

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY
YEARS ENDED DECEMBER 31, 2009 AND 2008

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
with
INDEPENDENT AUDITOR'S REPORTS
and
COMMENTS AND RECOMMENDATIONS

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

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COUNTY OF MONMOUTH, NEW JERSEY

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COUNTY OF MONMOUTH, NEW JERSEY

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Hutchins, Farrell, Meyer & Allison, P.A.

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Tinton Falls, New Jersey

We have audited the accompanying regulatory-basis financial statements of the Borough of Tinton Falls, County of Monmouth, New Jersey ("Borough") as of December 31, 2009 and 2008, and for the year ended December 31, 2009, which collectively comprise the Borough's basic financial statements 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.

Except as discussed in the following paragraph, 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 in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"). 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 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 opinions.

As described in Note 1, the Borough prepares its financial statements using accounting practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed or permitted by the Division, which practices differ from accounting principles generally accepted in the United States of America. The effects 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 Fund ("LOSAP") have not been audited, and we were not required by the Division to audit nor were we engaged 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 1.78% and 0.91% of the assets and liabilities, respectively, of the Borough's Trust Funds as of December 31, 2009 and 2008.

Honorable Mayor and Members
of the Borough Council
Borough of Tinton Falls, New Jersey
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In our opinion, because of the effects of the Borough's preparing its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2009 and 2008, or the changes in its financial position, or, where applicable, its cash flows for the years then ended. Further, the Borough has not presented a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Also in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Fund financial statements been audited, the regulatory-basis financial statements referred to above present fairly, in all material respects, the financial position, on a regulatory accounting basis, of the various funds of the Borough as of December 31, 2009 and 2008, and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the Statements of Revenues - Regulatory Basis and the Statement of Expenditures - Regulatory Basis of the various funds for the years ended December 31, 2009 and 2008 on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated June 28, 2010 on our consideration of the Borough's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the regulatory-basis financial statements taken as a whole. The accompanying supplementary schedules and Comments section listed in the Table of Contents are presented for purposes of additional analysis as required by the Division and are not a required part of the regulatory-basis financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.

Hutchins, Farrell, Meyer & Allison, P.A.
Independent Auditors



Robert W. Allison
Registered Municipal Accountant
(#483)

June 28, 2010

FINANCIAL STATEMENTS

CURRENT FUND

EXHIBITS

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

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

Years ended December 31, 2009 and 2008

| | <u>Reference</u> | <u>2009</u> | <u>2008</u> |
|---|------------------|------------------------|------------------------|
| Revenue and Other Income Realized: | | | |
| Fund Balance Utilized | A-2 | \$ 3,150,000.00 | \$ 3,150,000.00 |
| Miscellaneous Revenue Anticipated | A-2 | 7,273,778.98 | 7,816,420.69 |
| Receipts From Delinquent Taxes | A-2 | 647,399.52 | 578,328.06 |
| Receipts From Current Taxes | A-2,4-A | 51,962,043.10 | 50,780,861.00 |
| Non-Budget Revenue | A-2,1-A | 524,441.42 | 424,308.90 |
| Other Credit To Income: | | | |
| Unexpended Balance of Appropriation Reserves | 8-A | 495,473.91 | 510,778.38 |
| Cancelled Grant Reserves | 1-A | 0.14 | |
| Advance Returned | A,1-A | 6,562.39 | |
| Cancellation of Accounts Payable | A-1 | | 52,679.62 |
| Total Revenue | | <u>64,059,699.46</u> | <u>63,313,376.65</u> |
| Expenditures: | | | |
| Budget Appropriations Within "CAPS": | | | |
| Operations: | | | |
| Salaries and Wages | A-3 | 9,772,349.19 | 9,491,134.56 |
| Other Expenses | A-3 | 5,607,018.00 | 5,872,678.99 |
| Deferred Charges and Statutory Expenditures | A-3 | 1,971,043.00 | 710,789.86 |
| Appropriations Excluded From "CAPS": | | | |
| Operations: | | | |
| Other Expenses | A-3 | 354,690.08 | 1,472,058.37 |
| Capital Improvements | A-3 | 175,627.86 | 123,241.50 |
| Municipal Debt Service | A-3 | 2,495,823.29 | 1,884,881.91 |
| Deferred Charges | A-3 | 120,000.00 | 145,000.00 |
| County Taxes | 12-A | 8,511,054.32 | 8,342,392.96 |
| Regional District School Tax | 15-A | 18,720,022.63 | 18,815,938.94 |
| Regional High School Tax | 16-A | 10,111,438.75 | 10,783,959.48 |
| Municipal Open Space Tax | 17-A | 901,774.24 | 876,746.28 |
| Special District Taxes | 18-A | 2,008,960.00 | 1,908,898.00 |
| Due From State of New Jersey - Senior Citizens' Deductions Disallowed | 3-A | 1,000.00 | 829.45 |
| Refund of Prior Year Revenue | 1-A | 113,911.52 | 8,463.05 |
| Due From Fire/EMS/School - Fuel | A,1-A | | 4,537.88 |
| Total Expenditures | | <u>60,864,712.88</u> | <u>60,441,551.23</u> |
| Excess in Revenue | | 3,194,986.58 | 2,871,825.42 |
| Fund Balance, January 1 | A | <u>3,198,844.04</u> | <u>3,477,018.62</u> |
| | | 6,393,830.62 | 6,348,844.04 |
| Decreased By: | | | |
| Utilized as Anticipated Revenue | A-2 | <u>3,150,000.00</u> | <u>3,150,000.00</u> |
| Fund Balance, December 31 | A | <u>\$ 3,243,830.62</u> | <u>\$ 3,198,844.04</u> |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Reference | Budget | Realized | Excess/ (Deficit) |
|---|-----------|------------------|------------------|----------------------|
| Surplus Anticipated | A-1 | \$ 3,150,000.00 | \$ 3,150,000.00 | |
| Miscellaneous Revenues: | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | 6-A | 11,500.00 | 20,638.90 | \$ 9,138.90 |
| Other | 6-A | 15,000.00 | 25,426.51 | 10,426.51 |
| Fees and Permits | 6-A | 380,000.00 | 375,912.14 | (4,087.86) |
| Fines and Costs: | | | | |
| Municipal Court | 6-A | 602,000.00 | 713,741.82 | 111,741.82 |
| Interest and Costs on Taxes | 6-A | 109,000.00 | 132,152.53 | 23,152.53 |
| Interest on Investments and Deposits | 6-A | 306,439.35 | 363,267.14 | 56,827.79 |
| Commercial Garbage Fees | 6-A | 100,000.00 | 115,428.56 | 15,428.56 |
| Consolidated Municipal Property Tax Relief Aid | 6-A | 148,321.00 | 148,321.00 | |
| Energy Receipts Tax | 6-A | 1,725,292.00 | 1,725,292.00 | |
| Reserve for Garden State Trust | 6-A | 217.62 | 217.62 | |
| Uniform Construction Code Fees | 6-A | 150,000.00 | 299,589.00 | 149,589.00 |
| Host Municipalities Act | 6-A | 1,900,000.00 | 2,111,945.22 | 211,945.22 |
| Franchise Fees | 6-A | 66,700.00 | 82,294.14 | 15,594.14 |
| Capital Surplus | 6-A | 64,595.00 | 64,595.00 | |
| Capital Reserve - Pines II Contribution | 6-A | 20,000.00 | 20,000.00 | |
| Open Space Trust: | | | | |
| Interest on Notes | 6-A | 60,855.11 | 60,855.11 | |
| Note Principal | 6-A | 111,581.81 | 111,581.81 | |
| Bond Principal | 6-A | 72,615.97 | 72,615.97 | |
| Interest on Bonds | 6-A | 102,005.56 | 102,005.56 | |
| Reserve for Future Debt Service - | | | | |
| BAN Due 01/23/09 | 6-A | 10,561.06 | 10,561.06 | |
| BAN Due 01/23/09 Open Space | 6-A | 7,136.00 | 7,136.00 | |
| Reserve for Sale of Assets | 6-A | 116,100.00 | 116,100.00 | |
| Hotel Occupancy Tax | 6-A | 290,000.00 | 365,223.91 | 75,223.91 |
| Employee Health Benefit Reimbursements | 6-A | 50,000.00 | 86,902.62 | 36,902.62 |
| Fort Monmouth Eco Revitalization Planning Auth | 6-A | 11,250.00 | 11,250.00 | |
| Capital Reserve - Historic District | 6-A | 65,627.86 | 65,627.86 | |
| Recycling Tonnage Grant | 22-A | 23,944.94 | 23,944.94 | |
| Drunk Driving Enforcement Fund | 22-A | 8,498.21 | 8,498.21 | |
| Clean Communities Program | 22-A | 27,177.45 | 27,177.45 | |
| Body Armor Replacement Fund | 22-A | 3,976.90 | 3,976.90 | |
| Community Emergency Response Team | 22-A | 1,500.00 | 1,500.00 | |
| Total Miscellaneous Revenues | A-1 | 6,561,895.84 | 7,273,778.98 | 711,883.14 |
| Receipts From Delinquent Taxes | A-1,A-2 | 550,000.00 | 647,399.52 | 97,399.52 |
| Property Taxes for Support of Municipal Budget Appropriations: | | | | |
| Local Tax for Municipal Purposes | A-2 | 11,411,814.60 | 12,581,653.66 | 1,169,839.06 |
| Budget Totals | | 21,673,710.44 | 23,652,832.16 | 1,979,121.72 |
| Non-Budget Revenue | A-2 | | 524,441.42 | 524,441.42 |
| | A-3 | \$ 21,673,710.44 | \$ 24,177,273.58 | \$ 2,503,563.14 |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| <u>Analysis of Realized Revenue</u> | <u>Reference</u> | | |
|--|------------------|---------------------|-------------------------|
| Revenue From Collections | A-1,4-A | | \$ 51,962,043.10 |
| Allocated To: | | | |
| Regional District School | 4-A | \$ 18,720,022.63 | |
| Regional District High School | 4-A | 10,111,438.75 | |
| County Taxes | 4-A | 8,511,054.32 | |
| Municipal Open Space Tax | 4-A | 901,774.24 | |
| Special District Taxes | 4-A | <u>2,008,960.00</u> | |
| | | | <u>40,253,249.94</u> |
| Balance for Support of Municipal Budget | | | |
| Appropriations | | | 11,708,793.16 |
| Add: Appropriation Reserve for Uncollected Taxes | A-3 | | <u>872,860.50</u> |
| Amount for Support of Municipal Budget | | | |
| Appropriations | A-2 | | <u>\$ 12,581,653.66</u> |
| Receipts From Delinquent Taxes: | | | |
| Delinquent Tax Collections | 4-A,A-2 | | <u>\$ 647,399.52</u> |
| <u>Analysis of Non-Budget Revenue</u> | | | |
| Miscellaneous Revenue Not Anticipated: | | | |
| Payment in Lieu of Taxes: | | | |
| Raney School | | | \$ 59,811.67 |
| Pines II Meadowbrook Apartments | | | 66,348.57 |
| Tinton Falls Senior L.P. | | | 39,858.00 |
| Sycamore House | | | 108,900.00 |
| Pines I at Tinton Falls | | | 44,916.90 |
| State of New Jersey Fire Safety Bureau | | | 32,152.53 |
| Off-Duty Administrative Fees | | | 3,811.03 |
| State of New Jersey Bureau of Fire Prevention | | | 58,136.00 |
| Interlocal - Oceanport | | | 1,200.00 |
| Sale of Scrap | | | 7,151.00 |
| NSF Check Fees | | | 660.00 |
| 6% Interest - Tax Penalty | | | 3,061.09 |
| Copies | | | 1,403.75 |
| Postage | | | 336.00 |
| Debris Liens | | | 1,631.00 |
| Prior Year Reimbursements | | | 34,232.21 |
| Sale of Garbage Cans | | | 1,495.75 |
| Garbage Reimbursements | | | 19,023.00 |
| Miscellaneous | | | 1,540.08 |
| Municipal Court Restitution | | | 185.00 |
| State of New Jersey Inspection Fees | | | 18,193.00 |
| Tax Premiums | | | 3,570.00 |
| State of N.J. Admin Fee - Senior Citizens & Veterans | | | 3,024.84 |
| Inspection Fees - Street Openings | | | <u>13,800.00</u> |
| | A-1,1-A | | <u>\$ 524,441.42</u> |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Appropriations | | Expended | | Cancelled |
|----------------------------------|-----------------|----------------------------|-----------------|-------------|-----------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations | | | | | |
| Operations - Within "CAPS" | | | | | |
| GENERAL APPROPRIATIONS | | | | | |
| Borough Council: | | | | | |
| Salaries and Wages | \$ 18,001.00 | \$ 18,001.00 | \$ 18,000.52 | \$ 3,955.50 | \$ 0.48 |
| Other Expenses | 13,425.00 | 13,425.00 | 1,469.50 | | 8,000.00 |
| Office of the Mayor: | | | | | |
| Salaries and Wages | 5,001.00 | 5,001.00 | 5,000.15 | | 0.85 |
| Other Expenses | 27,365.00 | 27,365.00 | 5,148.50 | 7,216.50 | 15,000.00 |
| Municipal Clerk: | | | | | |
| Salaries and Wages | 166,800.00 | 167,800.00 | 166,953.34 | 844.66 | |
| Other Expenses | 63,201.00 | 62,201.00 | 45,873.40 | 8,327.60 | 8,000.00 |
| Office of the Tax Assessor: | | | | | |
| Salaries and Wages | 110,245.00 | 110,245.00 | 110,102.56 | 1,541.39 | 142.44 |
| Other Expenses | 25,875.00 | 25,875.00 | 24,333.61 | | |
| Division of Administration: | | | | | |
| Salaries and Wages | 365,000.00 | 365,000.00 | 363,781.42 | 1,218.58 | |
| Other Expenses | 62,325.00 | 62,325.00 | 61,026.96 | 1,298.04 | |
| Human Resources: | | | | | |
| Salaries and Wages | 83,845.00 | 83,845.00 | 81,168.10 | 76.90 | 2,600.00 |
| Other Expenses | 3,400.00 | 3,400.00 | 1,499.16 | 900.84 | 1,000.00 |
| Division of Central Services: | | | | | |
| Salaries and Wages | 119,295.00 | 119,295.00 | 117,290.33 | 4.67 | 2,000.00 |
| Other Expenses: | | | | | |
| Unemployment Insurance | | | | | |
| Miscellaneous Other Expenses | 60,000.00 | 60,000.00 | 60,000.00 | | |
| Division of Engineering: | | | | | |
| Other Expenses | 52,290.00 | 52,290.00 | 37,444.38 | 6,845.62 | 8,000.00 |
| Historical Sites Office: | | | | | |
| Other Expenses | 110,000.00 | 122,000.00 | 112,249.39 | 9,750.61 | |
| Division of Law: | | | | | |
| Other Expenses | 5,700.00 | 5,700.00 | 5,546.17 | 153.83 | |
| Salaries and Wages | 183,915.00 | 183,915.00 | 178,273.90 | 641.10 | 5,000.00 |
| Other Expenses | 80,000.00 | 80,000.00 | 60,653.05 | 19,346.95 | |
| Division of Central Maintenance: | | | | | |
| Salaries and Wages | 416,890.00 | 416,890.00 | 395,603.94 | 10,286.06 | 11,000.00 |
| Other Expenses | 283,970.00 | 283,970.00 | 283,452.37 | 517.63 | |
| Division of Streets: | | | | | |
| Salaries and Wages | 165,000.00 | 165,000.00 | 154,129.52 | 8,370.48 | 2,500.00 |
| Other Expenses | 120,814.00 | 120,814.00 | 113,467.41 | 7,346.59 | |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Appropriations | | Expended | | Cancelled |
|---|-----------------|----------------------------|-----------------|-----------|-----------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations Operations - Within "CAPS" | | | | | |
| GENERAL APPROPRIATIONS (continued) | | | | | |
| Division of Sanitation: | | | | | |
| Salaries and Wages | 1,048,970.00 | 1,076,970.00 | 1,048,719.64 | 28,250.36 | |
| Other Expenses: | | | | | |
| Landfill/Solid Waste Disposal Costs | 126,110.00 | 126,110.00 | 107,293.16 | 11,816.84 | 7,000.00 |
| Miscellaneous Other Expenses | 30,883.00 | 30,883.00 | 22,573.29 | 8,309.71 | |
| Division of Buildings and Grounds: | | | | | |
| Salaries and Wages | 408,645.00 | 392,645.00 | 380,612.29 | 9,032.71 | 3,000.00 |
| Other Expenses | 87,590.00 | 87,590.00 | 79,354.36 | 8,235.64 | |
| Maintenance of Parks: | | | | | |
| Salaries and Wages | 302,500.00 | 302,500.00 | 292,124.83 | 10,375.17 | |
| Other Expenses | 57,857.00 | 57,857.00 | 31,449.09 | 16,407.91 | 10,000.00 |
| Shade Tree: | | | | | |
| Other Expenses | 1,400.00 | 1,400.00 | 178.01 | 1,221.99 | |
| Community Services Act: | | | | | |
| Other Expenses | 50,000.00 | 50,000.00 | 25,764.00 | 24,236.00 | |
| Police: | | | | | |
| Salaries and Wages | 4,491,140.00 | 4,487,140.00 | 4,465,436.27 | 9,703.73 | 12,000.00 |
| Other Expenses | 285,400.00 | 285,400.00 | 274,004.84 | 11,395.16 | |
| Division of Emergency Management: | | | | | |
| Salaries and Wages | 12,000.00 | 12,000.00 | 8,457.76 | 2,042.24 | 1,500.00 |
| Other Expenses | 16,300.00 | 16,300.00 | 10,559.59 | 3,240.41 | 2,500.00 |
| Municipal Prosecutor: | | | | | |
| Salaries and Wages | 45,066.00 | 45,066.00 | 43,866.00 | 1,600.00 | 1,200.00 |
| Other Expenses | 4,000.00 | 4,000.00 | 400.00 | 1,600.00 | 2,000.00 |
| Division of Finance: | | | | | |
| Salaries and Wages | 211,415.00 | 211,415.00 | 203,708.43 | 7,706.57 | |
| Other Expenses: | | | | | |
| Auditing Services | 26,700.00 | 26,700.00 | 21,000.00 | 5,700.00 | |
| Miscellaneous Other Expenses | 17,725.00 | 17,725.00 | 10,902.84 | 2,822.16 | 4,000.00 |
| Division of Revenue: | | | | | |
| Salaries and Wages | 158,434.00 | 158,434.00 | 156,552.79 | 181.21 | 1,700.00 |
| Other Expenses | 27,064.00 | 27,064.00 | 21,031.96 | 2,032.04 | 4,000.00 |
| Division of Health: | | | | | |
| Other Expenses: | | | | | |
| First Aid | 100,000.00 | 100,000.00 | 100,000.00 | | |
| Miscellaneous Other Expenses | 109,250.00 | 109,250.00 | 108,660.00 | | 590.00 |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Appropriations | | Expended | | Cancelled |
|--|-----------------|----------------------------|-----------------|-----------|-----------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations | | | | | |
| Operations - Within "CAPS" | | | | | |
| GENERAL APPROPRIATIONS (continued) | | | | | |
| Environmental Health Services: | | | | | |
| Other Expenses | 38,000.00 | 38,000.00 | 28,823.45 | 3,176.55 | 6,000.00 |
| Contribution To Social Service Agencies: | | | | | |
| Alliance Program: | | | | | |
| Other Expenses | 9,942.00 | 9,942.00 | 9,692.00 | 250.00 | |
| Division of Recreation: | | | | | |
| Other Expenses | 8,550.00 | 8,550.00 | 3,220.96 | 5,329.04 | |
| Salaries and Wages | 292,450.00 | 309,950.00 | 301,690.49 | 5,259.51 | 3,000.00 |
| Other Expenses | 191,210.00 | 183,710.00 | 181,081.66 | 2,628.34 | |
| Municipal Library: | | | | | |
| Other Expenses | 125,040.00 | 125,040.00 | 125,040.00 | | |
| Division of Housing: | | | | | |
| Other Expenses | 20,300.00 | 20,300.00 | 17,400.00 | 2,900.00 | |
| Division of Planning: | | | | | |
| Salaries and Wages | 56,035.00 | 52,035.00 | 49,926.62 | 108.38 | 2,000.00 |
| Other Expenses | 70,845.00 | 70,845.00 | 61,322.25 | 9,522.75 | |
| Division of Zoning: | | | | | |
| Salaries and Wages | 59,300.00 | 59,300.00 | 57,299.06 | 0.90 | 2,000.04 |
| Other Expenses | 48,595.00 | 48,595.00 | 21,795.29 | 11,799.71 | 15,000.00 |
| Division of Code Enforcement: | | | | | |
| Salaries and Wages | 117,030.00 | 107,030.00 | 100,483.24 | 6,546.76 | |
| Other Expenses | 5,665.00 | 5,665.00 | 2,797.38 | 1,367.62 | 1,500.00 |
| Division of Fire Prevention: | | | | | |
| Salaries and Wages | 150,730.00 | 150,730.00 | 147,212.62 | 517.38 | 3,000.00 |
| Other Expenses | 9,072.00 | 9,072.00 | 7,667.35 | 1,404.65 | |
| Animal Control Services: | | | | | |
| Other Expenses | 22,585.00 | 22,585.00 | 17,975.03 | 4,609.97 | |
| Municipal Court: | | | | | |
| Salaries and Wages | 523,336.00 | 523,336.00 | 514,259.49 | 2,076.51 | 7,000.00 |
| Other Expenses | 26,025.00 | 26,025.00 | 20,337.28 | 2,687.72 | 3,000.00 |
| Public Defender: | | | | | |
| Salaries and Wages | 21,000.00 | 21,000.00 | 20,999.96 | 0.04 | |
| Other Expenses | 800.00 | 800.00 | 400.00 | 400.00 | |
| Public Employees Occupational Safety and Health Act: | | | | | |
| Other Expenses | 4,000.00 | 4,000.00 | | 1,000.00 | 3,000.00 |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Appropriations | | Expended | | Cancelled |
|---|----------------------|----------------------------|----------------------|-------------------|-------------------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations Operations - Within "CAPS" | | | | | |
| INSURANCE | | | | | |
| Group Insurance | 2,040,200.00 | 2,040,200.00 | 1,975,010.67 | 15,189.33 | 50,000.00 |
| Liability Insurance | 165,940.00 | 165,940.00 | 165,940.00 | | |
| Workers Compensation | 278,250.00 | 278,250.00 | 278,250.00 | | |
| UNIFORM CONSTRUCTION CODE APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17) | | | | | |
| State Uniform Construction Code: | | | | | |
| Salaries and Wages | 308,450.00 | 292,450.00 | 285,214.88 | 2,235.12 | 5,000.00 |
| Other Expenses | 16,865.00 | 16,865.00 | 10,038.45 | 3,326.55 | 3,500.00 |
| UNCLASSIFIED | | | | | |
| Electricity | 241,830.00 | 241,830.00 | 215,149.19 | 6,680.81 | 20,000.00 |
| Street Lighting | 128,910.00 | 128,910.00 | 116,436.88 | 2,473.12 | 10,000.00 |
| Telephone | 117,480.00 | 117,480.00 | 111,263.27 | 6,216.73 | |
| Water | 4,000.00 | 4,000.00 | 2,694.68 | 1,305.32 | |
| Gas | 72,000.00 | 72,000.00 | 47,989.23 | 10,010.77 | 14,000.00 |
| Fuel Oil | 243,660.00 | 243,660.00 | 210,271.14 | 13,388.86 | 20,000.00 |
| Telecommunications | 61,200.00 | 61,200.00 | 61,006.40 | 193.60 | |
| Accumulated Leave Compensation | 20,000.00 | 20,000.00 | 20,000.00 | | |
| Total Operations - Within "CAPS" | 15,660,101.00 | 15,660,101.00 | 15,003,807.75 | 375,559.44 | 280,733.81 |
| Detail: | | | | | |
| Salaries and Wages | 9,840,493.00 | 9,836,993.00 | 9,666,870.15 | 105,479.04 | 64,643.81 |
| Other Expenses | 5,819,608.00 | 5,823,108.00 | 5,336,937.60 | 270,080.40 | 216,090.00 |
| Deferred Charges and Statutory Expenditures - Municipal Within "CAPS" | | | | | |
| Statutory Expenditures: Contribution To: | | | | | |
| Public Employees Retirement System | 335,411.00 | 335,411.00 | 335,411.00 | | |
| Consolidated Police and Firemen's Pension Fund | 910,932.00 | 910,932.00 | 910,932.00 | | |
| Defined Contribution Retirement Program | 5,000.00 | 5,000.00 | 557.36 | 4,442.64 | |
| Social Security System (O.A.S.I.) | 731,000.00 | 731,000.00 | 710,762.36 | 8,937.64 | 11,300.00 |
| Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS" | 1,982,343.00 | 1,982,343.00 | 1,957,662.72 | 13,380.28 | 11,300.00 |
| Total General Appropriations for Municipal Purposes - Within "CAPS" | 17,642,444.00 | 17,642,444.00 | 16,961,470.47 | 388,939.72 | 292,033.81 |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Appropriations | | Expended | Cancelled |
|--|-----------------|----------------------------|------------|-----------|
| | Original Budget | Budget After Modifications | | |
| General Appropriations | | | | |
| Operations - Excluded from "CAPS" | | | | |
| Emergency Telecommunications System - 911 System | 18,702.58 | 18,702.58 | 18,702.58 | |
| LOSAP - Volunteer Ambulance | 37,000.00 | 37,000.00 | | 37,000.00 |
| NJDES Stormwater Permit (N.J.S.A. 40A:4-45.3(cc)): | | | | |
| Division of Streets: | | | | |
| Other Expenses | 20,475.00 | 20,475.00 | 10,149.60 | 4,000.00 |
| Recycling Tax | 31,530.00 | 31,530.00 | 26,978.28 | 1,500.00 |
| Total Other Operations - Excluded from "CAPS" | 107,707.58 | 107,707.58 | 55,830.46 | 46,377.12 |
| Interlocal Municipal Service Agreements: | | | | |
| County of Monmouth: | | | | |
| Police Dispatching Services | 181,351.00 | 181,351.00 | 181,351.00 | |
| Total Interlocal Municipal Service Agreements | 181,351.00 | 181,351.00 | 181,351.00 | |
| Public and Private Programs Offset By Revenues: | | | | |
| Clean Communities Program | 27,177.45 | 27,177.45 | 27,177.45 | |
| SFSP Fire District Payment | 6,034.00 | 6,034.00 | 6,034.00 | |
| Body Armor Replacement Fund | 3,976.90 | 3,976.90 | 3,976.90 | |
| Recycling Tonnage Grant | 23,944.94 | 23,944.94 | 23,944.94 | |
| State of NJ - Emergency Response Team | 1,500.00 | 1,500.00 | 1,500.00 | 2,500.00 |
| Matching Funds for Grants | 2,500.00 | 2,500.00 | | |
| Drunk Driving Enforcement Fund | 8,498.21 | 8,498.21 | 8,498.21 | |
| Total Public and Private Programs Offset By Revenues | 73,631.50 | 73,631.50 | 71,131.50 | 2,500.00 |
| Total Operations - Excluded from "CAPS" | 362,690.08 | 362,690.08 | 308,312.96 | 8,000.00 |
| Detail: | | | | |
| Other Expenses | 362,690.08 | 362,690.08 | 308,312.96 | 8,000.00 |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Appropriations | | Expended | | Cancelled |
|--|-------------------------|----------------------------|-------------------------|----------------------|----------------------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations | | | | | |
| Operations - Excluded from "CAPS" | | | | | |
| Capital Improvements - Excluded From "CAPS" | | | | | |
| Capital Improvement Fund | 50,000.00 | 50,000.00 | 50,000.00 | | |
| Purchase of Automated Refuse Containers | 40,000.00 | 40,000.00 | 39,576.00 | 424.00 | |
| Ambulance | 20,000.00 | 20,000.00 | 20,000.00 | | |
| Historic District - Crawford House | 65,627.86 | 65,627.86 | 65,627.86 | | |
| Total Capital Improvements - Excluded From "CAPS" | 175,627.86 | 175,627.86 | 175,203.86 | 424.00 | |
| Municipal Debt Service - Excluded From "CAPS" | | | | | |
| Payment of Bond Principal | 873,000.00 | 873,000.00 | 873,000.00 | | |
| Payment of Bond Anticipation Notes and Capital Notes | 193,307.00 | 193,307.00 | 193,306.46 | | 0.54 |
| Interest on Bonds | 918,400.00 | 918,400.00 | 918,363.34 | | 36.66 |
| Interest on Notes | 113,980.00 | 113,980.00 | 113,968.63 | | 11.37 |
| Green Trust Loan Program: | | | | | |
| Loan Repayments for Principal and Interest | 46,001.00 | 46,001.00 | 46,000.02 | | 0.98 |
| Capital Lease Obligations Approved prior to 7/12/07: | | | | | |
| Principal | 317,000.00 | 317,000.00 | 317,000.00 | | |
| Interest | 38,400.00 | 38,400.00 | 34,184.84 | | 4,215.16 |
| Total Municipal Debt Service - Excluded From "CAPS" | 2,500,088.00 | 2,500,088.00 | 2,495,823.29 | | 4,264.71 |
| Deferred Charges - Municipal - Excluded From "CAPS" | | | | | |
| Deferred Charges: | | | | | |
| Special Emergency Authorizations - 5 Years (N.J.S. 40A-4-55) | 120,000.00 | 120,000.00 | 120,000.00 | | |
| Total Deferred Charges - Municipal - Excluded From "CAPS" | 120,000.00 | 120,000.00 | 120,000.00 | | |
| Total General Appropriations for Municipal Purposes - Excluded From "CAPS" | 3,158,405.94 | 3,158,405.94 | 3,099,340.11 | 46,801.12 | 12,264.71 |
| Subtotal General Appropriations | 20,800,849.94 | 20,800,849.94 | 20,060,810.58 | 435,740.84 | 304,298.52 |
| Reserve for Uncollected Taxes | 872,860.50 | 872,860.50 | 872,860.50 | | |
| Total General Appropriations | \$ 21,673,710.44 | \$ 21,673,710.44 | \$ 20,933,671.08 | \$ 435,740.84 | \$ 304,298.52 |

