	98.98%

## **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>2009</u>	<u>2008</u>	<u>2007</u>
Tax title liens	\$12,671.60	\$9,404.80	\$15,529.31
Delinquent taxes	<u>217,664.02</u>	<u>182,151.06</u>	<u>156,105.02</u>
Total delinquent	<u>\$230,335.62</u>	<u>\$191,555.86</u>	<u>\$171,634.33</u>
% of tax levy	1.15%	1.00%	0.95%

## **SUMMARY OF MUNICIPAL DEBT**

<b><u>Issued</u></b>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General bonds and notes	\$4,628,502.36	\$5,547,538.72	\$4,903,474.38
Assessment bonds and notes	<u>23,149,779.00</u>	<u>5,547,538.72</u>	<u>4,903,474.38</u>
	<u>27,778,281.36</u>		
Less:			
Open space trust (40A:2-44h)	676,000.00	729,000.00	779,000.00
Funds on hand to pay bonds and notes		456,700.00	
Reserve for repayment of bonds	<u>6,801.49</u>	<u>6,801.49</u>	<u>6,801.49</u>
Total deductions	<u>682,801.49</u>	<u>1,192,501.49</u>	<u>785,801.49</u>
Net debt issued	27,095,479.87	4,355,037.23	4,117,672.89
<b><u>Authorized but not issued</u></b>			
General bonds and notes	271,472.00	742.35	38,242.35
Assessment bonds and notes	<u>1,850,221.00</u>		
Total authorized but not issued	<u>2,121,693.00</u>	<u>742.35</u>	<u>38,242.35</u>
Net bonds and notes issued and authorized but not issued	<u>\$29,217,172.87</u>	<u>\$4,355,779.58</u>	<u>\$4,155,915.24</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 2.248%.

	<b><u>Gross Debt</u></b>	<b><u>Deductions</u></b>	<b><u>Net Debt</u></b>
Local School District Debt	\$6,014,312.00	\$6,014,312.00	
General Debt	30,065,967.36	848,794.49	\$29,217,172.87
	<u>\$36,080,279.36</u>	<u>\$6,863,106.49</u>	<u>\$29,217,172.87</u>

Net Debt \$29,217,172.87 divided by Equalized Valuation basis per N.J.S. 40A: 2-2 as amended, \$1,299,784,236.00 equals 2.248%.

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

3½% of Equalized Valuation Basis	\$45,492,448.26
Net Debt	<u>29,217,172.87</u>
Remaining Borrowing Power	<u>\$16,275,275.39</u>

The Chief Financial Officer should file a revised annual debt statement.



**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**OFFICIALS IN OFFICE AND SURETY BONDS**

**YEAR ENDED DECEMBER 31, 2009**

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

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Amount of Bond</u></b>
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, Administrator (5/21/09-12/31/09)	*
Gregory Mayers	Chief Financial Officer	*
Cynthia Cortale	Tax Collector (1/1/09-6/7/09)	\$125,000.00
Mary Jane Yorg	Tax Collector (6/8/09-12/31/09)	*
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, 2009**

	<u>Ref.</u>		
Balance, December 31, 2008	A		\$3,735,977.45
Increased by Receipts:			
State of New Jersey (P.L. 1971, C. 20)	A-9	\$75,620.55	
Taxes Receivable	A-5	19,520,777.84	
Revenue Accounts Receivable	A-7	999,965.13	
Interfunds	A-21	95,457.17	
Non-Budget Revenues	A-2	282,286.68	
Prepaid Taxes	A-15	299,537.79	
Tax Overpayments	A-16	38,076.56	
Various Reserves	A-20	67,346.17	
Sewer Liens		3,555.90	
Special Emergency Note Payable	A-22	34,500.00	
Emergency Note Payable	A-23	55,000.00	
			<u>21,472,123.79</u>
			25,208,101.24
Decreased by Disbursements:			
Budget Appropriations	A-3	5,831,670.61	
Appropriation Reserves	A-11	182,938.11	
Tax Overpayments	A-16	15,228.25	
County Taxes Payable	A-17	3,491,630.30	
Local School District Tax	A-18	7,662,258.03	
Regional High School Tax	A-19	3,348,278.83	
Various Reserves	A-20	70,265.17	
Interfunds	A-21	397,306.22	
Special Emergency Note Payable	A-22	69,000.00	
Emergency Note Payable	A-23	130,000.00	
Sewer Liens		3,720.90	
			<u>21,202,296.42</u>
Balance, December 31, 2009	A		<u><u>\$4,005,804.82</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**  
**Year Ended December 31, 2009**

<u>Year</u>	<u>Balance</u> <u>Dec. 31, 2008</u>	<u>2009 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, 2009</u>
			<u>2008</u>	<u>2009</u>				
2008	\$182,151.06			\$177,360.39				\$4,790.67
2009		\$20,052,563.86	\$278,070.33	19,343,417.45	\$3,266.80	\$76,517.81	\$138,418.12	212,873.35
	<u>\$182,151.06</u>	<u>\$20,052,563.86</u>	<u>\$278,070.33</u>	<u>\$19,520,777.84</u>	<u>\$3,266.80</u>	<u>\$76,517.81</u>	<u>\$138,418.12</u>	<u>\$217,664.02</u>
<u>Ref.</u>	A		A-15	A-4	A-6	A-9		A

**Analysis of 2009 Property Tax Levy**

**Ref.**

**Tax Yield:**

General Purpose Tax	\$19,935,937.24	
Added Taxes (54:4-63.1 Et Seq.)	112,453.24	
Omitted Taxes (54:4-63.12 Et Seq.)	<u>4,173.38</u>	
		<u>\$20,052,563.86</u>

**Tax Levy:**

Regional High School Tax	A-19	\$3,546,518.83	
Local School District Tax	A-18	7,777,644.00	
County Taxes:			
County Tax	A-17	\$3,027,851.31	
County Library Tax	A-17	178,882.70	
County Health Tax	A-17	57,761.84	
County Open Space Tax	A-17	198,771.37	
Due County for Added and Omitted Taxes	A-17	<u>19,542.24</u>	
Total County Taxes			3,482,809.46
Local Municipal Open Space Tax	A-21	271,237.24	
Due Municipal Open Space Tax for Added and Omitted Taxes	A-21	<u>1,534.49</u>	
Total Local Municipal Open Space Taxes			272,771.73
Local Tax for Municipal Purposes	A-2	4,867,949.35	
Add: Additional Tax Levied		<u>104,870.49</u>	
Local Tax for Municipal Purposes Levied			<u>4,972,819.84</u>
			<u>\$20,052,563.86</u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF TAX TITLE LIENS**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	A	\$9,404.80
Increased by:		
Transfers from Taxes Receivable	A-5	<u>3,266.80</u>
		<u>12,671.60</u>
Balance, December 31, 2009	A	<u><u>\$12,671.60</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	<b><u>Balance Dec. 31, 2008</u></b>	<b><u>Accrued in 2009</u></b>	<b><u>Collected / Realized</u></b>	<b><u>Balance Dec. 31, 2009</u></b>
Alcoholic Beverages License	A-2		\$800.00	\$800.00	
Other Licenses	A-2		2,932.00	2,932.00	
Fees and Permits	A-2		17,361.21	17,361.21	
Municipal Court Fines and Costs	A-2	\$6,883.99	101,589.59	100,949.10	\$7,524.48
Interest and Costs on Taxes	A-2		42,395.92	42,395.92	
Interest on Investments and Deposits	A-2		15,821.69	15,821.69	
Consolidated Municipal Property Tax Relief Aid	A-2		74,004.00	74,004.00	
Energy Receipts Tax	A-2		608,395.00	608,395.00	
Uniform Construction Code Fees	A-2		86,988.17	86,988.17	
Senior Citizen Housing - In Lieu of Taxes	A-2		50,318.04	50,318.04	
		<u>\$6,883.99</u>	<u>\$1,000,605.62</u>	<u>\$999,965.13</u>	<u>\$7,524.48</u>
	<b><u>Ref.</u></b>	<b><u>A</u></b>		<b><u>A-4</u></b>	<b><u>A</u></b>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES**  
**AT ASSESSED VALUATION**  
**December 31, 2009 and 2008**