Reference

A-2

A-3

A

A-3

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Appropriations | | Expended | | Cancelled |
|--|-----------------|----------------------------|-------------------------|----------|-----------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations Operations - Excluded from "CAPS" | | | | | |
| Analysis of Paid or Charged: | | | | | |
| Reserve for Uncollected Taxes | | | \$ 872,860.50 | | |
| Cash Disbursed | | | 19,502,869.98 | | |
| Encumbrances Payable | | | 372,843.10 | | |
| Deferred Charges: | | | | | |
| Special Emergency Authorizations | | | 120,000.00 | | |
| Reserve for Appropriated Grants | | | 65,097.50 | | |
| | | | <u>\$ 20,933,671.08</u> | | |

TRUST FUND

EXHIBIT

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

| <u>Assets</u> | <u>Reference</u> | <u>2009</u> | <u>2008</u> | <u>Liabilities, Reserves and Fund Balance</u> | <u>Reference</u> | <u>2009</u> | <u>2008</u> |
|---|------------------|------------------------|-------------------------|---|------------------|------------------------|-------------------------|
| Animal Control Trust Fund: | | | | | | | |
| Cash - Treasurer | 1-B | \$ 2,233.59 | \$ 275.63 | Animal Control Trust Fund: | | | |
| Cash - Change Fund | B | 30.00 | 30.00 | Reserve for Animal Control Fund Expenditures | 3-B | \$ 2,263.59 | \$ 305.63 |
| | | <u>2,263.59</u> | <u>305.63</u> | | | <u>2,263.59</u> | <u>305.63</u> |
| Other Trust Funds: | | | | Other Trust Funds: | | | |
| Cash - Treasurer | 1-B | <u>8,479,402.41</u> | <u>10,301,969.92</u> | Encumbrances Payable | 4-B | 121,820.33 | 109,511.51 |
| Length of Service Award Program Fund ("LOSAP") - Unaudited: | | | | Reserve for: | | | |
| Investments | 15-B | <u>153,444.19</u> | <u>94,917.24</u> | Redemption of Tax Sale Certificates | 6-B | 6,219.59 | 8,507.98 |
| | | | | Law Enforcement Fund | 7-B | 45,951.33 | 51,412.89 |
| | | | | Unemployment | 8-B | 76,763.04 | 53,010.90 |
| | | | | Open Space | 9-B | 1,878,667.35 | 1,427,046.87 |
| | | | | Various Trust Funds | 10-B | 2,506,131.80 | 3,774,397.05 |
| | | | | Engineering Fees | 11-B | 565,504.29 | 678,113.16 |
| | | | | Maintenance Fees | 12-B | 171,321.25 | 205,919.43 |
| | | | | Performance Fees | 13-B | 2,325,400.93 | 3,201,002.15 |
| | | | | Escrow Fees | 14-B | 781,622.50 | 793,047.98 |
| | | | | | | <u>8,479,402.41</u> | <u>10,301,969.92</u> |
| Total Assets | | <u>\$ 8,635,110.19</u> | <u>\$ 10,397,192.79</u> | Length of Service Award Program Fund ("LOSAP") - Unaudited: | | | |
| | | | | Miscellaneous Reserves | 16-B | 153,444.19 | 94,917.24 |
| | | | | Total Liabilities, Reserves and Fund Balance | | <u>\$ 8,635,110.19</u> | <u>\$ 10,397,192.79</u> |

See accompanying notes.

GENERAL CAPITAL FUND

EXHIBITS

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

| <u>Assets</u> | <u>Reference</u> | <u>2009</u> | <u>2008</u> | <u>Liabilities, Reserves and Fund Balance:</u> | <u>Reference</u> | <u>2009</u> | <u>2008</u> |
|--------------------------------------|------------------|-------------------------|-------------------------|---|------------------|-------------------------|-------------------------|
| Cash and Investments | | | | Serial Bonds Payable | 7-C | \$ 16,527,000.00 | \$ 17,400,000.00 |
| Deferred Charges To Future Taxation: | | | | Bond Anticipation Notes | 8-C | 2,803,166.00 | 3,756,456.00 |
| Funded | | | | Green Trust Loan Program | 9-C | 318,896.31 | 357,931.90 |
| Unfunded | | | | Encumbrances Payable | 10-C | 74,121.95 | 140,925.66 |
| Grants Receivable | | | | Improvement Authorizations: | | | |
| County Open Space Grant Receivable | 1-C,2-C | \$ 1,465,393.89 | \$ 2,245,732.03 | Funded | 11-C | 927,964.37 | 957,137.81 |
| | | | | Unfunded | 11-C | 9,642,175.91 | 8,613,539.49 |
| | 3-C | 16,845,896.31 | 17,757,931.90 | Capital Improvement Fund | 12-C | 234,894.80 | 239,644.80 |
| | 4-C | 12,046,394.04 | 11,199,450.50 | Miscellaneous Reserves | 13-C | 349,066.39 | 370,696.20 |
| | 5-C | 402,789.06 | 581,000.00 | Fund Balance | C-1 | 91,187.57 | 155,782.57 |
| | 6-C | 208,000.00 | 208,000.00 | | | | |
| Total Assets | | \$ 30,968,473.30 | \$ 31,992,114.43 | Total Liabilities, Reserves and Fund Balance | | \$ 30,968,473.30 | \$ 31,992,114.43 |

See accompanying notes.

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE
 REGULATORY ACCOUNTING BASIS

Years ended December 31, 2009 and 2008

| | <u>Reference</u> | |
|---------------------------------------|------------------|---------------------|
| Balance, December 31, 2008 | C | \$ 155,782.57 |
| Decreased By: | | |
| Anticipated as Revenue - Current Fund | 1-C | <u>64,595.00</u> |
| Balance, December 31, 2009 | C | <u>\$ 91,187.57</u> |

See accompanying notes.

SEWER UTILITY FUND

EXHIBITS

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

| <u>Assets</u> | <u>Reference</u> | <u>2009</u> | <u>2008</u> | <u>Liabilities, Reserves and Fund Balances</u> | <u>Reference</u> | <u>2009</u> | <u>2008</u> |
|---------------------------------|------------------|------------------|------------------|--|------------------|------------------|------------------|
| Operating Fund: | | | | Operating Fund: | | | |
| Cash and Investments | 1-D | \$ 2,013,111.07 | \$ 2,333,762.94 | Appropriation Reserves | D-4,5-D | \$ 117,784.59 | \$ 51,962.08 |
| Cash - Change Fund | D | 50.00 | 50.00 | Encumbrances Payable | 6-D | 63,448.49 | 45,342.03 |
| | | | | Accounts Payable | 7-D | 2,000.00 | 15,892.50 |
| | | | | Sewer Overpayments | 10-D | 30.13 | 30.13 |
| | | | | Prepaid Sewer Rent | 8-D | 178,482.27 | 375,066.17 |
| | | | | Reserve for Connection Fees | 9-D | 954,640.60 | 1,135,586.86 |
| | | | | | | 1,316,386.08 | 1,623,879.77 |
| Receivables With Full Reserves: | | | | Reserve for Receivables | D | 117,836.65 | 127,826.89 |
| Sewer Rent Receivable | 3-D | 117,836.65 | 127,826.89 | Fund Balance | D-1 | 696,774.99 | 709,933.17 |
| | | | | | | 2,130,997.72 | 2,461,639.83 |
| Total Operating Fund | | 2,130,997.72 | 2,461,639.83 | Total Operating Fund | | 2,130,997.72 | 2,461,639.83 |
| Capital Fund: | | | | Capital Fund: | | | |
| Cash | 1-D,2-D | 49,678.64 | 249,678.64 | Reserve for Amortization | 11-D | 9,911,480.63 | 9,911,480.63 |
| Fixed Capital | 4-D | 9,911,480.63 | 9,911,480.63 | Reserve for Woodland Crest Pump Station | 12-D | 45,000.00 | 45,000.00 |
| | | | | Fund Balance | D-2 | 4,678.64 | 204,678.64 |
| Total Capital Fund | | 9,961,159.27 | 10,161,159.27 | Total Capital Fund | | 9,961,159.27 | 10,161,159.27 |
| Total Assets | | \$ 12,092,156.99 | \$ 12,622,799.10 | Total Liabilities, Reserves and Fund Balances | | \$ 12,092,156.99 | \$ 12,622,799.10 |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

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

Years ended December 31, 2009 and 2008

| | <u>Reference</u> | <u>2009</u> | <u>2008</u> |
|-------------------------------------|------------------|-----------------------------|-----------------------------|
| Revenue and Other Income Realized: | | | |
| Fund Balance Utilized | D-3 | \$ 600,000.00 | \$ 1,000,000.00 |
| Sewer Rents | D-3 | 3,699,176.73 | 3,586,395.84 |
| Reserve for Connection Fees | D-3 | 300,000.00 | 67,082.00 |
| Sewer Utility Capital Fund Balance | | | |
| Anticipated | D-2 | 200,000.00 | |
| Non-Budget Revenue | D-3,1-D | 69,554.44 | 92,420.06 |
| Other Credits To Income: | | | |
| Unexpended Balance of Appropriation | | | |
| Reserves | 5-D | <u>47,669.29</u> | <u>145,101.19</u> |
| Total Revenue | | <u>4,916,400.46</u> | <u>4,890,999.09</u> |
| Expenditures: | | | |
| Operating | D-4 | 4,261,885.00 | 4,187,268.00 |
| Deferred Charges and Statutory | | | |
| Expenditures | D-4 | 67,672.00 | 57,812.40 |
| Refund Prior Year Revenue | 1-D | <u>1.64</u> | <u>276.71</u> |
| Total Expenditures | | <u>4,329,558.64</u> | <u>4,245,357.11</u> |
| Excess in Revenue | | 586,841.82 | 645,641.98 |
| Fund Balance, January 1 | D | <u>709,933.17</u> | <u>1,064,291.19</u> |
| | | 1,296,774.99 | 1,709,933.17 |
| Decreased By: | | | |
| Utilized as Anticipated Revenue | D-1 | <u>600,000.00</u> | <u>1,000,000.00</u> |
| Fund Balance, December 31 | D | <u><u>\$ 696,774.99</u></u> | <u><u>\$ 709,933.17</u></u> |

See accompanying notes.

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE
 REGULATORY ACCOUNTING BASIS

Years ended December 31, 2009 and 2008

| | <u>Reference</u> | |
|--|------------------|--------------------|
| Balance, December 31, 2008 | D | \$ 204,678.64 |
| Decreased By: | | |
| Anticipated as Revenue - Sewer Utility Fund | D-1,1-D | <u>200,000.00</u> |
| Balance, December 31, 2009 | D | <u>\$ 4,678.64</u> |

See accompanying notes.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | <u>Budget</u> | <u>Realized</u> | <u>Excess/ (Deficit)</u> |
|---------------------------------------|-----------------------------|------------------------|------------------------------|
| Surplus Utilized | \$ 600,000.00 | \$ 600,000.00 | |
| Sewer Rents | 3,445,562.00 | 3,699,176.73 | \$ 253,614.73 |
| Reserve for Connection Fees | 300,000.00 | 300,000.00 | |
| Capital Surplus | 200,000.00 | 200,000.00 | |
| Miscellaneous Revenue Not Anticipated | <u> </u> | <u>69,554.44</u> | <u>69,554.44</u> |
| | <u>\$ 4,545,562.00</u> | <u>\$ 4,868,731.17</u> | <u>\$ 323,169.17</u> |
| | <u>Reference</u> | D-4 | D-1 |
| Miscellaneous: | | | |
| Interest on Investments | | \$ 45,357.45 | |
| Delinquent Charges | | 22,928.14 | |
| Miscellaneous Revenue | | <u>1,268.85</u> | |
| | 1-D | <u>\$ 69,554.44</u> | |
| Sewer Rents: | | | |
| Collections | 1-D,3-D | \$ 3,324,110.56 | |
| Prepaid Sewer Rents Applied | 8-D | <u>375,066.17</u> | |
| | | <u>\$ 3,699,176.73</u> | |

See accompanying notes.

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2009

| | Appropriations | | Expended | | Cancelled |
|-------------------------------------|------------------------|----------------------------|------------------------|----------------------|----------------------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| Operating: | | | | | |
| Salaries and Wages | \$ 478,200.00 | \$ 478,200.00 | \$ 452,796.59 | \$ 14,403.41 | \$ 11,000.00 |
| Other Expenses | 3,944,685.00 | 3,944,685.00 | 3,694,318.33 | 100,366.67 | 150,000.00 |
| Total Operating | <u>4,422,885.00</u> | <u>4,422,885.00</u> | <u>4,147,114.92</u> | <u>114,770.08</u> | <u>161,000.00</u> |
| Capital Improvements: | | | | | |
| Capital Outlay | <u>55,000.00</u> | <u>55,000.00</u> | | | <u>55,000.00</u> |
| Total Capital Improvements | <u>55,000.00</u> | <u>55,000.00</u> | | | <u>55,000.00</u> |
| Statutory Expenditures: | | | | | |
| Contributions To: | | | | | |
| Public Employees' Retirement System | 29,595.00 | 29,595.00 | 29,590.00 | | 5.00 |
| Social Security System (O.A.S.I.) | 36,812.00 | 36,812.00 | 33,797.49 | 3,014.51 | |
| Unemployment Compensation Insurance | <u>1,270.00</u> | <u>1,270.00</u> | <u>1,270.00</u> | | |
| Total Statutory Expenditures | <u>67,677.00</u> | <u>67,677.00</u> | <u>64,657.49</u> | <u>3,014.51</u> | <u>5.00</u> |
| Total Sewer Utility Appropriations | <u>\$ 4,545,562.00</u> | <u>\$ 4,545,562.00</u> | <u>\$ 4,211,772.41</u> | <u>\$ 117,784.59</u> | <u>\$ 216,005.00</u> |
| | Reference | D-3 | D-4 | D | D-4 |
| Cash Disbursements | 1-D | | | | |
| Encumbrances Payable | 6-D | | | | |
| | | | \$ 4,148,323.92 | | |
| | | | 63,448.49 | | |
| | | | <u>\$ 4,211,772.41</u> | | |

See accompanying notes.

GENERAL FIXED ASSETS ACCOUNT GROUP
EXHIBIT

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2009 and 2008

| <u>Assets</u> | <u>Reference</u> | <u>2009</u> | <u>2008</u> | <u>Liabilities</u> | <u>Reference</u> | <u>2009</u> | <u>2008</u> |
|-----------------------------------|------------------|-------------------------|-------------------------|----------------------------|------------------|-------------------------|-------------------------|
| Land | 1-E | \$ 13,299,224.85 | \$ 13,299,224.85 | | | | |
| Buildings | 1-E | 25,036,477.24 | 25,036,477.24 | | | | |
| Improvements Other Than Buildings | 1-E | 41,291.65 | 41,291.65 | | | | |
| Machinery and Equipment | 1-E | 9,835,178.46 | 9,599,818.79 | Investment in Fixed Assets | 1-E | \$ 48,212,172.20 | \$ 47,976,812.53 |
| Total Assets | | <u>\$ 48,212,172.20</u> | <u>\$ 47,976,812.53</u> | Total Liabilities | | <u>\$ 48,212,172.20</u> | <u>\$ 47,976,812.53</u> |

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by 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 municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

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

B. Description of Funds

GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with GAAP.

The accounting policies of the Borough conform to the accounting principles and practices applicable to municipalities prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The accompanying financial statements are presented in the format prescribed by the State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and are 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:

Current Fund - is used to account for all revenues and expenditures applicable to the general operations of Borough departments.

General Trust Funds - are used to account for assets held by the Borough in a trustee capacity or as an agent for individuals and other governmental agencies. Funds held by the Borough which have restrictions placed on the use of such funds are recorded in the Trust Fund.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

B. Description of Funds (continued)

General Capital Fund - is used to account for financial resources to be used for the acquisition of general capital facilities. The major resources are derived from the sale of serial bonds and bond anticipation notes.

Sewer Utility Operating and Capital Funds - are used to account for sewer operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the water/sewer utility to the general public be financed through user fees. Operations relating to the acquisition of sewer capital facilities are recorded within the Sewer Utility Capital Fund.

General Fixed Assets Account Group - The Borough has complied with Technical Accounting Directive No. 85-2 issued by the Division of Local Government Services. Technical Accounting Directive No. 85-2 utilizes the following accounting policies:

Fixed assets used in governmental operations (general fixed assets) are 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.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for land which is valued at estimated market value.

No depreciation is provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital are not accounted for separately.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services differ in certain respects from GAAP applicable to local government units. The more significant differences follow.

A modified accrual basis of accounting is followed by the Borough. Modifications from the accrual basis follow:

Revenues

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

Expenditures

- (a) Disbursements for Current Fund inventory-type items are considered expenditures at the time of purchase;
- (b) Prepaid expenses are not recorded;
- (c) Interest on long-term debt included in the General Capital Fund is recorded as an expenditure when paid;
- (d) The encumbrance method of accounting, which records commitments such as purchase orders and contracts as a charge against the current year's budget in addition to expenditures made or accrued, is utilized. The cash basis of accounting, however, is followed for recording the Borough's share of contributions for fringe benefits, such as retirement plans, accrued sick leave and vacation leave.

Appropriation reserves are recorded at December 31 for unexpended appropriation balances except for amounts which, according to state statutes, may be cancelled by the governing body. The appropriation reserves are available to satisfy specific claims, commitments or contracts incurred during the preceding fiscal year. At the end of the succeeding fiscal year, the remaining unexpended balances lapse to fund balance through other credits to revenue.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

Had the Borough's financial statements been prepared under generally accepted accounting principles, the encumbrance method of accounting would be followed for expenditures presently reflected on a paid or charged basis, appropriation reserves would not be recorded, revenues susceptible to accrual would have been reflected without offsetting reserves and inventories would not be reflected as expenditures at the time of purchase.

Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

D. 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 State Division of Local Government Services in accordance with N.J.S.A. 40A:4 et seq.

E. Grants

Current Fund - State and federal grants and assistance awards made on the basis of entitlement periods are recorded as revenues when entitlement occurs.

Trust Fund - State and federal grants and assistance awards are dedicated by rider in the Trust Fund. A receivable and corresponding spending reserve are recorded when the grant is awarded.

Capital Fund - State and federal grants and assistance awards are recorded as a funding source for improvement authorizations or are established as receivables with an offsetting reserve.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

F. 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 Local Unit, Local School District, County and Special Districts, 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 Local Unit 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.

G. Foreclosed Property

Real property acquired for taxes is recorded in the Current Fund at assessed valuation when such property is acquired and is fully reserved.

H. Interfund Receivables

Interfund receivables created by cash transfers from the Current Fund are recorded with offsetting reserves created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

I. Deferred Charges to Future Taxation Funded and Unfunded

Upon the authorization of capital projects, the Borough establishes deferred charges for the costs 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. According to N.J.S.A. 40A:2-4, 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 that particular year in the Current Fund budget. As funds are raised, the deferred charges are reduced.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans

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

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, PERS and PFRS bill the Borough annually at an actuarially determinable rate for its required contribution. The current rate is 5.5% for PERS and 8.5% for PFRS of annual covered payroll.

| <u>Year</u> | <u>PERS</u> | <u>PFRS</u> |
|-------------|---------------|---------------|
| 2009 | \$ 365,001.00 | \$ 910,932.00 |
| 2008 | 295,386.40 | 810,946.00 |
| 2007 | 175,387.60 | 545,221.80 |

K. Volunteer Length of Service Award Plan

The Borough has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Tinton Falls Emergency Medical Services Squads. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions - The annual contribution to be made by the Borough for each active volunteer member may be amended on a yearly basis in accordance with regulations established by the New Jersey Department of Consumer Affairs, Division of Local Government Services. The Borough has made annual contributions as follows:

| | |
|---------------------------|------------------|
| In 2008 for the year 2007 | \$ 1,314.22 |
| In 2009 for the year 2008 | 1,314.22 |
| In 2010 for the year 2009 | To be determined |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

K. Volunteer Length of Service Award Plan (continued)

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

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

Estimated Cost - The estimated cost of the program to the Borough has been calculated to be approximately \$25,000.00 per year. (This amount may vary annually, based upon the total number of eligible active volunteer members in the program, and periodic increases).

L. Deposits and Investments

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agencies of the United States that insure deposits, the State of New Jersey Cash Management Fund and government money market mutual funds through registered broker/dealers and banks. The New Jersey 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 5 percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 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. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature within one year. Collateralization of Fund investments is generally not required.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments (continued)

Investments

New Jersey statutes establish the following securities as eligible for the investment of Borough funds:

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Government Money Market Mutual Funds.
- (c) 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.
- (d) 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.
- (e) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.
- (f) Local Government Investment Pools.
- (g) Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, C. 281 (C.52:18A:90.4).

Repurchase agreements (15.1(a)(8)) must comply with the following conditions:

- (a) The underlying securities are permitted investments, pursuant to the list contained in (a) and (c) above.
- (b) The custody of the collateral is transferred to a third party. This means the bank must contract with a trusted third party to hold the collateral to ensure it is not pledged against any other investments.
- (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.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments (continued)

Investments (continued)

Local Government Investment Pools ("LGIP") (15.1(e)(2)) are subject to the following requirements:

- (a) It is managed in accordance with the SEC's government money market rules (2a-7).
- (b) It is rated in the highest category by a nationally recognized statistical rating organization.
- (c) Have their portfolio limited to U.S. Government securities as defined in 2a-7 and repurchase agreements that are collateralized by such U.S. Government securities.