**Ref.**

Balance, December 31, 2009 and 2008

A

\$3,300.00

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF DUE (TO)/FROM STATE OF NEW JERSEY (P.L. 1971, C.20)**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>		
Balance, December 31, 2008	A		(\$646.64)
Increased by:			
Deductions per Tax Duplicate:			
Senior Citizens		\$7,750.00	
Veterans		68,250.00	
Deductions Allowed by Collector		<u>1,250.00</u>	
	A-5		<u>77,250.00</u>
			76,603.36
Decreased by:			
Deductions Disallowed by Collector	A-5	732.19	
Received from State of New Jersey	A-4	<u>75,620.55</u>	
			<u>76,352.74</u>
Balance, December 31, 2009	A		<u><u>\$250.62</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF DEFERRED CHARGES**  
**Year Ended December 31, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31,</u></b> <b><u>2008</u></b>	<b><u>Added</u></b> <b><u>in 2009</u></b>	<b><u>Raised</u></b> <b><u>in 2009</u></b> <b><u>Budget</u></b>	<b><u>Balance</u></b> <b><u>Dec. 31,</u></b> <b><u>2009</u></b>
Emergency Authorizations (40A:4-47)	<u>\$130,000.00</u>	<u>\$55,000.00</u>	<u>\$130,000.00</u>	<u>\$55,000.00</u>
<b><u>Ref.</u></b>	A	A-3	A-3	A



**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES**  
**Year Ended December 31, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Reserve for</u></b> <b><u>Encumbrances</u></b>	<b><u>Balance</u></b> <b><u>After Transfers</u></b>	<b><u>Paid or</u></b> <b><u>Charged</u></b>	<b><u>Balance</u></b> <b><u>Lapsed</u></b>
General Government:					
Administrative and Executive					
Salaries and Wages	\$2,098.77		\$2,098.77		\$2,098.77
Other Expenses	2,616.09	\$3,123.58	5,739.67	\$4,710.38	1,029.29
Financial Administration					
Salaries and Wages	2.00		2.00		2.00
Other Expenses	10,642.35	240.33	10,882.68	8,797.77	2,084.91
Collection of Taxes					
Salaries and Wages	62.32		62.32		62.32
Other Expenses	904.31		904.31		904.31
Liquidation of Tax Title Liens					
Other Expenses	100.00		100.00		100.00
Tax Sale					
Other Expenses	100.00		100.00		100.00
Assessment of Taxes					
Salaries and Wages	302.00		302.00		302.00
Other Expenses	1,390.13		1,390.13		1,390.13
Legal Services and Costs					
Other Expenses	73,505.31	5,325.00	78,830.31	19,963.40	58,866.91
Engineering Services and Costs					
Other Expenses	6,790.95		6,790.95	2,981.25	3,809.70

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES**  
**Year Ended December 31, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Reserve for</u></b> <b><u>Encumbrances</u></b>	<b><u>Balance</u></b> <b><u>After Transfers</u></b>	<b><u>Paid or</u></b> <b><u>Charged</u></b>	<b><u>Balance</u></b> <b><u>Lapsed</u></b>
Land Use Administration:					
Planning Board and Board of Adjustment					
Salaries and Wages		\$1,500.00	\$1,500.00	\$1,500.00	
Other Expenses	\$2,052.44	496.50	2,548.94	348.54	\$2,200.40
Planning Fees - Land Development					
Other Expenses	15,842.44	6,779.82	22,622.26	14,268.40	8,353.86
Environmental Commission					
Other Expenses	83.00		83.00		83.00
Public Safety Functions:					
Municipal Court					
Salaries and Wages	1,125.50	90.00	1,215.50	90.00	1,125.50
Other Expenses	926.66	435.18	1,361.84	420.25	941.59
Public Defender					
Salaries and Wages	1,400.00	200.00	1,600.00	400.00	1,200.00
Police Department					
Salaries and Wages	68,212.70		68,212.70	65,000.00	3,212.70
Other Expenses	1,743.74	14,844.97	22,588.71	13,773.42	8,815.29
Other Expenses - Police Car	6.34		6.34		6.34
Emergency Management Services					
Other Expenses	66.18	1,056.20	1,122.38	1,056.20	66.18
Fire					
Miscellaneous	2,243.70	3,302.90	5,546.60	2,977.40	2,569.20
Fire Hydrant Service	23.00	4,658.50	4,931.50	4,878.72	52.78

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES**  
**Year Ended December 31, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Reserve for</u></b> <b><u>Encumbrances</u></b>	<b><u>Balance</u></b> <b><u>After Transfers</u></b>	<b><u>Paid or</u></b> <b><u>Charged</u></b>	<b><u>Balance</u></b> <b><u>Lapsed</u></b>
Public Safety Functions (Continued):					
Municipal Prosecutor					
Salaries and Wages	\$25.00		\$25.00		\$25.00
Public Works Function:					
Road Repairs and Maintenance					
Salaries and Wages	3,029.20		3,029.20		3,029.20
Other Expenses	1,074.91	\$9,386.85	10,461.76	\$8,451.55	2,010.21
Public Buildings and Grounds					
Other Expenses	1,538.14	5,359.20	6,897.34	5,223.20	1,674.14
Shade Tree Commission					
Other Expenses	2,303.08	1,796.92	4,100.00	1,796.92	2,303.08
Recycling					
Other Expenses	780.04	32.50	812.54		812.54
Health and Human Services:					
Board of Health					
Salaries and Wages	23.00		23.00		23.00
Other Expenses	486.32		486.32		486.32
Bloodbourne Pathogens					
Other Expenses	500.00		500.00		500.00