Every local unit must have a Cash Management Plan ("Plan"); the Plan is subject to audit. In addition, when the Plan permits investments for more than one year, the investment must approximate the prospective use of funds. This primarily relates to U.S. securities and local bond issue purchases. The law also requires that cash management plans provide for the CFO to give the governing body a monthly report that summarizes:

- (a) All investments made or redeemed over the past month.
- (b) Each organization holding local unit funds.
- (c) The amount of securities purchased or sold, class or type of securities purchased, book value, earned income, fees incurred, and market value of all investments as of the report date.
- (d) Other information that may be required by the governing body.

The Borough is permitted to invest public funds in accordance with N.J.S.A. 40A:5-15.1. These investments include bonds or other obligations of the United States or obligations guaranteed by the United States, Government Money Market Mutual Funds, bond or other obligations of the Borough or bonds or other obligations of the school district, local government investment pools, and agreements for the repurchase of fully-collateralized securities, if purchased in accordance with N.J.S.A. 40A:5-15.1. The Borough is also permitted to invest Length of Service Award Program ("LOSAP") funds with the types of eligible investments authorized in N.J.A.C. 5:30-14.19. These investments include interest-bearing accounts or securities in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

1. Summary of Significant Accounting Policies (continued)

M. Inventories of Supplies

The costs of inventories of supplies for all funds are recorded as expenditures at the time the individual items are purchased. The costs of inventories are not included on the various balance sheets.

2. Deposits and Investments

Deposits

The carrying amount of the Borough's cash and cash equivalents at December 31, 2009 was \$28,793,716.39 and the bank balance was \$29,758,113.17. Of the bank balance, \$1,278,147.22 was covered by federal depository insurance, \$615,681.02 was on deposit with the New Jersey Cash Management Fund, and the remaining \$27,864,284.93 was covered under the unit certificate of eligibility as required by New Jersey statutes.

New Jersey Cash Management Fund

All investments in the Fund are governed by the regulations of the Investment Council which prescribes standards designed to insure the quality of investments and to minimize the risks related to investments. To date, the Fund has never defaulted on principal or interest on any short term security held by its participants. Further, a reserve is being accumulated as additional protection for other than State participants. Finally, the Council monitors eligible securities on a regular basis. As of December 31, 2009, the Borough had \$615,681.02 on deposit with the New Jersey Cash Management Fund.

| <u>Depository Account</u> | <u>2009</u> | <u>Bank Balance</u> | <u>2008</u> |
|---------------------------|-------------------------|---------------------|-------------------------|
| Insured: | | | |
| FDIC | \$ 1,278,147.22 | | \$ 1,527,773.67 |
| Collateralized: | | | |
| GUDPA | 27,864,284.93 | | 31,332,229.73 |
| NJ Cash Management Fund | <u>615,681.02</u> | | <u>611,771.95</u> |
| | <u>\$ 29,758,113.17</u> | | <u>\$ 33,471,775.35</u> |

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Borough does not have a formal policy for custodial credit risk. As of December 31, 2009, the Borough's bank balance was not exposed to custodial credit risk.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

2. Deposits and Investments (continued)

Investments

As of December 31, 2009 and 2008, the Borough had the following LOSAP investments:

| <u>Investments</u> | <u>Fair Value</u> | <u>Book Value</u> |
|--------------------|----------------------|----------------------|
| 2009: | | |
| LOSAP | <u>\$ 153,444.19</u> | <u>\$ 153,444.19</u> |
| 2008: | | |
| LOSAP | <u>\$ 94,917.24</u> | <u>\$ 94,917.24</u> |

Interest Rate Risk

LOSAP investment options are at the discretion of each individual participant and not the Borough.

Credit Risk

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.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

2. Deposits and Investments (continued)

The Borough's deposits are insured through either the Federal Deposit Insurance Corporation ("FDIC") or New Jersey's Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

The Borough is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of December 31, 2009, the Borough has implemented the disclosure requirements of Governmental Accounting Standards Board Statement No. 40, Deposit and Investment Risk Disclosures ("GASB 40"), and accordingly, the Borough has assessed the Custodial Risk, the Concentration of Credit Risk, Credit Risk and Interest Rate Risk of its cash and investments.

- (a) Custodial Credit Risk - The Borough's deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the depositor-government's name. The deposit risk is that, in the event of the failure of a depository financial institution, the Borough will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Borough's investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Borough and are held by either: the counterparty or the counterparty's trust department or agent but not in the Borough's name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the Borough will not be able to recover the value of the investment or collateral securities that are in possession of an outside party.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

2. Deposits and Investments (continued)

As of December 31, 2009, the Borough's bank balance was not exposed to custodial credit risk since the full amount was covered either by FDIC insurance or GUDPA. The New Jersey Cash Management Fund which is administered by the New Jersey Department of the Treasury invests pooled monies from various State and non-State agencies in primarily short-term investments. These investments include: U.S. Treasuries, Short-Term Commercial Paper, U.S. Government Agency Bonds, Corporate Bonds and Certificates of Deposits. Agencies that are part of the fund typically earn returns that mirror short-term interest rates. The Fund is considered an investment pool and as such is not exposed to custodial credit risk. The New Jersey Asset and Rebate Management Program invests only in the following high quality securities: United States Treasury bills and notes and other obligations guaranteed by the United States of America, Federal agency bonds and notes with a maturity not greater than 397 days and repurchase agreements: fully collateralized by U.S. Treasury or Federal agency obligations held by the Program Custodian and collateral market-to-market regularly and maintained at a margin of 103%. The Borough does not have a formal policy for deposit custodial credit risk other than to maintain sufficient funds in the checking account to cover checks that have not cleared the account as of a specific date.

- (b) Concentration of Credit Risk - This is the risk associated with the amount of investments the Borough has with any one insurer that exceeds 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.
- (c) Credit Risk - GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. In general, the Borough does not have an investment policy regarding Credit Risk except to the extent previously outlined under the Borough's investment policy. The New Jersey Asset and Management Program Joint Account portfolio is rated "AAAM" by Standard & Poor's which is the highest rating available.
- (d) Interest Rate Risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Borough does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

3. Interfund Balances and Activity

Not Applicable.

4. Taxes, Sewer Utility Receivables

Taxes

Taxes Receivable as of December 31, 2009 consist of the following:

| <u>2009</u> | <u>Current</u> | <u>Delinquent</u> | <u>Liens</u> | <u>Total</u> |
|-------------|----------------|-------------------|--------------|---------------|
| | \$ 568,842.05 | \$ 20,810.24 | \$13,653.77 | \$ 603,306.06 |

In 2009, the Borough collected \$647,399.52 from Delinquent Taxes, which represented 95.86% of the Delinquent Tax Receivable at December 31, 2008.

Taxes Receivable as of December 31, 2008 consist of the following:

| <u>2008</u> | <u>Current</u> | <u>Delinquent</u> | <u>Liens</u> | <u>Total</u> |
|-------------|----------------|-------------------|--------------|---------------|
| | \$ 649,875.13 | \$ 20,487.90 | \$ 4,938.68 | \$ 675,301.71 |

In 2008, the Borough collected \$578,287.30 from Delinquent Taxes, which represented 97.05% of the Delinquent Tax Receivable at December 31, 2007.

Sewer Utility

Sewer Rents Receivable as of December 31, 2009 consist of the following:

| <u>2009</u> | <u>Current</u> | <u>Delinquent</u> | <u>Liens</u> | <u>Total</u> |
|-------------|----------------|-------------------|--------------|---------------|
| | \$ 117,836.65 | \$ 0.00 | \$ 0.00 | \$ 117,836.65 |

In 2009, the Borough collected \$127,826.89 from Sewer Rents, which represented 100% of the Sewer Rents Receivable at December 31, 2008.

Sewer Rents Receivable as of December 31, 2008 consist of the following:

| <u>2008</u> | <u>Current</u> | <u>Delinquent</u> | <u>Liens</u> | <u>Total</u> |
|-------------|----------------|-------------------|--------------|---------------|
| | \$ 127,826.89 | \$ 0.00 | \$ 0.00 | \$ 127,826.89 |

In 2008, the Borough collected \$103,048.92 from Sewer Rents, which represented 100% of the Sewer Rents Receivable at December 31, 2007.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

5. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the years 2008 and 2007.

| <u>2009</u> | Balance, December 31, <u>2008</u> | <u>Additions</u> | <u>Retirements</u> | Balance, December 31, <u>2009</u> |
|--------------------------|---|----------------------|-----------------------------|---|
| Land | \$ 13,299,224.85 | | | \$ 13,299,224.85 |
| Buildings | 25,036,477.24 | | | 25,036,477.24 |
| Improvements | | | | |
| Other Than Bldgs | 41,291.65 | | | 41,291.65 |
| Machinery & Equipment | <u>9,599,818.79</u> | <u>\$ 235,359.67</u> | <u> </u> | <u>9,835,178.46</u> |
| Total | <u>\$ 47,976,812.53</u> | <u>\$ 235,359.67</u> | <u>\$ 0.00</u> | <u>\$ 48,212,172.20</u> |

| <u>2008</u> | Balance, December 31, <u>2007</u> | Net <u>Additions</u> | <u>Retirements</u> | Balance, December 31, <u>2008</u> |
|-----------------------------|---|-----------------------------|-------------------------|---|
| Land | \$ 9,558,813.83 | \$ 5,569,565.85 | \$ 1,829,154.83 | \$ 13,299,224.85 |
| Buildings | 14,008,615.13 | 14,476,836.24 | 3,448,974.13 | 25,036,477.24 |
| Improvements | | | | |
| Other Than Bldgs | 41,291.65 | | | 41,291.65 |
| Machinery & Equipment | 9,170,676.61 | 605,368.00 | 176,225.50 | 9,599,818.79 |
| Construction in Progress | <u>11,482,619.07</u> | <u> </u> | <u>11,482,619.07</u> | <u> </u> |
| Total | <u>\$ 44,262,016.29</u> | <u>\$ 20,651,770.09</u> | <u>\$ 16,936,973.85</u> | <u>\$ 47,976,812.53</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

6. Long-Term Debt

The Borough's long-term debt consisted of the following at December 31, 2009:

General Serial Bonds

| | |
|--|-------------------------|
| 2002 General Improvement Bonds dated July 1, 2002 issued through the Monmouth County Improvement Authority at a variable rate of interest due in annual installments through July 1, 2032 | \$ 7,125,000.00 |
| 2003 General Improvement Bonds dated December 18, 2003 issued through the Monmouth County Improvement Authority at a variable rate of interest due in annual installments through December 1, 2018 | 609,000.00 |
| 2006 General Improvement Bonds dated December 21, 2006 issued through the Monmouth County Improvement Authority at a variable rate of interest due in annual installments through December 1, 2016 | 398,000.00 |
| 2008 General Improvement Bonds dated January 3, 2008 issued through the Monmouth County Improvement Authority at a variable rate of interest due in annual installments through January 1, 2029 | <u>8,395,000.00</u> |
| | <u>\$ 16,527,000.00</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

6. Long-Term Debt (continued)

Debt service requirements during the next several years are as follows:

| <u>General</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------|-------------------------|------------------------|-------------------------|
| 2010 | \$ 708,000.00 | \$ 712,421.00 | \$ 1,420,421.00 |
| 2011 | 722,000.00 | 683,171.00 | 1,405,171.00 |
| 2012 | 731,000.00 | 653,501.00 | 1,384,501.00 |
| 2013 | 745,000.00 | 623,300.00 | 1,368,300.00 |
| 2014 | 761,000.00 | 592,260.00 | 1,353,260.00 |
| 2015 | 782,000.00 | 559,822.50 | 1,341,822.50 |
| 2016 | 798,000.00 | 526,197.50 | 1,324,197.50 |
| 2017 | 751,000.00 | 491,895.00 | 1,242,895.00 |
| 2018 | 769,000.00 | 460,115.00 | 1,229,115.00 |
| 2019 | 705,000.00 | 427,607.50 | 1,132,607.50 |
| 2020 | 725,000.00 | 397,547.50 | 1,122,547.50 |
| 2021 | 740,000.00 | 366,377.50 | 1,106,377.50 |
| 2022 | 760,000.00 | 334,607.50 | 1,094,607.50 |
| 2023 | 780,000.00 | 301,882.50 | 1,081,882.50 |
| 2024 | 800,000.00 | 267,887.50 | 1,067,887.50 |
| 2025 | 825,000.00 | 233,072.50 | 1,058,072.50 |
| 2026 | 850,000.00 | 197,232.50 | 1,047,232.50 |
| 2027 | 875,000.00 | 160,097.50 | 1,035,097.50 |
| 2028 | 885,000.00 | 101,925.00 | 986,925.00 |
| 2029 | 885,000.00 | 83,050.00 | 968,050.00 |
| 2030 | 310,000.00 | 44,175.00 | 354,175.00 |
| 2031 | 310,000.00 | 29,450.00 | 339,450.00 |
| 2032 | <u>310,000.00</u> | <u>14,725.00</u> | <u>324,725.00</u> |
| | <u>\$ 16,527,000.00</u> | <u>\$ 8,262,320.50</u> | <u>\$ 24,789,320.50</u> |

The December 1999, July 2002, December 2003, December 2007, and January 2008 Bonds were issued at variable rates through the Monmouth County Improvement Authority.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

6. Long-Term Debt (continued)

Debt service requirements during the next several years are as follows:

Green Trust Loan Program

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------|----------------------|---------------------|----------------------|
| 2010 | \$ 39,820.19 | \$ 6,179.81 | \$ 46,000.00 |
| 2011 | 40,620.59 | 5,379.41 | 46,000.00 |
| 2012 | 41,437.06 | 4,562.94 | 46,000.00 |
| 2013 | 42,269.94 | 3,730.06 | 46,000.00 |
| 2014 | 43,119.57 | 2,880.43 | 46,000.00 |
| 2015 | 43,986.28 | 2,013.72 | 46,000.00 |
| 2016 | 44,870.40 | 1,129.60 | 46,000.00 |
| 2017 | <u>22,772.28</u> | <u>227.72</u> | <u>23,000.00</u> |
| | <u>\$ 318,896.31</u> | <u>\$ 26,103.69</u> | <u>\$ 345,000.00</u> |

Capital Lease Obligations

The Borough participates in the Monmouth County Improvement Authority ("Authority") Capital Equipment Lease Program ("Program"). Under the Program, the Borough purchases equipment with the proceeds of an Authority bond issue and then pays the Authority in the form of lease payments.

Debt service requirements for Capital Lease obligations during the next several years are as follows:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|----------------------|---------------------|----------------------|
| 2010 | \$ 331,500.00 | \$ 23,912.18 | \$ 355,412.18 |
| 2011 | 122,300.00 | 11,252.00 | 133,552.00 |
| 2012 | <u>127,200.00</u> | <u>6,360.00</u> | <u>133,560.00</u> |
| | <u>\$ 581,000.00</u> | <u>\$ 41,524.18</u> | <u>\$ 622,524.18</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

6. Long-Term Debt (continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.56%.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|----------------------|-------------------------|-------------------------|-------------------------|
| School District Debt | \$ 12,290,673.19 | \$ 12,290,673.19 | |
| General Debt | <u>28,892,290.35</u> | <u>11,109,824.90</u> | <u>\$ 17,782,465.45</u> |
| | <u>\$ 41,182,963.54</u> | <u>\$ 23,400,498.09</u> | <u>\$ 17,782,465.45</u> |

Net Debt \$17,782,465.45 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$3,173,564,556.00 = 0.56%.

Borrowing Power Under N.J.S. 40A:2-6 as Amended

| | |
|---|-------------------------|
| 3.5% of Equalized Valuation Basis (Municipal) | \$ 111,074,759.46 |
| Less: Net Debt | <u>17,782,465.45</u> |
| Remaining Borrowing Power | <u>\$ 93,292,294.01</u> |

Calculation of "Self-Liquidating Purposes"- Sewer Utility per N.J.S. 40A:2-45

| | |
|---|----------------------|
| Cash Receipts From Fees, Rents or Other Charges for the Year | \$ 4,868,731.17 |
| Deductions: | |
| Operating and Maintenance Costs | <u>4,329,557.00</u> |
| Excess Revenue | <u>\$ 539,174.17</u> |

The calculation is used for the following purpose:

If there is an "excess in revenue" all such utility debt is deductible.

If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

7. Bond Anticipation Notes

The Borough issues bond anticipation notes to temporarily fund various 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 ten years. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that, on or before the third anniversary date of the original note, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

At December 31, 2009, the Borough had the following outstanding bond anticipation notes in the General Capital Fund:

| <u>Purpose</u> | <u>Date Issued</u> | <u>Interest Rate</u> | <u>Amount</u> |
|---|--------------------|----------------------|------------------------|
| Acquisition of Property | 01/22/09 | 1.75% | \$ 176,395.00 |
| Acquisition of Property | 01/22/09 | 1.75% | 396,245.00 |
| Improvements To Shark River Road | 01/22/09 | 1.75% | 2,500.00 |
| Various Road Improvements | 01/22/09 | 1.75% | 137,826.00 |
| Improvements To Shark River Road | 01/22/09 | 1.75% | 47,500.00 |
| Construction of a Multipurpose Recreation Building at Liberty Park II | 01/22/09 | 1.75% | 252,700.00 |
| Acquisition of Real Property – Somers Tract | 01/22/09 | 1.75% | 1,600,000.00 |
| Drainage Outfall Improvements | 01/22/09 | 1.75% | <u>190,000.00</u> |
| | | | <u>\$ 2,803,166.00</u> |

8. Bonds and Notes Authorized But Not Issued

At December 31, 2009, the Borough had authorized but not issued bonds and notes in the General Capital Fund in the amount of \$9,243,228.04.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

9. Regional District High School Taxes

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

The Borough has elected to defer school taxes as follows:

| | <u>Regional District High School Tax</u> | |
|----------------|--|-----------------|
| | <u>2009</u> | <u>2008</u> |
| Balance of Tax | \$ 5,055,719.35 | \$ 5,391,979.72 |
| Deferred | 2,270,231.55 | 2,270,231.55 |
| Tax Payable | \$ 2,785,487.80 | \$ 3,121,748.17 |

10. Fund Balances Appropriated

Current Fund

The Fund Balance at December 31, 2009 was \$3,243,830.62 of which \$3,150,000.00* was appropriated and included as anticipated revenue for the year ended December 31, 2010.

Sewer Utility Operating Fund

The Fund Balance at December 31, 2009 was \$696,774.99 of which \$600,000.00* was appropriated and included as anticipated revenue for the year ended December 31, 2010.

11. Accrued Sick and Vacation Benefits - Unaudited

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation and sick pay. Effective for financial statements dated December 31, 1987, the state has required all municipalities to disclose the estimated current cost of unused sick and vacation benefits at year-end. The Borough estimates the current cost of such unpaid compensation at December 31, 2009 to be \$1,876,405.74. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. The Trust Reserve for accumulated absences at December 31, 2009 totaled \$14,954.32.

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

12. Post-Employment Retirement Benefits

The Borough entered the State Health Benefits Program ("SHBP") on March 1, 2009. There are 33 retirees or disabled employees (not including dependents) currently receiving benefits.

The Borough will contribute to the SHBP, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

In 2009, the Borough participated with Horizon Blue Cross/Blue Shield of New Jersey. The approximate cost to provide these benefits was \$448,114.36.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2009, the Borough authorized participation in the SHBP's post-retirement benefit program through resolution number R-09-003. Eligibility to participate in the SHBP's post-retirement benefit program begins after 25 years of creditable service in the State of New Jersey retirement system or for employees who become disabled with at least 10 years of creditable service in the State of New Jersey retirement system. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

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

Funding Policy

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough pays 100% of the premiums for retirees and their dependents. The Borough also reimburses 100% of the Medicare premiums for retirees and their spouses.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

13. Contingent Liabilities

State and Federal Grants

The Borough receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant 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 estimates that no material liabilities will result from such audits.

14. Risk Management

The Borough is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disasters.

Property and Liability Insurance - The Borough maintains commercial insurance coverage for property, liability and surety bonds.

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund the New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The following is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's Trust Fund for the current and prior year:

| <u>Year</u> | <u>Borough Contributions</u> | <u>Interest Earned</u> | <u>Reimbursements</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|-------------|------------------------------|------------------------|-----------------------|--------------------------|-----------------------|
| 2009 | \$ 106,533.12 | \$ 460.37 | \$ 0.00 | \$ 83,241.35 | \$ 76,763.04 |
| 2008 | 61,215.00 | 1,024.17 | 0.00 | 42,613.33 | 53,010.90 |
| 2007 | 61,330.00 | 1,267.94 | 0.00 | 47,561.80 | 33,385.06 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

15. Deferred Compensation Program

The Borough has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and amended pursuant to Section 401 (a)(31)(B) of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

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

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

16. Length of Service Award Program ("LOSAP") - Unaudited

The Borough has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Tinton Falls Emergency Medical Services Squads. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions - The annual contribution to be made by the Borough for each active volunteer member may be amended on a yearly basis in accordance with regulations established by the New Jersey Department of Consumer Affairs, Division of Local Government Services. The Borough has made annual contributions as follows:

| | |
|---------------------------|------------------|
| In 2008 for the year 2007 | \$ 1,314.22 |
| In 2009 for the year 2008 | 1,314.22 |
| In 2010 for the year 2009 | To be determined |

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

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Borough for each active volunteer 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).

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2009 and 2008

16. Length of Service Award Program ("LOSAP") - Unaudited (continued)

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

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

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

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

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

SUPPLEMENTARY SCHEDULES

CURRENT FUND
SCHEDULES

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2009

Reference

| | | | |
|--|---------|-------------------|-------------------------|
| Balance, December 31, 2008 | A | | \$ 16,927,063.75 |
| Increased By Receipts: | | | |
| Non-Budget Revenues | A-1,A-2 | \$ 524,441.42 | |
| Due From Fire/EMS/School - Fuel | A,A-1 | 6,562.39 | |
| Cancelled Grant Reserves | A-1 | 0.14 | |
| State of New Jersey - Senior Citizens' and Veterans' Deductions | 3-A | 151,242.09 | |
| Property Taxes Receivable | 4-A | 52,320,951.83 | |
| Revenue Accounts Receivable | 6-A | 7,092,581.48 | |
| Due To State | 11-A | 38,880.00 | |
| Prepaid Taxes | 13-A | 163,400.73 | |
| Tax Overpayments | 14-A | 264,498.34 | |
| Special Emergency Notes | 19-A | <u>260,000.00</u> | |
| | | | <u>60,822,558.42</u> |
| | | | 77,749,622.17 |
| Decreased By Disbursements: | | | |
| Refund of Prior Year Revenue | A-1 | 113,911.52 | |
| 2009 Budget Appropriations | A-3 | 19,502,869.98 | |
| 2008 Appropriation Reserves | 8-A | 396,063.96 | |
| Accounts Payable | 10-A | 2,210.09 | |
| Due To State | 11-A | 38,880.00 | |
| County Taxes | 12-A | 8,414,305.65 | |
| Tax Overpayments | 14-A | 192,615.37 | |
| Regional School Taxes | 15-A | 18,648,881.26 | |
| Regional High School Taxes | 16-A | 10,447,699.12 | |
| Municipal Open Space Tax Payable | 17-A | 901,774.24 | |
| Special District Taxes Payable | 18-A | 2,008,960.00 | |
| Special Emergency Notes | 19-A | 380,000.00 | |
| Reserve for: | | | |
| Revaluation Contracts | 20-A | 9,640.00 | |
| Codification Contracts | 20-A | <u>20,350.00</u> | |
| | | | <u>61,078,161.19</u> |
| Balance, December 31, 2009 | A | | <u>\$ 16,671,460.98</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

Year ended December 31, 2009

| | <u>Balance December 31, 2009 and 2008</u> |
|--------------------------|---|
| Clerk of Municipal Court | \$ 500.00 |
| Municipal Clerk | 75.00 |
| Collector | <u>100.00</u> |
| | <u>\$ 675.00</u> |
| <u>Reference</u> | A |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

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

Year ended December 31, 2009

| | <u>Reference</u> | | |
|---|------------------|-----------------|---------------------------|
| Balance, December 31, 2008 | A | | \$ 3,423.70 |
| Increased By: | | | |
| Senior Citizens' Deductions per Tax Billings | 3-A | \$ 30,000.00 | |
| Veterans' Deductions per Tax Billings | 3-A | 119,250.00 | |
| Senior Citizens' and Veterans' Deductions Allowed By Tax Collector | 3-A | <u>4,250.00</u> | |
| | | | <u>153,500.00</u> |
| Decreased By: | | | |
| Cash Received From State of New Jersey | 1-A | 151,242.09 | 156,923.70 |
| Senior Citizens' Disallowed | 3-A | 1,767.13 | |
| Senior Citizens' Disallowed - 2008 | A-1,4-A | <u>1,000.00</u> | |
| | | | <u>154,009.22</u> |
| Balance, December 31, 2009 | A | | <u><u>\$ 2,914.48</u></u> |

Calculation of Amount - Schedule of Taxes Receivable

| | | | |
|---|-----|-----------------|-----------------------------|
| Senior Citizens' Deductions per Tax Billings | 3-A | \$ 30,000.00 | |
| Veterans' Deductions per Tax Billings | 3-A | 119,250.00 | |
| Senior Citizens' and Veterans' Deductions Allowed By Tax Collector | 3-A | <u>4,250.00</u> | |
| | | | \$ 153,500.00 |
| Less: Senior Citizens' Deductions Disallowed By Tax Collector | 3-A | | <u>1,767.13</u> |
| Balance Applied To Taxes | 4-A | | <u><u>\$ 151,732.87</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year ended December 31, 2009

| Year | Balance December 31, 2008 | 2009 Levy | 2008 | 2009 | Due From State of New Jersey | Transferred To Tax Title Liens | (Cancellations)/ Adjustments | Balance December 31, 2009 |
|-----------|---------------------------------|------------------|---------------|------------------|------------------------------------|--------------------------------------|---------------------------------|---------------------------------|
| 2005 | \$ 3,365.62 | | | \$ 3,059.07 | | | | \$ 306.55 |
| 2006 | 6,748.56 | | | 300.00 | | | | 6,448.56 |
| 2007 | 10,373.72 | | | 3,419.50 | | | | 6,954.22 |
| 2008 | 649,875.13 | | \$ 136,757.92 | 640,620.95 | \$ (1,000.00) | \$ 3,120.28 | \$ (32.99) | 7,100.91 |
| 2009 | | \$ 52,610,079.57 | | 51,673,552.31 | 151,732.87 | 5,242.45 | (73,951.97) | 568,842.05 |
| Reference | A | 4-A | 13-A | 1-A | 3-A | 5-A | 4-A | A |
| | \$ 670,363.03 | \$ 52,610,079.57 | \$ 136,757.92 | \$ 52,320,951.83 | \$ 150,732.87 | \$ 8,362.73 | \$ (73,984.96) | \$ 589,652.29 |

Analysis of Property Tax Levy

Tax Yield

| | | |
|---------------------------------------|-----|-------------------------|
| General Purpose Tax | 4-A | \$ 49,477,346.63 |
| Special District Taxes | 4-A | 2,023,995.05 |
| Added Taxes (R.S. 54-4-63, 1 et seq.) | 4-A | 1,108,737.89 |
| | | <u>\$ 52,610,079.57</u> |

Tax Levy

| | | |
|--|------|---------------------|
| Regional District School Tax | 15-A | \$ 18,720,022.63 |
| Regional District High School Tax | 16-A | 10,111,438.75 |
| County Taxes: | | |
| County Tax | 12-A | \$ 7,407,393.55 |
| County Library Tax | 12-A | 437,628.56 |
| County Open Space Tax | 12-A | 486,314.11 |
| Due County for Added and Omitted Taxes | 12-A | 179,718.10 |
| Municipal Open Space Tax | 17-A | 8,511,054.32 |
| Fire Districts Taxes | 18-A | 901,774.24 |
| | | <u>2,008,960.00</u> |
| | | \$ 40,253,249.94 |

Local Tax for Municipal Purposes
Add: Additional Tax Levied

| | | |
|--|-----|----------------------|
| | A-2 | 11,411,814.60 |
| | 4-A | 945,015.03 |
| | | <u>12,356,829.63</u> |

Analysis of Current Year Tax Collections

| | |
|---|-------------------------|
| 2008 Cash Collections of 2009 Taxes | \$ 136,757.92 |
| 2009 Cash Collections of 2009 Taxes | 51,673,552.31 |
| Veterans' and Senior Citizens' Deductions | 151,732.87 |
| | <u>\$ 51,962,043.10</u> |

\$ 52,610,079.57

\$ 52,610,079.57

\$ 51,962,043.10

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

Year ended December 31, 2009

| | <u>Reference</u> | | |
|---------------------------------|------------------|---------------|---------------------|
| Balance, December 31, 2008 | A | | \$ 4,938.68 |
| Increased By: | | | |
| Transfers From Taxes Receivable | 4-A | \$ 8,362.73 | |
| Interest and Costs at Tax Sale | 5-A | <u>352.36</u> | |
| | | | <u>8,715.09</u> |
| Balance, December 31, 2009 | A | | <u>\$ 13,653.77</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2009

| | <u>Reference</u> | Balance December 31, 2008 | Accrued in 2009 | <u>Collections</u> | Balance December 31, 2009 |
|--|------------------|---------------------------------|------------------------|------------------------|---------------------------------|
| Miscellaneous Revenues: | | | | | |
| Licenses: | | | | | |
| Alcoholic Beverages | A-2 | | \$ 20,638.90 | \$ 20,638.90 | |
| Other | A-2 | | 25,426.51 | 25,426.51 | |
| Fees and Permits | A-2 | | 375,912.14 | 375,912.14 | |
| Fines and Costs: | | | | | |
| Municipal Court | A-2 | \$ 57,809.88 | 696,089.03 | 713,741.82 | \$ 40,157.09 |
| Interest and Costs on Taxes | A-2 | | 132,152.53 | 132,152.53 | |
| Interest on Investments and Deposits | A-2 | | 363,267.14 | 363,267.14 | |
| Commercial Garbage Fees | A-2 | | 115,428.56 | 115,428.56 | |
| Consolidated Municipal Property Tax | | | | | |
| Relief Aid | A-2 | | 148,321.00 | 148,321.00 | |
| Energy Receipts Tax | A-2 | | 1,725,292.00 | 1,725,292.00 | |
| Reserve for Garden State Trust | A-2 | | 217.62 | 217.62 | |
| Uniform Construction Code Fees | A-2 | | 299,589.00 | 299,589.00 | |
| Host Municipalities Act | A-2 | | 2,111,945.22 | 2,111,945.22 | |
| Franchise Fees | A-2 | | 82,294.14 | 82,294.14 | |
| Capital Surplus | A-2 | | 64,595.00 | 64,595.00 | |
| Capital Reserve - Pines II Contribution | A-2 | | 20,000.00 | 20,000.00 | |
| Open Space Trust: | | | | | |
| Interest on Notes | A-2 | | 60,855.11 | 60,855.11 | |
| Note Principal | A-2 | | 111,581.81 | 111,581.81 | |
| Bond Principal | A-2 | | 72,615.97 | 72,615.97 | |
| Interest on Bonds | A-2 | | 102,005.56 | 102,005.56 | |
| Reserve for Future Debt Service: | | | | | |
| BAN Due 01/23/09 | A-2 | | 10,561.06 | 10,561.06 | |
| BAN Due 01/23/09 Open Space | A-2 | | 7,136.00 | 7,136.00 | |
| Reserve for Sale of Assets | A-2 | | 116,100.00 | 116,100.00 | |
| Hotel Occupancy Tax | A-2 | | 365,223.91 | 365,223.91 | |
| Employee Health Benefit Reimbursements | A-2 | | 86,902.62 | 86,902.62 | |
| Fort Monmouth Eco Revitalization Planning Auth | A-2 | | 11,250.00 | 11,250.00 | |
| Capital Reserve - Historic District | A-2 | | 65,627.86 | 65,627.86 | |
| | | <u>\$ 57,809.88</u> | <u>\$ 7,191,028.69</u> | <u>\$ 7,208,681.48</u> | <u>\$ 40,157.09</u> |
| | <u>Reference</u> | A | 6-A | | A |
| Cash Receipts | 1-A | | | \$ 7,092,581.48 | |
| Reserve for Sale of Assets | 20-A | | | <u>116,100.00</u> | |
| | | | | <u>\$ 7,208,681.48</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

Year ended December 31, 2009

| <u>Description</u> | Balance December 31, <u>2008</u> | Decreased <u>By</u> | Balance December 31, <u>2009</u> |
|--|--|------------------------|--|
| Special Emergency Authorizations - 5 Years: | | | |
| 06/27/06 Revaluation of Real Property | \$ 300,000.00 | \$ 100,000.00 | \$ 200,000.00 |
| 11/28/07 Preparation of a Revision and Codification of Borough Ordinances | <u>80,000.00</u> | <u>20,000.00</u> | <u>60,000.00</u> |
| | <u>\$ 380,000.00</u> | <u>\$ 120,000.00</u> | <u>\$ 260,000.00</u> |
| <u>Reference</u> | A | A-3 | A |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2008 APPROPRIATION RESERVES