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES**  
**Year Ended December 31, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Reserve for</u></b> <b><u>Encumbrances</u></b>	<b><u>Balance</u></b> <b><u>After Transfers</u></b>	<b><u>Paid or</u></b> <b><u>Charged</u></b>	<b><u>Balance</u></b> <b><u>Lapsed</u></b>
Park and Recreation Functions:					
Recreation and Education					
Salaries and Wages	\$0.04		\$0.04		\$0.04
Other Expenses	2,207.58	\$897.00	3,104.58	\$897.00	2,207.58
Insurance Functions:					
General Liability	21,755.20	8,208.89	29,964.09	7,975.28	21,988.81
Worker Compensation	98.30		98.30		98.30
Employee Group Health	592.35	110.00	702.35	110.00	592.35
Dental	49.90		49.90		49.90
Education:					
Expenses in Participation in Free County Library					
Salaries and Wages	170.00		170.00		170.00
Other Expenses	44.35	311.00	355.35	311.00	44.35
Transportation of High School Students					
Other Expenses	7.34		7.34		7.34
Other Common Operating Functions:					
Celebration of Public Events					
Other Expenses	2,000.00		2,000.00		2,000.00
State Uniform Construction Code (NJSA 42:27d-120 et seq.)					
Salaries and Wages	115.18		115.18		115.18
Other Expenses	656.71	46.50	703.21	546.50	156.71
Code Enforcement					
Salaries and Wages	88.00		88.00		88.00
Other Expenses	500.00		500.00		500.00

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES**  
**Year Ended December 31, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Reserve for</u></b> <b><u>Encumbrances</u></b>	<b><u>Balance</u></b> <b><u>After Transfers</u></b>	<b><u>Paid or</u></b> <b><u>Charged</u></b>	<b><u>Balance</u></b> <b><u>Lapsed</u></b>
Utility Expenses and Bulk Purchases:					
Street Lighting	\$4,151.17	\$6,750.67	\$10,901.84	\$8,503.29	\$2,398.55
Gasoline	10,240.06	1,244.29	3,484.35	1,244.29	2,240.06
Electricity	4,467.73		4,467.73	4,077.20	390.53
Telephone	238.33	1,602.23	1,840.56	1,602.23	238.33
Water and Sewer	1,543.01	484.98	1,777.99	978.50	799.49
Natural Gas	10,585.56		10,585.56	10,164.31	421.25
Landfill/Solid Waste Disposal Costs:					
Tipping Fees	309.67		309.67		309.67
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	3,814.71		5,814.71	4,900.00	914.71
Contribution to:					
Monmouth County 911 Program	5,350.72		5,350.72		5,350.72
LOSAP		64,000.00	64,000.00	64,000.00	
Life Hazard Fees	3,803.00		3,803.00		3,803.00
	<u>\$274,788.53</u>	<u>\$142,284.01</u>	<u>\$417,072.54</u>	<u>\$261,947.00</u>	<u>\$155,125.54</u>
	A	A-13			A-1
Cash Disbursements	Ref. A-4			\$182,938.11	
Accounts Payable	A-14			79,008.89	
				<u>\$261,947.00</u>	

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY AUTHORIZATIONS**  
**Year Ended December 31, 2009**

<b><u>Date Authorized</u></b>	<b><u>Purpose</u></b>	<b><u>Net Amount Authorized</u></b>	<b><u>1/5 of Net Amount Authorized</u></b>	<b><u>Balance Dec. 31, 2008</u></b>	<b><u>Reduced in 2009</u></b>	<b><u>Balance Dec. 31, 2009</u></b>
4/21/2005	Revaluation of Real Property	<u>\$172,500.00</u>	<u>\$34,500.00</u>	<u>\$69,000.00</u>	<u>\$34,500.00</u>	<u>\$34,500.00</u>
		<b><u>Ref.</u></b>		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, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	A	\$142,284.01
Increased by:		
Current Appropriations Charged	A-3	191,002.58
		<u>333,286.59</u>
Decreased by:		
Transferred to Appropriation Reserves	A-11	142,284.01
		<u>142,284.01</u>
Balance, December 31, 2009	A	<u><u>\$191,002.58</u></u>

**SCHEDULE OF ACCOUNTS PAYABLE**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	A	\$837.00
Increased by:		
Transferred from Appropriation Reserves	A-11	79,008.89
		<u>79,845.89</u>
Decreased by:		
Canceled	A-1	15.00
		<u>15.00</u>
Balance, December 31, 2009	A	<u><u>\$79,830.89</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF PREPAID TAXES**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	A	\$278,070.33
Increased by:		
Collections of 2010 Taxes	A-4	299,537.79
		<u>577,608.12</u>
Decreased by:		
Applied to Taxes Receivable	A-5	278,070.33
		<u>278,070.33</u>
Balance, December 31, 2009	A	<u><u>\$299,537.79</u></u>

**SCHEDULE OF TAX OVERPAYMENTS**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	A	\$2,293.91
Increased by:		
Receipts	A-4	38,076.56
		<u>38,076.56</u>
Decreased by:		
Disbursements	A-4	15,228.25
		<u>15,228.25</u>
Balance, December 31, 2009	A	<u><u>\$25,142.22</u></u>



**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF COUNTY TAXES PAYABLE**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>		
Balance, December 31, 2008	A		\$28,363.08
Increased by:			
County Tax	A-5	\$3,027,851.31	
County Library Tax	A-5	178,882.70	
County Health Tax	A-5	57,761.84	
County Open Space Tax	A-5	198,771.37	
Due County for Added and Omitted Taxes	A-5	<u>19,542.24</u>	
	A-1		<u>3,482,809.46</u>
			<u>3,511,172.54</u>
Decreased by:			
Payments	A-4		<u>3,491,630.30</u>
Balance, December 31, 2009	A		<u><u>\$19,542.24</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, 2009**

	<b><u>Ref.</u></b>		
Balance, December 31, 2008:			
School Tax Payable	A	\$1,456,978.36	
School Tax Deferred		<u>1,585,121.97</u>	
			\$3,042,100.33
Increased by:			
Levy - School Year July 1, 2009 to June 30, 2010	A-5	<u>7,777,644.00</u>	
			10,819,744.33
Decreased by:			
Payments	A-4	<u>7,662,258.03</u>	
Balance, December 31, 2009:			
School Tax Payable	A	1,572,364.33	
School Tax Deferred		<u>1,585,121.97</u>	
			<u>\$3,157,486.30</u>
<b><u>2009 Liability for Local District School Tax:</u></b>			
Tax Paid	A-18	\$7,662,258.03	
School Tax Payable, December 31, 2009	A-18	<u>1,572,364.33</u>	
			9,234,622.36
Less: School Tax Payable, December 31, 2008	A-18	<u>1,456,978.36</u>	
Amount Charged to 2009 Operations	A-1	<u>\$7,777,644.00</u>	

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE**  
**Year Ended December 31, 2009**