Year ended December 31, 2009

| | Balance, December 31, <u>2008</u> | Balance after <u>Modifications</u> | Paid or <u>Charged</u> | <u>Lapsed</u> |
|-------------------------------------|---|---------------------------------------|---------------------------|---------------|
| GENERAL APPROPRIATIONS | | | | |
| Borough Council: | | | | |
| Salaries and Wages | | \$ 154.00 | \$ 153.84 | \$ 0.16 |
| Other Expenses | \$ 2,075.50 | 2,671.00 | 165.50 | 2,505.50 |
| Office of the Mayor: | | | | |
| Other Expenses | 4,896.46 | 6,616.21 | 4,274.75 | 2,341.46 |
| Municipal Clerk: | | | | |
| Salaries and Wages | 1,779.57 | 1,779.57 | | 1,779.57 |
| Other Expenses | 6,038.73 | 26,514.31 | 8,869.80 | 17,644.51 |
| Office of the Tax Assessor: | | | | |
| Other Expenses | 1,612.58 | 1,822.09 | 209.51 | 1,612.58 |
| Division of Administration: | | | | |
| Salaries and Wages | 3,032.59 | 3,032.59 | | 3,032.59 |
| Other Expenses | 4,482.25 | 9,607.15 | 3,957.27 | 5,649.88 |
| Human Resources: | | | | |
| Other Expenses | 1,360.27 | 1,720.77 | 213.30 | 1,507.47 |
| Division of Central Services: | | | | |
| Other Expenses: | | | | |
| Miscellaneous Other Expenses | 7,353.80 | 10,333.14 | 2,711.47 | 7,621.67 |
| Division of Engineering: | | | | |
| Other Expenses | 17,850.11 | 35,641.18 | 18,100.77 | 17,540.41 |
| Historical Sites Office: | | | | |
| Other Expenses | 382.59 | 1,080.72 | 698.13 | 382.59 |
| Division of Law: | | | | |
| Other Expenses | 27,844.59 | 34,511.25 | 17,922.16 | 16,589.09 |
| Division of Central Maintenance: | | | | |
| Salaries and Wages | 9,141.98 | 9,141.98 | | 9,141.98 |
| Other Expenses | 17,042.78 | 39,837.90 | 22,089.30 | 17,748.60 |
| Division of Streets: | | | | |
| Salaries and Wages | 12,918.66 | 12,918.66 | 1,400.88 | 11,517.78 |
| Other Expenses | 23,767.53 | 52,848.42 | 24,055.25 | 28,793.17 |
| Division of Sanitation: | | | | |
| Salaries and Wages | 22,876.64 | 22,876.64 | 563.64 | 22,313.00 |
| Other Expenses: | | | | |
| Landfill/Solid Waste Disposal Costs | 13,514.93 | 15,670.38 | 5,766.65 | 9,903.73 |
| Miscellaneous Other Expenses | 6,474.63 | 11,980.62 | 3,748.59 | 8,232.03 |
| Division of Buildings and Grounds: | | | | |
| Salaries and Wages | 6,132.55 | 6,132.55 | 517.29 | 5,615.26 |
| Other Expenses | 19,540.18 | 31,707.30 | 17,352.28 | 14,355.02 |
| Maintenance of Parks: | | | | |
| Salaries and Wages | 10,165.67 | 10,165.67 | 1,057.10 | 9,108.57 |
| Other Expenses | 6,666.11 | 8,446.60 | 840.48 | 7,606.12 |
| Shade Tree: | | | | |
| Other Expenses | 1,168.38 | 1,193.38 | 25.00 | 1,168.38 |
| Community Services Act: | | | | |
| Other Expenses | 9,815.00 | 9,815.00 | 9,094.00 | 721.00 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2008 APPROPRIATION RESERVES

Year ended December 31, 2009

| | Balance, December 31, <u>2008</u> | Balance after <u>Modifications</u> | Paid or <u>Charged</u> | <u>Lapsed</u> |
|--|---|---------------------------------------|---------------------------|---------------|
| GENERAL APPROPRIATIONS (continued) | | | | |
| Police: | | | | |
| Salaries and Wages | 28,435.96 | 28,435.96 | 1,165.35 | 27,270.61 |
| Other Expenses | 13,558.20 | 41,301.30 | 23,479.90 | 17,821.40 |
| Division of Emergency Management: | | | | |
| Salaries and Wages | 3,524.08 | 3,524.08 | | 3,524.08 |
| Other Expenses | 4,864.80 | 4,864.80 | | 4,864.80 |
| Municipal Prosecutor: | | | | |
| Salaries and Wages | 1,257.14 | 1,257.14 | | 1,257.14 |
| Other Expenses | 2,300.00 | 2,300.00 | | 2,300.00 |
| Division of Finance: | | | | |
| Salaries and Wages | 4,763.67 | 4,763.67 | 950.69 | 3,812.98 |
| Other Expenses: | | | | |
| Auditing Services | 2,200.00 | 29,925.00 | 29,725.00 | 200.00 |
| Miscellaneous Other Expenses | 2,607.64 | 3,082.25 | 328.61 | 2,753.64 |
| Division of Revenue: | | | | |
| Salaries and Wages | 2,238.32 | 2,238.32 | | 2,238.32 |
| Other Expenses | 316.80 | 3,131.97 | 1,455.38 | 1,676.59 |
| Environmental Health Services: | | | | |
| Other Expenses | 4,042.02 | 7,694.12 | | 7,694.12 |
| Contribution To Social Service Agencies: | | | | |
| Other Expenses | 250.00 | 750.00 | 500.00 | 250.00 |
| Alliance Program: | | | | |
| Other Expenses | 5,922.50 | 7,310.00 | 1,387.50 | 5,922.50 |
| Division of Recreation: | | | | |
| Salaries and Wages | 11,090.76 | 11,090.76 | | 11,090.76 |
| Other Expenses | 11,633.49 | 25,835.07 | 11,594.27 | 14,240.80 |
| Division of Housing: | | | | |
| Salaries and Wages | | | | |
| Other Expenses | 3,869.60 | 13,902.50 | 10,000.00 | 3,902.50 |
| Division of Planning: | | | | |
| Salaries and Wages | 2,163.03 | 2,163.03 | | 2,163.03 |
| Other Expenses | 6,392.82 | 14,107.14 | 6,751.50 | 7,355.64 |
| Division of Zoning: | | | | |
| Salaries and Wages | 2,148.43 | 2,148.43 | | 2,148.43 |
| Other Expenses | 9,635.33 | 14,124.15 | 1,902.30 | 12,221.85 |
| Division of Code Enforcement: | | | | |
| Salaries and Wages | 3,969.62 | 3,969.62 | | 3,969.62 |
| Other Expenses | 665.68 | 1,956.77 | 1,054.45 | 902.32 |
| Division of Fire Prevention: | | | | |
| Salaries and Wages | 401.54 | 401.54 | | 401.54 |
| Other Expenses | 2,292.53 | 3,660.92 | 2,178.99 | 1,481.93 |
| Animal Control Services: | | | | |
| Other Expenses | 3,633.39 | 5,828.62 | 2,255.23 | 3,573.39 |
| Municipal Court: | | | | |
| Salaries and Wages | 1,695.22 | 1,695.22 | 302.10 | 1,393.12 |
| Other Expenses | 3,874.44 | 4,850.07 | 1,003.64 | 3,846.43 |
| Public Defender: | | | | |
| Salaries and Wages | 2,005.12 | 2,005.12 | | 2,005.12 |
| Public Employees Occupational Safety and Health Act: | | | | |
| Other Expenses | 4,000.00 | 4,000.00 | | 4,000.00 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2008 APPROPRIATION RESERVES

Year ended December 31, 2009

| | Balance, December 31, <u>2008</u> | Balance after <u>Modifications</u> | Paid or <u>Charged</u> | <u>Lapsed</u> |
|---|---|---------------------------------------|---------------------------|----------------------|
| INSURANCE | | | | |
| Group Insurance | 65,469.32 | 65,469.32 | 65,469.32 | |
| UNIFORM CONSTRUCTION CODE APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17) | | | | |
| State Uniform Construction Code: | | | | |
| Salaries and Wages | 5,563.85 | 5,563.85 | 149.76 | 5,414.09 |
| Other Expenses | 1,956.11 | 5,054.37 | 3,049.04 | 2,005.33 |
| UNCLASSIFIED | | | | |
| Electricity | 15,816.57 | 33,816.57 | 20,227.84 | 13,588.73 |
| Street Lighting | 1,788.52 | 1,788.52 | | 1,788.52 |
| Telephone | 4,187.73 | 9,825.96 | 9,387.57 | 438.39 |
| Water | 1,926.50 | 2,407.08 | 548.56 | 1,858.52 |
| Gas | 7,317.49 | 8,617.49 | 2,087.14 | 6,530.35 |
| Fuel Oil | 52,505.98 | 52,771.93 | 8,093.83 | 44,678.10 |
| Telecommunications | 6,556.09 | 9,823.92 | 3,964.74 | 5,859.18 |
| Interlocal Municipal Service Agreements: | | | | |
| Tinton Falls Board Of Education: | | | | |
| Computer Information Services | | 25,000.00 | 25,000.00 | |
| Ambulance | | 20,000.00 | 20,000.00 | |
| Statutory Expenditures: | | | | |
| Contribution To: | | | | |
| Social Security System (O.A.S.I.) | 20,538.63 | 20,538.63 | 540.02 | 19,998.61 |
| LOSAP - Volunteer Ambulance | 45,000.00 | 45,000.00 | 34,169.72 | 10,830.28 |
| NJDES Stormwater Permit (N.J.S.A. 40A:4-45.3(cc)): | | | | |
| Division of Streets: | | | | |
| Other Expenses | 2,296.81 | 12,296.81 | 12,019.50 | 277.31 |
| Recycling Tax | 1,635.18 | 2,810.79 | 1,319.07 | 1,491.72 |
| Total General Appropriations | <u>\$ 616,244.99</u> | <u>\$ 941,321.89</u> | <u>\$ 445,847.98</u> | <u>\$ 495,473.91</u> |
| | <u>Reference</u> | A | | A-1 |
| Appropriation Reserves | A | \$ 616,244.99 | | |
| Encumbrances Payable | 9-A | <u>325,076.90</u> | | |
| | | <u>\$ 941,321.89</u> | | |
| Cash Disbursed | 1-A | | \$ 396,063.96 | |
| Transferred To Accounts Payable | 10-A | | <u>49,784.02</u> | |
| | | | <u>\$ 445,847.98</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|------------------------------------|------------------|-----------------------------|
| Balance, December 31, 2008 | A | \$ 325,076.90 |
| Increased By: | | |
| Budget Appropriations | A-3 | <u>372,843.10</u> |
| | | 697,920.00 |
| Decreased By: | | |
| Transfer To Appropriation Reserves | 8-A | <u>325,076.90</u> |
| Balance, December 31, 2009 | A | <u><u>\$ 372,843.10</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|---|------------------|-----------------------------|
| Balance, December 31, 2008 | A | \$ 110,328.32 |
| Increased By: | | |
| Transferred From Appropriation Reserves | 8-A | <u>49,784.02</u> |
| | | 160,112.34 |
| Decreased By: | | |
| Cash Disbursements | 1-A | <u>2,210.09</u> |
| Balance, December 31, 2009 | A | <u><u>\$ 157,902.25</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE TO STATE

Year ended December 31, 2009

| | Balance December 31, <u>2008</u> | Cash <u>Receipts</u> | Cash <u>Disbursements</u> | Balance December 31, <u>2009</u> |
|-------------------|--|-------------------------|------------------------------|--|
| Marriage Licenses | | \$ 2,650.00 | \$ 2,650.00 | |
| Burial Permits | | 20.00 | 20.00 | |
| DCA Training Fees | | <u>36,210.00</u> | <u>36,210.00</u> | |
| | <u>\$ 0.00</u> | <u>\$ 38,880.00</u> | <u>\$ 38,880.00</u> | <u>\$ 0.00</u> |
| <u>Reference</u> | A | 1-A | 1-A | A |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | | |
|---|------------------|-------------------|-----------------------------|
| Balance, December 31, 2008 | A | | \$ 82,969.43 |
| Increased By: | | | |
| 2009 Tax Levy: | | | |
| County Tax | 4-A | \$ 7,407,393.55 | |
| County Library Tax | 4-A | 437,628.56 | |
| County Open Space Fund Tax | 4-A | 486,314.11 | |
| Due County for Added and Omitted Taxes | 4-A A-1 | <u>179,718.10</u> | |
| | | | <u>8,511,054.32</u> |
| | | | 8,594,023.75 |
| Decreased By: | | | |
| Cash Disbursements | 1-A | | <u>8,414,305.65</u> |
| Balance, December 31, 2009 | A | | <u><u>\$ 179,718.10</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PREPAID TAXES

Year ended December 31, 2009

Reference

| | | |
|----------------------------|-----|-----------------------------|
| Balance, December 31, 2008 | A | \$ 136,757.92 |
| Increased By: | | |
| Collection of 2010 Taxes | 1-A | <u>163,400.73</u> |
| | | 300,158.65 |
| Decreased By: | | |
| Applied To 2009 Taxes | 4-A | <u>136,757.92</u> |
| Balance, December 31, 2009 | A | <u><u>\$ 163,400.73</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------------|
| Balance, December 31, 2008 | A | \$ 48,346.20 |
| Increased By: | | |
| 2009 Tax Overpayments | 1-A | <u>264,498.34</u> |
| | | 312,844.54 |
| Decreased By: | | |
| Tax Overpayments Refunded | 1-A | <u>192,615.37</u> |
| Balance, December 31, 2009 | A | <u><u>\$ 120,229.17</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REGIONAL DISTRICT SCHOOL TAX PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-------------------------------|
| Balance, December 31, 2008 | A | \$ 8,787,770.27 |
| Increased By: | | |
| Levy Calendar Year 2009 | A-1,4-A | <u>18,720,022.63</u> |
| | | 27,507,792.90 |
| Decreased By: | | |
| Cash Disbursed | 1-A | <u>18,648,881.26</u> |
| Balance, December 31, 2009 | A | <u><u>\$ 8,858,911.64</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REGIONAL DISTRICT HIGH SCHOOL TAX PAYABLE

Year ended December 31, 2009

Reference

| | | | |
|---|------|----------------------|-------------------------|
| Balance, December 31, 2008: | | | |
| School Tax Payable | A | \$ 3,121,748.17 | |
| School Tax Deferred | 16-A | <u>2,270,231.55</u> | |
| | | | \$ 5,391,979.72 |
| Increased By: | | | |
| Levy - School Year July 1, 2009 to June 30, 2010 | 4-A | | <u>10,111,438.75</u> |
| | | | 15,503,418.47 |
| Decreased By: | | | |
| Cash Disbursed | 1-A | | <u>10,447,699.12</u> |
| Balance, December 31, 2009: | | | |
| School Tax Payable | A | 2,785,487.80 | |
| School Tax Deferred | 16-A | <u>2,270,231.55</u> | |
| | | | <u>\$ 5,055,719.35</u> |
| <u>2008 Liability for Regional District High School Tax</u> | | | |
| Tax Payable, December 31, 2009 | A | \$ 2,785,487.80 | |
| Tax Paid | 1-A | <u>10,447,699.12</u> | |
| | | | \$ 13,233,186.92 |
| Less: | | | |
| Tax Payable, December 31, 2008 | A | | <u>3,121,748.17</u> |
| Amount Charged To 2008 Operations | A-1 | | <u>\$ 10,111,438.75</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------|
| Balance, December 31, 2008 | A | \$ 0.00 |
| Increased By: | | |
| 2009 Levy | A-1,4-A | <u>901,774.24</u> |
| | | 901,774.24 |
| Decreased By: | | |
| Cash Disbursements | 1-A | <u>901,774.24</u> |
| Balance, December 31, 2009 | A | <u><u>\$ 0.00</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF FIRE DISTRICT TAXES PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | | |
|----------------------------|------------------|-------------------|-----------------------|
| Balance, December 31, 2008 | A | | \$ 0.00 |
| Increased By: | | | |
| Fire District #1 Levy | | \$ 1,060,954.00 | |
| Fire District #2 Levy | | <u>948,006.00</u> | |
| | A-1,4-A | | <u>2,008,960.00</u> |
| | | | 2,008,960.00 |
| Decreased By: | | | |
| Cash Disbursements | 1-A | | <u>2,008,960.00</u> |
| Balance, December 31, 2009 | A | | <u><u>\$ 0.00</u></u> |

CITY OF LONG BRANCH
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE

Year ended December 31, 2009

| <u>Ordinance Number</u> | <u>Description</u> | <u>Date of Issue of Original Note</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance December 31, 2008</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance December 31, 2009</u> |
|-------------------------|--|---------------------------------------|-------------------------|----------------------|----------------------------------|----------------------|----------------------|----------------------------------|
| 06-1188 | Revaluation of Real Property | 12/29/06 | 12/15/10 | 1.12% | \$ 300,000.00 | \$ 200,000.00 | \$ 300,000.00 | \$ 200,000.00 |
| 07-1223 | Preparation of a Revision and Codification of Borough Ordinances | 12/28/07 | 12/15/10 | 1.12% | 80,000.00 | 60,000.00 | 80,000.00 | 60,000.00 |
| | | | | | <u>\$ 380,000.00</u> | <u>\$ 260,000.00</u> | <u>\$ 380,000.00</u> | <u>\$ 260,000.00</u> |
| | | | | <u>Reference</u> | A | 1-A | 1-A | A |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2009

| | Balance December 31, <u>2008</u> | <u>Transfers</u> | <u>Decreased</u> | Balance December 31, <u>2009</u> |
|--------------------------|--|------------------|----------------------|--|
| Sale of Municipal Assets | \$ 392,920.34 | | \$ 116,100.00 | \$ 276,820.34 |
| Master Plan | 13,055.39 | | | 13,055.39 |
| Revaluation | 52,282.86 | \$ (21,320.00) | | 30,962.86 |
| Revaluation Contracts | | 21,320.00 | 9,640.00 | 11,680.00 |
| Codification | 22,125.01 | 2,124.99 | | 24,250.00 |
| Codification Contracts | 22,474.99 | (2,124.99) | 20,350.00 | |
| Garden State Trust | 217.62 | | | 217.62 |
| | <u>\$ 503,076.21</u> | <u>\$ 0.00</u> | <u>\$ 146,090.00</u> | <u>\$ 356,986.21</u> |
| | <u>Reference</u> | A | 20-A | A |
| Cash Disbursements | 1-A | | \$ 29,990.00 | |
| Anticipated As Revenue | 6-A | | <u>116,100.00</u> | |
| | | | <u>\$ 146,090.00</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF CASH - GRANT FUND