	<u>Ref.</u>		
Balance, December 31, 2008:			
School Tax Payable	A	\$674,528.37	
School Tax Deferred		<u>900,471.63</u>	
			\$1,575,000.00
Increased by:			
Levy - School Year July 1, 2009 to June 30, 2010	A-5	<u>3,546,518.83</u>	
			5,121,518.83
Decreased by:			
Payments	A-4	<u>3,348,278.83</u>	
Balance, December 31, 2009:			
School Tax Payable	A	872,768.37	
School Tax Deferred		<u>900,471.63</u>	
			<u>\$1,773,240.00</u>
<b><u>2009 Liability for Regional High School Tax:</u></b>			
Tax Paid	A-19	\$3,348,278.83	
School Tax Payable, December 31, 2009	A-19	<u>872,768.37</u>	
			4,221,047.20
Less: School Tax Payable, December 31, 2008	A-19	<u>674,528.37</u>	
Amount Charged to 2009 Operations	A-1		<u>\$3,546,518.83</u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF VARIOUS RESERVES**  
**Year Ended December 31, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Increased by</u></b> <b><u>Cash Receipts</u></b>	<b><u>Decreased by</u></b> <b><u>Cash Disbursed</u></b>	<b><u>Balance</u></b> <b><u>Dec. 31, 2009</u></b>
Reserve for:				
Maintenance of Free Public Library	\$1,376.80			\$1,376.80
Outside Liens	1,958.19	\$60,629.20	\$62,557.39	30.00
Due to State of New Jersey:				
Training Fees	6,576.80	6,166.97	7,057.78	5,685.99
Marriage License Fees	300.00	550.00	650.00	200.00
Domestic Partnership	50.00			50.00
	<u>\$10,261.79</u>	<u>\$67,346.17</u>	<u>\$70,265.17</u>	<u>\$7,342.79</u>
<b><u>Ref.</u></b>	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, 2009**

	<b><u>Ref.</u></b>	<b><u>Total</u></b>	<b><u>Federal and State Grant Fund</u></b>	<b><u>Animal Control Trust Fund</u></b>	<b><u>Open Space Trust Fund</u></b>	<b><u>General Capital Fund</u></b>
Balance, December 31, 2008:						
Interfunds Receivable	A	\$1,171.50		\$1,171.50		
Interfunds Payable	A	<u>(91,983.96)</u>	<u>(\$91,983.96)</u>			
Increased by:						
Grants Receivable	A-24,A-25	34,493.32	34,493.32			
Disbursements	A-4	397,306.22	73,792.14		\$272,771.73	\$50,742.35
Grant Unappropriated Reserve Canceled	A-27	0.07	0.07			
Due to State of New Jersey D.E.P. Canceled		23,187.70	23,187.70			
Grants Appropriated Canceled	A-26	<u>5,504.14</u>	<u>5,504.14</u>			
		<u>460,491.45</u>	<u>136,977.37</u>		<u>272,771.73</u>	<u>50,742.35</u>
		<u>369,678.99</u>	<u>44,993.41</u>	<u>1,171.50</u>	<u>272,771.73</u>	<u>50,742.35</u>
Decreased by:						
Receipts	A-4	95,457.17	43,543.32	1,171.50		50,742.35
Open Space Tax Levy	A-5	271,237.24			271,237.24	
Due Open Space for Added and Omitted Tax Levy	A-5	1,534.49			1,534.49	
Grants Receivable Canceled	A-25	15,000.00	15,000.00			
Grant Appropriations	A-3,A-26	<u>37,493.32</u>	<u>37,493.32</u>			
		<u>420,722.22</u>	<u>96,036.64</u>	<u>1,171.50</u>	<u>272,771.73</u>	<u>50,742.35</u>
Balance, December 31, 2009:						
Interfunds Payable	A	<u>(\$51,043.23)</u>	<u>(\$51,043.23)</u>			

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	A	\$69,000.00
Increased by:		
Cash Receipts	A-4	<u>34,500.00</u>
		103,500.00
Decreased by:		
Cash Disbursed	A-4	<u>69,000.00</u>
Balance, December 31, 2009	A	<u><u>\$34,500.00</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**CURRENT FUND**  
**SCHEDULE OF EMERGENCY NOTE PAYABLE**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	A	\$130,000.00
Increased by:		
Cash Receipts	A-4	55,000.00
		<u>185,000.00</u>
Decreased by:		
Cash Disbursed	A-4	130,000.00
		<u>130,000.00</u>
Balance, December 31, 2009	A	<u><u>\$55,000.00</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF INTERFUNDS**

	<b><u>Ref.</u></b>	<b><u>Current Fund</u></b>
Balance, December 31, 2008:		
Interfund Receivable	A	<u>\$91,983.96</u>
Increased by:		
Deposited in Other Funds:		
Grants Receivable	A-25	43,543.32
2009 Budget Appropriations	A-3,A-26	37,493.32
Grant Receivable Canceled	A-25	<u>15,000.00</u>
		<u>96,036.64</u>
Decreased by:		
Disbursed by Other Funds:		
Appropriated Reserves	A-26	73,792.14
Anticipated Revenue	A-21,A-25	34,493.32
Grant Appropriated Reserves Canceled	A-26	5,504.14
Due to State of New Jersey D.E.P. Canceled		23,187.70
Grant Unappropriated Reserves Canceled	A-27	<u>0.07</u>
		<u>136,977.37</u>
Balance, December 31, 2009:		
Interfund Receivable	A	<u><u>\$51,043.23</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, 2009**

<b><u>Grant</u></b>	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>2009</u></b> <b><u>Anticipated</u></b> <b><u>Revenue</u></b>	<b><u>Cash</u></b> <b><u>Received</u></b>	<b><u>Canceled</u></b>	<b><u>Balance</u></b> <b><u>Dec. 31, 2009</u></b>
N.J.D.O.T. - Wolf Hill	\$15,000.00			\$15,000.00	
State Homeland Security Grant Program	30,000.00		\$10,000.00		\$20,000.00
Drunk Driving Enforcement Fund		\$6,000.00	5,050.00		950.00
Clean Communities Program		10,029.22	10,029.22		
Alcohol Education and Rehabilitation Fund		464.10	464.10		
Comcast Technology Grant		18,000.00	18,000.00		
	<u>\$45,000.00</u>	<u>\$34,493.32</u>	<u>\$43,543.32</u>	<u>\$15,000.00</u>	<u>\$20,950.00</u>
<b><u>Ref.</u></b>	A	A-2,A-21,A-24	A-24	A-1,A-21,A-24	A

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF APPROPRIATED RESERVES**  
**Year Ended December 31, 2009**

<b><u>Grant</u></b>	<b><u>Balance Dec. 31, 2008</u></b>	<b><u>Transfer from 2009 Budget Appropriation</u></b>	<b><u>Expended</u></b>	<b><u>Canceled</u></b>	<b><u>Balance Dec. 31, 2009</u></b>
Emergency Alert System	\$496.55			\$496.55	
Body Armor Fund	4,190.91		\$3,358.75		\$832.16
Drunk Driving Enforcement Fund	5,415.02		3,883.06		1,531.96
Clean Communities Program	16,442.95	\$10,029.22	6,426.42		20,045.75
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	1,137.52	464.10			1,601.62
Matching Funds - Municipal Alliance		3,000.00	1,904.50		1,095.50
Drunk Driving Enforcement Fund		6,000.00	5,050.00		950.00
State and Local all Hazards Emergency Operation Planning Program	7.59			7.59	
Municipal Stormwater Regulation	2,521.82		2,521.82		
Cooperative Marketing Grant - Breeder's Cup	7,041.52				7,041.52
State Homeland Security Grant Program	30,000.00		10,000.00		20,000.00
N.J. State Police - Emergency Management Exercise Improvement	10,000.00		9,960.28		39.72
Comcast Technology Grant		18,000.00			18,000.00
U.S. Department of Homeland Security	28,815.00		27,960.00		855.00
	<u>\$113,796.19</u>	<u>\$37,493.32</u>	<u>\$73,792.14</u>	<u>\$5,504.14</u>	<u>\$71,993.23</u>
<b><u>Ref.</u></b>	A	A-3,A-21,A-24	A-24	A-21,A-24	A

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF UNAPPROPRIATED RESERVES**  
**Year Ended December 31, 2009**

<b><u>Grant</u></b>	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Canceled</u></b>	<b><u>Balance</u></b> <b><u>Dec. 31, 2009</u></b>
New Jersey Body Armor Fund	<u>\$0.07</u>	<u>\$0.07</u>	<u>\$0.00</u>
<b><u>Ref.</u></b>	A	A-21,A-24	A

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**TRUST FUND**  
**SCHEDULE OF CASH**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	<b><u>Animal Control Trust Fund</u></b>	<b><u>Other Trust Fund</u></b>	<b><u>Open Space Trust Fund</u></b>
Balance, December 31, 2008	B	\$11,087.50	\$390,089.62	\$259,290.06
Increased by Receipts:				
Reserve for Animal Control				
Trust Fund Expenditures	B-3	\$4,584.20		
Interfund - Current Fund	B-7			\$272,771.73
Various Reserves	B-8		\$461,017.20	
Due to State of New Jersey	B-4	997.80		
Notes Receivable				199,000.00
Reserve for Open Space	B-6			322,558.68
		<u>5,582.00</u>	<u>461,017.20</u>	<u>794,330.41</u>
		16,669.50	851,106.82	1,053,620.47
Decreased by Disbursements:				
Due to State of New Jersey	B-4	1,001.40		
Animal Control Trust Fund				
Expenditures (R.S. 4:19-15.11)	B-3	5,095.50		
Various Reserves	B-8		446,859.20	
Interfund - Current Fund	B-5,B-7	1,171.50		272,771.73
Notes Receivable				89,500.00
Reserve for Open Space	B-6			344,324.92
		<u>7,268.40</u>	<u>446,859.20</u>	<u>706,596.65</u>
Balance, December 31, 2009	B	<u>\$9,401.10</u>	<u>\$404,247.62</u>	<u>\$347,023.82</u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**ANIMAL CONTROL TRUST FUND**  
**SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES**  
**Year Ended December 31, 2009**

	<u>Ref.</u>	
Balance, December 31, 2008	B	\$9,912.40
Increased by:		
Dog License Fees Collected		\$4,583.20
Miscellaneous Dog Fees Collected		1.00
	B-2	4,584.20
		<u>14,496.60</u>
Decreased by:		
Expenditures Under R.S. 4:19-15.11	B-2	5,095.50
Balance, December 31, 2009	B	<u><u>\$9,401.10</u></u>

License and Penalty Fees Collected:

<u>Year</u>	<u>Amount</u>
2008	\$4,572.60
2007	5,404.00
	<u><u>\$9,976.60</u></u>

B-4

**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, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	B	\$3.60
Increased by:		
Receipts	B-2	997.80
		<hr/> 1,001.40
Decreased by:		
Disbursed	B-2	1,001.40
		<hr/>
Balance, December 31, 2009	B	<hr/> <hr/> \$0.00

B-5

**SCHEDULE OF INTERFUND - CURRENT FUND**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	B	\$1,171.50
Decreased by:		
Disbursed	B-2	1,171.50
		<hr/>
Balance, December 31, 2009	B	<hr/> <hr/> \$0.00

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**OPEN SPACE TRUST FUND**  
**SCHEDULE OF RESERVE FOR OPEN SPACE**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	B	\$458,290.06
Increased by:		
Open Space Tax Levy		\$271,237.24
Open Space Added and Omitted Levy		1,534.49
Interest Earned		2,441.95
Recreational and Other Fees		47,345.00
	B-2	<u>322,558.68</u> 780,848.74
Decreased by:		
Cash Disbursed	B-2	<u>344,324.92</u>
Balance, December 31, 2009	B	<u><u>\$436,523.82</u></u>

**SCHEDULE OF INTERFUND - CURRENT FUND**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	B	\$0.00
Increased by:		
Open Space Tax Levy and Added and Omitted Levy	B-2	<u>272,771.73</u> 272,771.73
Decreased by:		
Cash Receipts	B-2	<u>272,771.73</u>
Balance, December 31, 2009	B	<u><u>\$0.00</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**OTHER TRUST FUND**  
**SCHEDULE OF VARIOUS RESERVES**  
**Year Ended December 31, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Increased</u></b>	<b><u>Decreased</u></b>	<b><u>Canceled</u></b>	<b><u>Balance</u></b> <b><u>Dec. 31, 2009</u></b>
<b><u>Reserve for:</u></b>					
Recreation	\$11,429.12	\$29,069.00	\$28,829.32		\$11,668.80
Fireworks	4,835.96	23,507.00	25,939.35		2,403.61
Water Watch	7,844.74	13.49	1,690.82		6,167.41
Shade Tree	585.88	1.92	1.92		585.88
Law Enforcement	133.36	0.43			133.79
Historical Society	598.32				598.32
Old Wharf Senior Center	6,448.84	3,750.00	1,110.06		9,088.78
Parking Offense Adjudication Act	1,283.52	8.00			1,291.52
Wedding Trust	710.00	200.00			910.00
Unemployment Trust	7,882.21	15,865.42	3,682.44		20,065.19
Outside Off-Duty Police					
Employment	26,076.46	206,803.54	214,677.61		18,202.39
Snow Removal	3,705.00				3,705.00
Developer's Escrow	229,054.55	152,866.15	137,046.36	\$102,282.02	142,592.32
Tax Sale Premiums	13,100.00		8,800.00		4,300.00
Recycling	49,230.94	18,678.36	14,500.16		53,409.14
Public Defender	200.00	1,215.00	600.00		815.00
Community Center	2,875.00	1,225.00	100.00		4,000.00
Firehouse Donations	1,500.00	1,000.00	884.00		1,616.00
Donations	1,170.00				1,170.00
Memorial Benches	1,760.59	1,000.00	926.00		1,834.59
Strawberry Fair	10,000.00	5,500.00			15,500.00
Volunteer Emergency Services	1,165.13		996.30		168.83
Emergency Police Services					
Donations	8,500.00		7,074.86		1,425.14
Community Enhancement and Beautification		313.89			313.89
	<b><u>\$390,089.62</u></b>	<b><u>\$461,017.20</u></b>	<b><u>\$446,859.20</u></b>	<b><u>\$102,282.02</u></b>	<b><u>\$301,965.60</u></b>
<b><u>Ref.</u></b>	<b>B</b>	<b>B-2</b>	<b>B-2</b>	<b>B-1</b>	<b>B</b>