Year ended December 31, 2009

| | <u>Reference</u> | | |
|---------------------------------|------------------|------------------|-----------------------------|
| Balance, December 31, 2008 | A | | \$ 101,312.82 |
| Increased By Receipts: | | | |
| Grants Receivable | 22-A | \$ 37,175.66 | |
| Grants Unappropriated | 25-A | <u>51,877.99</u> | |
| | | | <u>89,053.65</u> |
| | | | 190,366.47 |
| Decreased By Disbursements: | | | |
| Appropriation Reserves | 24-A | 78,685.52 | |
| Grant Cancelled To Current Fund | 24-A | <u>0.14</u> | |
| | | | <u>78,685.66</u> |
| Balance, December 31, 2009 | A | | <u><u>\$ 111,680.81</u></u> |

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2009

| | Balance December 31, 2008 | Budget Revenue Realized | Cash Receipts | Transferred From Grants Unappropriated | Cancelled | Balance December 31, 2009 |
|---|---------------------------------|-------------------------------|---------------------|---|---------------------|---------------------------------|
| COPS Secure Our Schools | \$ 31,539.00 | | | | \$ 31,539.00 | \$ 40,000.00 |
| N.J. D.C.A. - Livable Communities | 40,000.00 | | | | | 90,000.00 |
| N.J. D.C.A. - Livable Communities | 90,000.00 | | | | | 1,250.00 |
| Monmouth County Historical Grant - 2006 | 1,250.00 | | | | | 2,090.00 |
| Monmouth County Historical Grant - 2007 | 2,090.00 | | | | | 3,445.00 |
| Smart Growth Planning Program | 3,445.00 | | | | | |
| Recycling Tonnage Grant | | \$ 23,944.94 | | \$ 23,944.94 | | |
| Drunk Driving Enforcement Fund | | 8,498.21 | \$ 8,498.21 | | | |
| Clean Communities Program | | 27,177.45 | 27,177.45 | | | |
| Body Armor Replacement Fund | | 3,976.90 | | 3,976.90 | | |
| Green Communities | 3,000.00 | | | | | 3,000.00 |
| Monmouth County Historical Grant - 2008 | 2,399.00 | | | | | 2,399.00 |
| Community Emergency Response Team | | 1,500.00 | 1,500.00 | | | |
| | <u>\$ 173,723.00</u> | <u>\$ 65,097.50</u> | <u>\$ 37,175.66</u> | <u>\$ 27,921.84</u> | <u>\$ 31,539.00</u> | <u>\$ 142,184.00</u> |

Reference A A-2 21-A 25-A 24-A A

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|--------------------------------------|------------------|----------------------------|
| Balance, December 31, 2008 | A | \$ 15,735.00 |
| Increased By: | | |
| Transferred From Grants Appropriated | 24-A | <u>33,128.87</u> |
| | | 48,863.87 |
| Decreased By: | | |
| Transferred To Grants Appropriated | 24-A | <u>15,735.00</u> |
| Balance, December 31, 2009 | A | <u><u>\$ 33,128.87</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2009

| | Balance December 31, <u>2008</u> | Transferred From 2009 <u>Budgets</u> | Transferred From Encumbrances <u>Payable</u> | Expended | Transferred To Encumbrances <u>Payable</u> | Cancelled | Balance December 31, <u>2009</u> |
|---|--|--|---|---------------------|---|---------------------|--|
| Alcohol Education Rehabilitation Fund | \$ 84.50 | | | \$ 84.50 | | | \$ 8,532.72 |
| Municipal Stormwater Program | 8,532.72 | | | | | | |
| COPS Secure Our Schools | 31,539.14 | | | | | \$ 31,539.14 | |
| N.J. D.C.A. - Livable Communities | 40,000.00 | | | | | | 40,000.00 |
| N.J. D.C.A. - Livable Communities <u>2007</u> | 90,000.00 | | | 6,032.67 | \$ 7,326.15 | | 76,641.18 |
| Recycling Tonnage Grant | 7,765.65 | | | 7,765.65 | | | |
| Body Armor Fund | 490.43 | | \$ 1,434.00 | 1,924.43 | | | |
| Smart Growth Planning Program | | | 2,352.50 | 2,352.50 | | | |
| Smart Growth Planning Program - Match | | | 2,352.50 | 2,352.50 | | | |
| Monmouth County Historical Grant - 2007 | 4,180.00 | | | | | | 4,180.00 |
| Monmouth County Historical Grant - Match | 4,180.00 | | | | | | 4,180.00 |
| Comcast - Technology Contribution <u>2008</u> | 6,441.25 | | | | | | 6,441.25 |
| Alcohol Education Rehabilitation Fund | 112.76 | | | 79.50 | | | 33.26 |
| Recycling Tonnage Grant | 16,502.91 | | | 15,728.26 | 774.65 | | 0.00 |
| Clean Communities Program | 6,890.52 | | | 6,890.52 | | | |
| Body Armor Fund | 4,308.24 | | | 1,851.57 | | | 2,456.67 |
| Green Communities | 3,000.00 | | | | | | 3,000.00 |
| Drunk Driving Enforcement Fund | 7,350.86 | | | 6,977.61 | | | 373.25 |
| Monmouth County Historical Grant - 2008 | | | 4,798.00 | 4,798.00 | | | |
| Monmouth County Historical Grant - Match <u>2009</u> | | | 4,798.00 | 4,798.00 | | | |
| Clean Communities Program | | \$ 27,177.45 | | 15,549.81 | 1,661.36 | | 9,966.28 |
| Body Armor Replacement Fund | | 3,976.90 | | | | | 3,976.90 |
| Recycling Tonnage Grant | | 23,944.94 | | | 23,366.71 | | 578.23 |
| State of NJ - Emergency Response Team | | 1,500.00 | | 1,500.00 | | | |
| Drunk Driving Enforcement Fund | | 8,498.21 | | | | | 8,498.21 |
| | <u>\$ 231,378.98</u> | <u>\$ 65,097.50</u> | <u>\$ 15,735.00</u> | <u>\$ 78,685.52</u> | <u>\$ 33,128.87</u> | <u>\$ 31,539.14</u> | <u>\$ 168,857.95</u> |
| | Reference A | A-3 | 23-A | 21-A | 23-A | | A |
| Cash Disbursements | 21-A | | | | | \$ 0.14 | |
| Grants Receivable | 22-A | | | | | 31,539.00 | |
| | | | | | | <u>\$ 31,539.14</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

Year ended December 31, 2009

| | Balance December 31, <u>2008</u> | <u>Cash</u> <u>Received</u> | <u>Transferred</u> <u>To Grants</u> <u>Receivable</u> | Balance December 31, <u>2009</u> |
|--------------------------------|--|--------------------------------|---|--|
| Recycling Tonnage Grant | \$ 23,944.94 | \$ 44,457.77 | \$ 23,944.94 | \$ 44,457.77 |
| Body Armor Replacement Fund | 3,976.90 | | 3,976.90 | |
| Drunk Driving Enforcement Fund | | <u>7,420.22</u> | | <u>7,420.22</u> |
| | <u>\$ 27,921.84</u> | <u>\$ 51,877.99</u> | <u>\$ 27,921.84</u> | <u>\$ 51,877.99</u> |
| <u>Reference</u> | A | 21-A | 22-A | A |

TRUST FUND

SCHEDULES

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2009

| | <u>Reference</u> | Animal Control <u>Trust Fund</u> | Other <u>Trust Funds</u> |
|----------------------------------|------------------|-------------------------------------|-----------------------------|
| Balance, December 31, 2008 | B | <u>\$ 275.63</u> | <u>\$ 10,301,969.92</u> |
| Increased By Receipts: | | | |
| Due To State of New Jersey | 2-B | 1,652.40 | |
| Dog License Fees | 3-B | 7,865.85 | |
| Due Current Fund | 5-B | | 11,496.99 |
| Redemption of Tax Title Liens | 6-B | | 259,658.96 |
| Law Enforcement Fund | 7-B | | 7,881.45 |
| Unemployment Trust Fund | 8-B | | 106,993.49 |
| Open Space | 9-B | | 931,477.78 |
| Miscellaneous Trust Funds | 10-B | | 1,271,208.42 |
| Engineering Fees | 11-B | | 58,542.05 |
| Maintenance Fees | 12-B | | 645.50 |
| Performance Fees | 13-B | | 74,481.83 |
| Escrow Fees | 14-B | | 191,192.29 |
| | | <u>9,518.25</u> | <u>2,913,578.76</u> |
| | | <u>9,793.88</u> | <u>13,215,548.68</u> |
| Decreased By Disbursements: | | | |
| N.J. State Department of Health | 2-B | 1,652.40 | |
| Expenditures per R.S. 4:19-15.11 | 3-B | 5,907.89 | |
| Due Current Fund | 5-B | | 11,496.99 |
| Redemption of Tax Title Liens | 6-B | | 261,947.35 |
| Law Enforcement Fund | 7-B | | 13,343.01 |
| Unemployment Trust Fund | 8-B | | 83,241.35 |
| Open Space | 9-B | | 466,244.30 |
| Miscellaneous Trust Funds | 10-B | | 2,537,042.35 |
| Engineering Fees | 11-B | | 172,470.92 |
| Maintenance Fees | 12-B | | 35,243.68 |
| Performance Fees | 13-B | | 950,083.05 |
| Escrow Fees | 14-B | | 205,033.27 |
| | | <u>7,560.29</u> | <u>4,736,146.27</u> |
| Balance, December 31, 2009 | B | <u>\$ 2,233.59</u> | <u>\$ 8,479,402.41</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF DUE TO NEW JERSEY STATE DEPARTMENT OF HEALTH

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------|
| Balance, December 31, 2008 | B | \$ 0.00 |
| Increased By: | | |
| State Registration Fees | 1-B | <u>1,652.40</u> |
| | | 1,652.40 |
| Decreased By: | | |
| Disbursed To State | 1-B | <u>1,652.40</u> |
| Balance, December 31, 2009 | B | <u><u>\$ 0.00</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------------|------------------|---------------------------|
| Balance, December 31, 2008 | B | \$ 305.63 |
| Increased By: | | |
| License Fees Collected - 2009 | 1-B | <u>7,865.85</u> |
| | | 8,171.48 |
| Decreased By: | | |
| Expenditures Per R.S. 4:19-15.11 | 1-B | <u>5,907.89</u> |
| Balance, December 31, 2009 | B | <u><u>\$ 2,263.59</u></u> |

License Fees Collected

| | |
|------|----------------------------|
| 2008 | \$ 8,393.60 |
| 2007 | <u>8,207.10</u> |
| | <u><u>\$ 16,600.70</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | | |
|----------------------------|------------------|------------------|----------------------|
| Balance, December 31, 2008 | B | | \$ 109,511.51 |
| Increased By: | | | |
| Reserve for: | | | |
| Open Space | 9-B | \$ 13,613.00 | |
| Miscellaneous Trust | 10-B | 21,435.13 | |
| Escrow Fees | 14-B | <u>86,772.20</u> | |
| | | | <u>121,820.33</u> |
| | | | 231,331.84 |
| Decreased By: | | | |
| Reserve for: | | | |
| Miscellaneous Trust | 10-B | 19,003.81 | |
| Engineering Fees | 11-B | 1,320.00 | |
| Escrow Fees | 14-B | <u>89,187.70</u> | |
| | | | <u>109,511.51</u> |
| Balance, December 31, 2009 | B | | <u>\$ 121,820.33</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF DUE TO CURRENT FUND

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------|
| Balance, December 31, 2008 | B | \$ 0.00 |
| Increased By: | | |
| Cash Receipts | 1-B | <u>11,496.99</u> |
| | | 11,496.99 |
| Decreased by: | | |
| Cash Disbursement | 1-B | <u>11,496.99</u> |
| Balance, December 31, 2009 | B | <u><u>\$ 0.00</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF RESERVE FOR REDEMPTION OF TAX SALE CERTIFICATES

Year ended December 31, 2009

| | <u>Reference</u> | |
|-------------------------------|------------------|---------------------------|
| Balance, December 31, 2008 | B | \$ 8,507.98 |
| Increased By: | | |
| Deposits for Redemption | 1-B | <u>259,658.96</u> |
| | | 268,166.94 |
| Decreased By: | | |
| Redemption of Tax Title Liens | 1-B | <u>261,947.35</u> |
| Balance, December 31, 2009 | B | <u><u>\$ 6,219.59</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF RESERVE FOR LAW ENFORCEMENT TRUST FUND

Year ended December 31, 2009

| | <u>Reference</u> | | |
|----------------------------|------------------|---------------|----------------------------|
| Balance, December 31, 2008 | B | | \$ 51,412.89 |
| Increased By: | | | |
| Receipts | | \$ 7,188.60 | |
| Interest Earned | | <u>692.85</u> | |
| | 1-B | | <u>7,881.45</u> |
| | | | 59,294.34 |
| Decreased By: | | | |
| Cash Disbursed | 1-B | | <u>13,343.01</u> |
| Balance, December 31, 2009 | B | | <u><u>\$ 45,951.33</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF RESERVE FOR UNEMPLOYMENT TRUST FUND

Year ended December 31, 2009

| | <u>Reference</u> | | |
|---|------------------|---------------|---------------------|
| Balance, December 31, 2008 | B | | \$ 53,010.90 |
| Increased By: | | | |
| Current Fund Budget Appropriation | | \$ 60,000.00 | |
| Sewer Utility Fund Budget Appropriation | | 1,270.00 | |
| Employer SDI Contribution | | 45,263.12 | |
| Interest Earned | | <u>460.37</u> | |
| | 1-B | | <u>106,993.49</u> |
| | | | 160,004.39 |
| Decreased By: | | | |
| Paid To N.J. Employment Security Agency/ N.J. Unemployment Compensation Fund | 1-B | | <u>83,241.35</u> |
| Balance, December 31, 2009 | B | | <u>\$ 76,763.04</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF RESERVE FOR OPEN SPACE

Year ended December 31, 2009

| | <u>Reference</u> | | |
|-------------------------------------|------------------|-------------------|------------------------|
| Balance, December 31, 2008 | B | | \$ 1,427,046.87 |
| Increased By: | | | |
| Cash Receipts | 1-B | | <u>931,477.78</u> |
| | | | 2,358,524.65 |
| Decreased By: | | | |
| Transferred To Encumbrances Payable | 4-B | \$ 13,613.00 | |
| Cash Disbursed | 1-B | <u>466,244.30</u> | |
| | | | <u>479,857.30</u> |
| Balance, December 31, 2009 | B | | <u>\$ 1,878,667.35</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR VARIOUS TRUST FUNDS

Year ended December 31, 2009

| | Balance December 31, 2008 | Transferred From Encumbrances Payable | Increased | Decreased | Transferred To Encumbrances Payable | Balance December 31, 2009 |
|-----------------------------------|---------------------------------|--|------------------------|------------------------|--|---------------------------------|
| Recycling | \$ 163,173.25 | \$ 3,252.78 | \$ 49,912.60 | \$ 98,698.33 | \$ 10,542.00 | \$ 107,098.30 |
| Street Openings | 11,440.00 | | 1,000.00 | 250.00 | | 12,190.00 |
| Mid Monmouth | 1,850.00 | | | | | 1,850.00 |
| Tax Sale Premiums | 115,280.00 | | 248,000.00 | 171,380.00 | | 191,900.00 |
| Parking Offenses Adjudication Act | 686.00 | | 46.00 | | | , 732.00 |
| Public Defender | | | 6,620.00 | 5,851.80 | 400.00 | 368.20 |
| Emergency Management | 1,855.71 | | 92.75 | 92.75 | | 1,855.71 |
| Insurance | 132,124.72 | 10,436.44 | 606,226.08 | 608,490.24 | 969.99 | 139,327.01 |
| Off Duty | 22,861.12 | | 173,281.60 | 158,967.07 | | 37,175.65 |
| DARE Program | 1,744.63 | | | | | 1,744.63 |
| Police Forfeiture | 222.55 | 156.00 | 24,441.11 | 2,265.94 | | 22,553.72 |
| Alcohol Alliance | 1,883.40 | | | | | 1,883.40 |
| Recreation | 8,871.08 | 35.75 | 21,797.00 | 18,843.00 | 245.75 | 11,615.08 |
| Affordable Housing | 3,234,470.67 | 2,685.34 | 93,663.28 | 1,444,059.84 | 9,277.39 | 1,877,482.06 |
| Seabrook CCO and Fire Inspection | 70,033.00 | | 13,828.00 | 11,240.00 | | 72,621.00 |
| Uniform Fire Safety Penalty Funds | 550.00 | | 350.00 | | | 900.00 |
| Uniform Fire Safety Dedicated and | | | | | | |
| Comp Penalties | 2,550.00 | | 350.00 | 1,302.77 | | 1,597.23 |
| Accumulated Absences | 0.92 | | 20,000.00 | 5,046.60 | | 14,954.32 |
| Volunteer Appreciation Day | | | 550.00 | 550.00 | | |
| Community Day | 800.00 | | 4,850.00 | 3,566.51 | | 2,083.49 |
| Historic Crawford House | | 2,437.50 | 200.00 | 2,437.50 | | 200.00 |
| Election Board Workers | 4,000.00 | | 6,000.00 | 4,000.00 | | 6,000.00 |
| | <u>\$ 3,774,397.05</u> | <u>\$ 19,003.81</u> | <u>\$ 1,271,208.42</u> | <u>\$ 2,537,042.35</u> | <u>\$ 21,435.13</u> | <u>\$ 2,506,131.80</u> |