**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**SCHEDULE OF LENGTH OF SERVICE AWARD**  
**PROGRAM FUND INVESTMENTS**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>		
Balance, December 31, 2008	B		\$137,581.65
Increased By:			
Borough Contributions	B-10	\$60,950.00	
Change in Market Value	B-10	<u>35,309.84</u>	
			<u>96,259.84</u>
			233,841.49
Decreased By:			
Administrative Charges	B-10		<u>1,525.00</u>
Balance, December 31, 2009	B		<u><u>\$232,316.49</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**SCHEDULE OF RESERVE FOR LENGTH OF SERVICE AWARD**  
**PROGRAM FUND**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>		
Balance, December 31, 2008	B		\$137,581.65
Increased By:			
Borough Contributions	B-9	\$60,950.00	
Change in Market Value	B-9	<u>35,309.84</u>	
			<u>96,259.84</u>
			233,841.49
Decreased By:			
Administrative Charges	B-9		<u>1,525.00</u>
Balance, December 31, 2009	B		<u><u>\$232,316.49</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**ASSESSMENT TRUST FUND**  
**SCHEDULE OF ASSESSMENTS RECEIVABLE**  
**December 31, 2009**

<b><u>Ordinance Number</u></b>	<b><u>Improvement Description</u></b>	<b><u>Quarterly Installments(*)</u></b>	<b><u>Due Dates</u></b>	<b><u>Balance Dec. 31, 2009</u></b>	<b><u>Balance Pledged to Loans</u></b>
866	Construction, Repair, Rehabilitation, Maintenance and Reconstruction of Stormwater Basins at Monmouth Park Racetrack	68	10/1/12-7/1/29	<u>\$23,149,779.00</u>	<u>\$23,149,779.00</u>
			<b><u>Ref.</u></b>	B	
			B-12		\$6,265,000.00
			B-13		<u>16,884,779.00</u>
					<u>\$23,149,779.00</u>

\* All assessments receivable are due from the New Jersey Sports and Exposition Authority (the "NJSEA"). The amounts paid by the NJSEA will be used by the Borough of Oceanport to repay the above referenced loans.

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**ASSESSMENT TRUST FUND**  
**SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN**  
**Year Ended December 31, 2009**

Purpose	Date of Issue	Original Issue	Loan Maturities		Interest Rate	Increased	Balance Dec. 31, 2009
			Outstanding Dec. 31, 2009 Date	Amount			
Construction, Repair, Rehabilitation,	12/02/09	\$6,265,000.00	08/01/13	\$255,000.00	5.00%	\$6,265,000.00	\$6,265,000.00
Maintenance and Reconstruction of			08/01/14	265,000.00	5.00%		
Stormwater Basins at Monmouth			08/01/15	280,000.00	5.00%		
Park Racetrack			08/01/16	295,000.00	5.00%		
			08/01/17	305,000.00	5.00%		
			08/01/18	325,000.00	5.00%		
			08/01/19	340,000.00	4.00%		
			08/01/20	350,000.00	4.00%		
			08/01/21	365,000.00	4.00%		
			08/01/22	380,000.00	3.50%		
			08/01/23	395,000.00	4.00%		
			08/01/24	410,000.00	4.00%		
			08/01/25	425,000.00	3.75%		
			08/01/26	440,000.00	4.00%		
			08/01/27	460,000.00	4.00%		
			08/01/28	480,000.00	4.00%		
			08/01/29	495,000.00	4.00%		
						<u>\$6,265,000.00</u>	<u>\$6,265,000.00</u>

**Ref.**

B,B-11

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**ASSESSMENT TRUST FUND**  
**SCHEDULE OF NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION FUND LOAN**  
**Year Ended December 31, 2009**

Purpose	Date of Issue	Original Issue	Loan Maturities		Interest Rate	Increased	Balance Dec. 31, 2009
			Outstanding Dec. 31, 2009 Date	Amount			
Construction, Repair, Rehabilitation, Maintenance and Reconstruction of Stormwater Basins at Monmouth Park Racetrack	12/02/09	\$16,884,779.00	02/01/13	\$331,074.09	0.00%	\$16,884,779.00	\$16,884,779.00
			08/01/13	662,148.19	0.00%		
			02/01/14	331,074.09	0.00%		
			08/01/14	662,148.19	0.00%		
			02/01/15	331,074.09	0.00%		
			08/01/15	662,148.19	0.00%		
			02/01/16	331,074.09	0.00%		
			08/01/16	662,148.19	0.00%		
			02/01/17	331,074.09	0.00%		
			08/01/17	662,148.19	0.00%		
			02/01/18	331,074.09	0.00%		
			08/01/18	662,148.19	0.00%		
			02/01/19	331,074.09	0.00%		
			08/01/19	662,148.19	0.00%		
			02/01/20	331,074.09	0.00%		
			08/01/20	662,148.19	0.00%		
			02/01/21	331,074.09	0.00%		
			08/01/21	662,148.19	0.00%		

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**ASSESSMENT TRUST FUND**  
**SCHEDULE OF NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION FUND LOAN**  
**Year Ended December 31, 2009**

Purpose	Date of Issue	Original Issue	Loan Maturities		Interest Rate	Increased	Balance Dec. 31, 2009
			Outstanding Dec. 31, 2009 Date	Amount			
Construction, Repair, Rehabilitation, Maintenance and Reconstruction of Stormwater Basins at Monmouth Park Racetrack	12/02/09	\$16,884,779.00	02/01/22	\$331,074.09	0.00%		
			08/01/22	662,148.19	0.00%		
			02/01/23	331,074.09	0.00%		
			08/01/23	662,148.19	0.00%		
			02/01/24	331,074.09	0.00%		
			08/01/24	662,148.19	0.00%		
			02/01/25	331,074.09	0.00%		
			08/01/25	662,148.19	0.00%		
			02/01/26	331,074.09	0.00%		
			08/01/26	662,148.19	0.00%		
			02/01/27	331,074.09	0.00%		
			08/01/27	662,148.19	0.00%		
			02/01/28	331,074.09	0.00%		
			08/01/28	662,148.19	0.00%		
			02/01/29	331,074.09	0.00%		
			08/01/29	662,148.43	0.00%		
						<u>\$16,884,779.00</u>	<u>\$16,884,779.00</u>
					<u>Ref.</u>		B,B-11

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF CASH**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>		
Balance, December 31, 2008	C		\$786,448.56
Increased by Receipts:			
Grants Receivable	C-6	\$243,823.62	
Budget Appropriations:			
Capital Improvement Fund	C-13	50,000.00	
Deferred Charges to Future Taxation Unfunded	C-5	742.35	
Due to Current Fund	C-7	50,742.35	
		<u>345,308.32</u>	
			<u>1,131,756.88</u>
Decreased by Disbursements:			
Bond Anticipation Notes	C-12	456,700.00	
Improvement Authorizations	C-10	473,489.35	
Due from Current Fund	C-7	50,742.35	
		<u>980,931.70</u>	
Balance, December 31, 2009	C		<u><u>\$150,825.18</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, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2009</u></b>
Fund Balance	\$3,930.66
Grants Receivable	(329,822.75)
Capital Improvement Fund	42,630.50
Reserve for Encumbrances	19,779.00
Accrued Interest on Bonds	3,478.24
Reserve for Payment of Bonds	6,801.49

Improvement Authorizations:

<b><u>Ordinance</u></b> <b><u>Number</u></b>	<b><u>Improvement Description</u></b>	
792	Various Improvements	5,212.24
810	Various Improvements	32,784.27
823/832	Various General Improvements	16,496.70
842	Various Improvements	105,023.79
863	Various Improvements	181,271.04
874	Roadway Repairs and Drainage Improvements	63,240.00
		<b><u>\$150,825.18</u></b>

**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, 2009**

	<u>Ref.</u>		
Balance, December 31, 2008	C		\$5,090,838.72
Increased by:			
Improvement Costs Funded By:			
Special Assessment Bonds Issued	C-5,C-16	23,149,779.00	(1)
		<u>28,240,617.72</u>	
Decreased by:			
Budget Appropriation to Pay Bonds	C-11	\$389,000.00	
Bonds Paid by Open Space Trust Fund	C-11	53,000.00	
Budget Appropriation to Pay Green Trust Loans	C-14	20,336.36	
Due from the New Jersey Environmental Infrastructure Financing Program	C-17	<u>23,149,779.00</u>	
			<u>23,612,115.36</u>
Balance, December 31, 2009	C		<u><u>\$4,628,502.36</u></u>

(1) The Special Assessment Bonds were issued to evidence the payment obligations of the Borough of Oceanport (the "Borough") in consideration of loans made to the Borough by the New Jersey Environmental Infrastructure Trust (\$6,265,000.00) and the New Jersey Department of Environmental Protection (\$16,884,779.00).

**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, 2009**

<b>Ordinance Number</b>	<b>Improvement Description</b>	<b>Balance Dec. 31, 2008</b>	<b>2009 Authorizations</b>	<b>Transferred to Deferred Charges to Future Taxation - Funded</b>	<b>Budget Appropriations</b>	<b>Balance Dec. 31, 2009</b>
<b>General Improvements:</b>						
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	
863	Various Improvements		\$271,472.00			\$271,472.00
<b>Local Improvements:</b>						
866	Construction, Repair, Rehabilitation, Maintenance and Reconstruction of Stormwater Basins at Monmouth Park Racetrack		25,000,000.00	\$23,149,779.00		1,850,221.00
		<u>\$742.35</u>	<u>\$25,271,472.00</u>	<u>\$23,149,779.00</u>	<u>\$742.35</u>	<u>\$2,121,693.00</u>
<b><u>Ref.</u></b>		C	C-10	C-4	C-2,C-16	C

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF GRANTS RECEIVABLE**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	C	\$233,406.37
Increased by:		
Grants Awarded	C-10	340,240.00
		<u>573,646.37</u>
Decreased by:		
Cash Receipts	C-2	243,823.62
		<u>243,823.62</u>
Balance, December 31, 2009	C	<u><u>\$329,822.75</u></u>

Detail:

<b><u>Ordinance Number</u></b>	<b><u>Description</u></b>	
792	County of Monmouth - Old Wharf Park	\$11,000.00
810	N.J.D.O.T. Road Improvements - Crescent Place	1,366.41
823	County of Monmouth	4,000.00
842	N.J.D.O.T. Various Capital Improvements	40,000.00
863	N.J.D.O.T. Various Capital Improvements	93,216.34
863	Community Development Block Grant	180,240.00
		<u><u>\$329,822.75</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF INTERFUND - CURRENT FUND**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	C	\$0.00
Increased by:		
Cash Receipts	C-2	50,742.35
		<u>50,742.35</u>
Decreased by:		
Cash Disbursements	C-2	50,742.35
		<u>50,742.35</u>
Balance, December 31, 2009	C	<u><u>\$0.00</u></u>

**SCHEDULE OF ENCUMBRANCES**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	C	\$14,387.00
Increased by:		
Charged to Improvement Authorizations	C-10	19,779.00
		<u>34,166.00</u>
Decreased by:		
Transferred to Improvement Authorizations	C-10	14,387.00
		<u>14,387.00</u>
Balance, December 31, 2009	C	<u><u>\$19,779.00</u></u>

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF ACCRUED INTEREST ON BONDS**  
**December 31, 2009 and 2008**

**Ref.**

Balance, December 31, 2009 and 2008	C	<u><u>\$3,478.24</u></u>
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**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**  
**Year Ended December 31, 2009**

Ordinance Number	Improvement Description	Ordinance Date	Balance December 31, 2008			2009 Authorizations	Paid or Charged	Canceled	Balance December 31, 2009	
			Encumbered	Funded	Unfunded				Funded	Unfunded
General Improvements:										
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		
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		139.74					139.74	
792(6)	Improvements to Old Wharf Park	05/19/05	\$9,704.00	495.50			\$9,704.00		495.50	
810(1)	Outfitting of Trailers for Use by the Borough Police and Building Departments and Reconfiguration of Existing Municipal Spaces	05/20/06		27,273.80			27,273.80			
810(3)	Road Improvements - Crescent	05/20/06		21,758.32					21,758.32	
810(6)	Public Works Heavy Duty Loader	05/20/06		3,365.09	\$74.00				3,439.09	
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		9,197.97					9,197.97	
823/832(2)	2007 Road Improvements Program	6/21-12/20/07		35,110.77			35,110.77			
823/832(3)	Acquisition of First Aid Ambulance	6/21-12/20/07		96.00					96.00	
823/832(4)	Street Signage	6/21-12/20/07		1,919.69					1,919.69	
823/832(5)	Trailers for Police Department	6/21-12/20/07		1,714.00			1,714.00			
823/832(6)	Old Wharf Park Improvements	6/21-12/20/07		17,854.44			17,626.65		227.79	
823/832(7)	Recycling Yard Fence	6/21-12/20/07		5,055.25					5,055.25	
842(1)	Road Program	05/01/08	1,500.00	264,067.17			172,105.92		93,461.25	
842(2)	Acquisition of Police Department Equipment	05/01/08	3,183.00	3,975.79			3,636.00		3,522.79	
842(3)	Acquisition of Department of Public Works Equipment	05/01/08		4,710.00					4,710.00	
842(4)	Various Improvements to the Municipal Building	05/01/08		33,404.00			31,080.25		2,323.75	

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**  
**Year Ended December 31, 2009**

Ordinance Number	Improvement Description	Ordinance Date	Balance December 31, 2008			2009 Authorizations	Paid or Charged	Canceled	Balance December 31, 2009	
			Encumbered	Funded	Unfunded				Funded	Unfunded
General Improvements:										
842(5)	Acquisition of Recording and PA System	05/01/08		\$1,006.00					\$1,006.00	
858	Installation of New Heating, Ventilation and Air Conditioning Systems	02/19/09				\$20,000.00	\$20,000.00			
863(1)	Building Improvement and Tank Removal	05/07/09				65,000.00	36,357.70			\$28,642.30
863(2)	2009 Road Program	05/07/09				561,000.00	136,899.26		214,378.74	209,722.00
874	Roadway Repairs and Drainage Improvements	10/01/09				65,000.00	1,760.00		63,240.00	
Local Improvements:										
866	Construction, Repair, Rehabilitation, Maintenance and Reconstruction of Stormwater Basins at Monmouth Park Racetrack	07/16/09				25,000,000.00	636,740.00		22,513,039.00	1,850,221.00
			<u>\$14,387.00</u>	<u>\$509,231.34</u>	<u>\$74.00</u>	<u>\$25,711,000.00</u>	<u>\$1,130,008.35</u>	<u>\$65,923.95</u>	<u>\$22,950,174.74</u>	<u>\$2,088,585.30</u>
Detail:			Ref.	C,C-8	C	C		C-1	C	C
Deferred Charges to Future Taxation - Unfunded		C-5,C-16				\$25,271,472.00				
Fund Balance		C-1				65,000.00				
Grants Receivable		C-6				340,240.00				
Capital Improvement Fund		C-13				34,288.00				
						<u>\$25,711,000.00</u>				
						Ref.				
Disbursed						C-2	\$473,489.35			
Due from New Jersey Environmental Infrastructure Financing Program						C-17	636,740.00			
Encumbered						C,C-8	19,779.00			
							<u>\$1,130,008.35</u>			

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF GENERAL SERIAL BONDS**  
**Year Ended December 31, 2009**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2009</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2008</u>	<u>Paid by Budget Appropriation</u>	<u>Paid by Open Space Trust Fund</u>	<u>Balance Dec. 31, 2009</u>
General Improvement Bonds	12/01/02	\$1,010,000.00	12/01/10	\$55,000.00	3.375%	\$729,000.00		\$53,000.00	\$676,000.00
			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	09/01/10	200,000.00	3.60%	2,250,000.00	\$200,000.00		2,050,000.00
			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	12/01/10	80,000.00	5.00%	732,000.00	77,000.00		655,000.00
			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, 2009**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2009</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2008</u>	<u>Paid by Budget Appropriation</u>	<u>Paid by Open Space Trust Fund</u>	<u>Balance Dec. 31, 2009</u>
General Improvement Bonds	12/04/08	\$1,043,000.00	12/01/10	\$116,000.00	4.00%	\$1,043,000.00	\$112,000.00		\$931,000.00
			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>Ref.</u>						C	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, 2009**

<b><u>Ordinance Number</u></b>	<b><u>Improvement Description</u></b>	<b><u>Original Amount Issued</u></b>	<b><u>Date of Issue of Original Note</u></b>	<b><u>Date of Issue</u></b>	<b><u>Date of Maturity</u></b>	<b><u>Interest Rate</u></b>	<b><u>Balance Dec. 31, 2008</u></b>	<b><u>Decreased</u></b>	<b><u>Balance Dec. 31, 2009</u></b>
810	Various Improvements	\$572,700.00	06/01/06	05/29/08	02/27/09	2.34%	<u>\$456,700.00</u>	<u>\$456,700.00</u>	<u>\$0.00</u>
						<b><u>Ref.</u></b>	C	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, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	C	\$26,918.50
Increased by:		
Budget Appropriation	C-2	<u>50,000.00</u>
		76,918.50
Decreased by:		
Appropriated to Finance Improvement		
Authorizations	C-10	<u>34,288.00</u>
Balance, December 31, 2009	C	<u><u>\$42,630.50</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, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	C	\$336,838.72
Decreased by:		
Paid by Budget Appropriation	C-4	<u>20,336.36</u>
Balance, December 31, 2009	C	<u><u>\$316,502.36</u></u>

**SCHEDULE OF RESERVE FOR PAYMENT OF BONDS**  
**December 31, 2009 and 2008**

	<b><u>Ref.</u></b>	
Balance, December 31, 2009 and 2008	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, 2009**

<b>Ordinance Number</b>	<b>Improvement Description</b>	<b>Balance Dec. 31, 2008</b>	<b>2009 Authorizations</b>	<b>Funded By Budget Appropriation</b>	<b>Bonds Issued</b>	<b>Balance Dec. 31, 2009</b>
<b>General Improvements:</b>						
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		
863	Various Improvements		\$271,472.00			\$271,472.00
<b>Local Improvements:</b>						
866	Construction, Repair, Rehabilitation, Maintenance and Reconstruction of Stormwater Basins at Monmouth Park Racetrack		25,000,000.00		\$23,149,779.00	1,850,221.00
		<u>\$742.35</u>	<u>\$25,271,472.00</u>	<u>\$742.35</u>	<u>\$23,149,779.00</u>	<u>\$2,121,693.00</u>
<b>Ref.</b>	(Footnote C)		C-10	C-5	C-4	(Footnote C)

**BOROUGH OF OCEANPORT**  
**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF DUE FROM NEW JERSEY ENVIRONMENTAL**  
**INFRASTRUCTURE FINANCING PROGRAM**  
**Year Ended December 31, 2009**

	<b><u>Ref.</u></b>	
Balance, December 31, 2008	C	\$0.00
Increased by:		
Due from New Jersey Environmental Infrastructure Financing Program	C-4	<div style="text-align: right;">23,149,779.00</div> <hr/> 23,149,779.00
Decreased by:		
Improvement Authorizations	C-10	<div style="text-align: right;">636,740.00</div> <hr/>
Balance, December 31, 2009	C	<div style="text-align: right;">\$22,513,039.00</div> <hr/> <hr/>

(1)

(1) Represents amount of potential reimbursements receivable relative to the stormwater basins improvement project at Monmouth Park Racetrack.

**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, 2009**

	<b><u>Balance</u></b> <b><u>Dec. 31, 2008</u></b>	<b><u>Additions</u></b>	<b><u>Disposals</u></b>	<b><u>Balance</u></b> <b><u>Dec. 31, 2009</u></b>
General Fixed Assets:				
Land and Buildings	\$1,725,141.00	\$118,965.00	\$7,500.00	\$1,836,606.00
Machinery and Equipment	2,902,164.00	44,000.00	2,500.00	2,943,664.00
	<u>\$4,627,305.00</u>	<u>\$162,965.00</u>	<u>\$10,000.00</u>	<u>\$4,780,270.00</u>
<b><u>Ref.</u></b>	D			D

**BOROUGH OF OCEANPORT**

**COUNTY OF MONMOUTH**  
**STATE OF NEW JERSEY**

**PART III**

**COMMENTS**

**GENERAL COMMENTS**

**COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2009**



## **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:

Port-Au-Peck Avenue Sidewalk Project  
Improvements to Smith Street  
Improvements to Charles Park  
Improvements to the Quad Trailers at Borough Hall and Replacement of Windows  
and Doors at Various Borough Buildings  
Solid Waste Collection and Disposal Services

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, 2009 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 1/10<sup>th</sup> 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.

## **TAX TITLE LIENS**

The last tax sale was held on October 2, 2009 and was complete.

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

2009	3
2008	2
2007	3

## **COMMENTS AND RECOMMENDATIONS**

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. In addition, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.