Reference

B

4-B

1-B

1-B

4-B

B

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR ENGINEERING FEES

Year ended December 31, 2009

| | <u>Reference</u> | | |
|---------------------------------------|------------------|-----------------|-----------------------------|
| Balance, December 31, 2008 | B | | \$ 678,113.16 |
| Increased By: | | | |
| Cash Receipts | 1-B | \$ 58,542.05 | |
| Transferred From Encumbrances Payable | 4-B | <u>1,320.00</u> | |
| | | | <u>59,862.05</u> |
| | | | 737,975.21 |
| Decreased By: | | | |
| Cash Disbursements | 1-B | | <u>172,470.92</u> |
| Balance, December 31, 2009 | B | | <u><u>\$ 565,504.29</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR MAINTENANCE FEES

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|----------------------|
| Balance, December 31, 2008 | B | \$ 205,919.43 |
| Increased By: | | |
| Cash Receipts | 1-B | <u>645.50</u> |
| | | 206,564.93 |
| Decreased By: | | |
| Cash Disbursements | 1-B | <u>35,243.68</u> |
| Balance, December 31, 2009 | B | <u>\$ 171,321.25</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR PERFORMANCE FEES

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-------------------------------|
| Balance, December 31, 2008 | B | \$ 3,201,002.15 |
| Increased By: | | |
| Cash Receipts | 1-B | <u>74,481.83</u> |
| | | 3,275,483.98 |
| Decreased By: | | |
| Cash Disbursements | 1-B | <u>950,083.05</u> |
| Balance, December 31, 2009 | B | <u><u>\$ 2,325,400.93</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF INVESTMENTS

Year ended December 31, 2009

| | <u>Reference</u> | | |
|-----------------------------|------------------|------------------|-----------------------------|
| Balance, December 31, 2008 | B | | \$ 94,917.24 |
| Increased By: | | | |
| Borough Contributions | 16-B | \$ 34,169.72 | |
| Appreciation on Investments | 16-B | <u>24,375.84</u> | |
| | | | <u>58,545.56</u> |
| | | | 153,462.80 |
| Decreased By: | | | |
| Loss on Investments | 16-B | | <u>18.61</u> |
| Balance, December 31, 2009 | B | | <u><u>\$ 153,444.19</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF MISCELLANEOUS RESERVES

Year ended December 31, 2009

| | <u>Reference</u> | | |
|-----------------------------|------------------|------------------|----------------------|
| Balance, December 31, 2008 | B | | \$ 94,917.24 |
| Increased By: | | | |
| Borough Contributions | 15-B | \$ 34,169.72 | |
| Appreciation on Investments | 15-B | <u>24,375.84</u> | |
| | | | <u>58,545.56</u> |
| | | | 153,462.80 |
| Decreased By: | | | |
| Loss on Investments | 15-B | | <u>18.61</u> |
| Balance, December 31, 2009 | B | | <u>\$ 153,444.19</u> |

GENERAL CAPITAL FUND
SCHEDULES

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2009

| | <u>Reference</u> | | |
|----------------------------------|------------------|-------------------|------------------------|
| Balance, December 31, 2008 | C | | \$ 2,245,732.03 |
| Increased By: | | | |
| Deferred Charges To Future | | | |
| Taxation - Unfunded | 4-C | \$ 193,306.46 | |
| Grants Receivable | 5-C | 178,210.94 | |
| Bond Anticipation Notes | 8-C | 2,803,166.00 | |
| Improvement Authorizations | 11-C | 8,757.50 | |
| Capital Improvement Fund | 12-C | 50,000.00 | |
| Miscellaneous Reserves | 13-C | <u>81,695.11</u> | |
| | | | <u>3,315,136.01</u> |
| | | | 5,560,868.04 |
| Decreased By: | | | |
| Fund Balance | C-1 | 64,595.00 | |
| Bond Anticipation Notes | 8-C | 3,756,456.00 | |
| Improvement Authorizations | 11-C | 171,098.23 | |
| Anticipated As Revenue in Budget | 13-C | <u>103,324.92</u> | |
| | | | <u>4,095,474.15</u> |
| Balance, December 31, 2009 | C | | <u>\$ 1,465,393.89</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH

Year ended December 31, 2009

| | Balance December 31, <u>2009</u> |
|------------------------------------|--|
| Capital Improvement Fund | \$ 234,894.80 |
| Fund Balance | 91,187.57 |
| Reserve for Debt Service | 5,716.76 |
| Miscellaneous Reserves | 285,349.63 |
| Encumbrances Payable | 74,121.95 |
| Grants Receivable | (402,789.06) |
| County Open Space Grant Receivable | (150,000.00) |

| <u>Ordinance Number</u> | <u>Improvement Description</u> | |
|-----------------------------|--|-----------------|
| 01-1051 | Acquisition of Property | 2,938.59 |
| 01-1056 | Acquisition of Property | 555.61 |
| 01-1060/02-1077 | Municipal Complex Phase I | 2,887.00 |
| 04-1115 | Acquisition of Public Works Equipment | 13,668.36 |
| 04-1125 | Municipal Complex Phase II | 24,587.37 |
| 04-1132 | Various Improvements | 3,000.00 |
| 05-1159 | New Municipal Complex | 40,739.05 |
| 05-1167 | Various Road Improvements | 291,413.09 |
| 06-1181 | New Municipal Complex | 278,983.47 |
| 06-1195 | 2006 Sidewalk Construction Program | 5,762.10 |
| 06-1205 | Improvements To Shark River Road | 15,264.79 |
| 06-1206 | Drainage Outfall Improvements | 160,027.94 |
| 07-1215/08-1238 | 2007 Road and Recreation Trail Reconstruction, Construction and Resurfacing Program | 349,999.93 |
| 07-1219 | Construction of a Multipurpose Recreation Building at Liberty Park II | 5,000.00 |
| 07-1234 | Acquisition of Real Property - Somers Tract | 77,334.94 |
| 09-1286 | Various Items of Equipment | 54,750.00 |
| | | \$ 1,465,393.89 |

Reference

C

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2009

| | <u>Reference</u> | | |
|----------------------------|------------------|------------------|-------------------------|
| Balance, December 31, 2008 | C | | \$ 17,757,931.90 |
| Decreased By: | | | |
| Serial Bonds Paid | 7-C | \$ 873,000.00 | |
| Green Trust Loan Paid | 9-C | <u>39,035.59</u> | |
| | | | <u>912,035.59</u> |
| Balance, December 31, 2009 | C | | <u>\$ 16,845,896.31</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Year ended December 31, 2009

| Ordinance Number | Improvement Description | Balance December 31, 2008 | 2009 Authorizations | Funded By Budget Appropriations | Balance December 31, 2009 | Analysis of Balance | |
|------------------|---|---------------------------|------------------------|---------------------------------|---------------------------|-------------------------|---------------------------------------|
| | | | | | | Bond Anticipation Notes | Unexpended Improvement Authorizations |
| 01-1051 | Acquisition of Property | \$ 196,325.00 | \$ 2,535.00 | \$ 2,535.00 | \$ 193,790.00 | \$ 176,395.00 | \$ 17,395.00 |
| 01-1053 | Acquisition of Property | 153,764.50 | 79,932.15 | 79,932.15 | 73,832.35 | | 73,832.35 |
| 01-1056 | Acquisition of Property | 413,825.00 | 5,585.00 | 5,585.00 | 408,240.00 | 396,245.00 | 11,995.00 |
| 04-1132 | Various Improvements | 22,000.00 | 22,000.00 | 22,000.00 | | | |
| 05-1166 | Improvements To Shark River Road | 95,000.00 | 10,560.00 | 10,560.00 | 84,440.00 | 50,000.00 | 34,440.00 |
| 05-1167 | Various Road Improvements | 146,276.00 | 8,450.00 | 8,450.00 | 137,826.00 | 137,826.00 | |
| 06-1179 | Improvements To Borough Parks | 121,610.00 | 31,649.66 | 31,649.66 | 89,960.34 | | 89,960.34 |
| 06-1181 | New Municipal Complex | 375,000.00 | 32,594.65 | 32,594.65 | 375,000.00 | | 375,000.00 |
| 06-1186 | Improvements To Hope Road | 57,950.00 | | | 25,355.35 | | 25,355.35 |
| 06-1204 | Refunding Series 2002 Bond | 7,000,000.00 | | | 7,000,000.00 | | 7,000,000.00 |
| 06-1206 | Drainage Outfall Improvements | 190,000.00 | | | 190,000.00 | | |
| 07-1219 | Construction of a Multipurpose Recreation Building at Liberty Park II | 252,700.00 | | | 252,700.00 | 252,700.00 | |
| 07-1234 | Acquisition of Real Property - Somers Tract | 1,600,000.00 | | | 1,600,000.00 | 1,600,000.00 | |
| 08-1245 | Acquisition of Real Property - 2040 Wayside Road | 575,000.00 | | | 575,000.00 | | 575,000.00 |
| 09-1286 | Various Items of Equipment | | \$ 1,040,250.00 | | 1,040,250.00 | | 1,040,250.00 |
| | | <u>\$ 11,199,450.50</u> | <u>\$ 1,040,250.00</u> | <u>\$ 193,306.46</u> | <u>\$ 12,046,394.04</u> | <u>\$ 2,803,166.00</u> | <u>\$ 9,243,228.04</u> |
| | | Reference C | 11-C | 1-C | C | 8-C | |
| 11-C | Improvement Authorizations Unfunded | | | | | | \$ 9,642,175.91 |
| | Less: | | | | | | |
| 2-C | Unexpended Proceeds of BAN Ord. No. | | | | | | |
| 2-C | 01-1051 | | | | | 01-1051 | 2,938.59 |
| 2-C | 01-1056 | | | | | 01-1056 | 555.61 |
| 2-C | 05-1167 | | | | | 05-1167 | 137,826.00 |
| 2-C | 06-1205 | | | | | 06-1205 | 15,264.79 |
| 2-C | 06-1206 | | | | | 06-1206 | 160,027.94 |
| 2-C | 07-1219 | | | | | 07-1219 | 5,000.00 |
| 2-C | 07-1234 | | | | | 07-1234 | 77,334.94 |
| | | | | | | | <u>\$ 9,243,228.04</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------------|
| Balance, December 31, 2008 | C | \$ 581,000.00 |
| Decreased By: | | |
| Cash Receipts | 1-C | <u>178,210.94</u> |
| Balance, December 31, 2009 | C | <u><u>\$ 402,789.06</u></u> |

Analysis of Balance

| | | |
|---------------------------------------|----------|-----------------------------|
| D.O.T. Grant - Sycamore Ave. Sidewalk | 03/06/08 | \$ 86,789.06 |
| D.O.T Grant - Wardell Road | Various | <u>316,000.00</u> |
| | | <u><u>\$ 402,789.06</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF COUNTY OPEN SPACE GRANT RECEIVABLE

Year ended December 31, 2009

Reference

Balance, December 31, 2009 and 2008

C

\$ 208,000.00

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

Year ended December 31, 2009

| Purpose | Date of Issue | Original Issue | Outstanding December 31, 2009 | | Interest Rate | Balance December 31, 2008 | Increased | Decreased | Balance December 31, 2009 |
|---------------------------|---------------|-----------------|----------------------------------|---------------|------------------|---------------------------------|---------------|-----------|---------------------------------|
| | | | Date | Amount | | | | | |
| General Improvement Bonds | 12/14/99 | \$ 1,386,000.00 | | | | \$ 171,000.00 | \$ 171,000.00 | | |
| General Improvement Bonds | 07/01/02 | 9,260,000.00 | 07/01/10 | \$ 305,000.00 | 4.40% | | | | |
| | | | 07/01/11-07/01/14 | 310,000.00 | 4.40% | | | | |
| | | | 07/01/15-07/01/18 | 310,000.00 | 4.50% | | | | |
| | | | 07/01/19 | 310,000.00 | 4.60% | | | | |
| | | | 07/01/20-07/01/21 | 310,000.00 | 4.70% | | | | |
| | | | 07/01/22-07/01/32 | 310,000.00 | 4.75% | 7,430,000.00 | 305,000.00 | | \$ 7,125,000.00 |
| General Improvement Bonds | 12/18/03 | 925,000.00 | 12/01/10 | 58,000.00 | 3.50% | | | | |
| | | | 12/01/11 | 60,000.00 | 3.25% | | | | |
| | | | 12/01/12 | 62,000.00 | 3.55% | | | | |
| | | | 12/01/13 | 64,000.00 | 4.00% | | | | |
| | | | 12/01/14 | 67,000.00 | 4.25% | | | | |
| | | | 12/01/15 | 70,000.00 | 4.25% | | | | |
| | | | 12/01/16 | 73,000.00 | 4.25% | | | | |
| | | | 12/01/17 | 76,000.00 | 4.25% | 665,000.00 | 56,000.00 | | 609,000.00 |
| | | | 12/01/18 | 79,000.00 | 4.25% | | | | |
| General Improvement Bonds | 12/21/06 | 538,000.00 | 12/01/10 | 50,000.00 | 4.00% | | | | |
| | | | 12/01/11 | 52,000.00 | 4.00% | | | | |
| | | | 12/01/12 | 54,000.00 | 4.00% | | | | |
| | | | 12/01/13 | 56,000.00 | 4.00% | | | | |
| | | | 12/01/14 | 58,000.00 | 5.00% | | | | |
| | | | 12/01/15 | 62,000.00 | 5.00% | 446,000.00 | 48,000.00 | | 398,000.00 |
| | | | 12/01/16 | 65,000.00 | 5.00% | | | | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

Year ended December 31, 2009

| Purpose | Date of Issue | Original Issue | Outstanding | | Interest Rate | Balance December 31, 2008 | Increased | Decreased | Balance December 31, 2009 |
|---------------------------|---------------|----------------|-------------|------------|---------------|---------------------------|--------------|---------------|---------------------------|
| | | | Date | Amount | | | | | |
| General Improvement Bonds | 01/03/08 | 8,688,000.00 | 01/01/10 | 295,000.00 | 4.00% | | | | |
| | | | 01/01/11 | 300,000.00 | 4.00% | | | | |
| | | | 01/01/12 | 305,000.00 | 4.00% | | | | |
| | | | 01/01/13 | 315,000.00 | 4.00% | | | | |
| | | | 01/01/14 | 325,000.00 | 4.00% | | | | |
| | | | 01/01/15 | 340,000.00 | 4.00% | | | | |
| | | | 01/01/16 | 350,000.00 | 4.00% | | | | |
| | | | 01/01/17 | 365,000.00 | 4.00% | | | | |
| | | | 01/01/18 | 380,000.00 | 4.00% | | | | |
| | | | 01/01/19 | 395,000.00 | 4.00% | | | | |
| | | | 01/01/20 | 415,000.00 | 4.00% | | | | |
| | | | 01/01/21 | 430,000.00 | 4.00% | | | | |
| | | | 01/01/22 | 450,000.00 | 4.00% | | | | |
| | | | 01/01/23 | 470,000.00 | 4.10% | | | | |
| | | | 01/01/24 | 490,000.00 | 4.10% | | | | |
| | | | 01/01/25 | 515,000.00 | 4.15% | | | | |
| | | | 01/01/26 | 540,000.00 | 4.15% | | | | |
| | | | 01/01/27 | 565,000.00 | 4.15% | | | | |
| | | | 01/01/28-29 | 575,000.00 | 4.20% | | | | |
| | | | | | | | 8,688,000.00 | | 293,000.00 |
| | | | | | | \$ 17,400,000.00 | \$ 0.00 | \$ 873,000.00 | \$ 16,527,000.00 |

Reference

C C 7-C 3-C C

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2009

| Ordinance Number | Description | Date of Issue of Original Note | Date of Maturity | Interest Rate | Balance December 31, 2008 | Increased | Decreased | Balance December 31, 2009 |
|------------------|---|--------------------------------|------------------|---------------|---------------------------|-----------------|-----------------|---------------------------|
| 01-1051 | Acquisition of Property | 11/08/01 | 01/21/10 | 1.75% | \$ 178,930.00 | \$ 176,395.00 | \$ 178,930.00 | \$ 176,395.00 |
| 01-1056 | Acquisition of Property | 11/08/01 | 01/21/10 | 1.75% | 401,830.00 | 396,245.00 | 401,830.00 | 396,245.00 |
| 01-1053 | Acquisition of Property | 09/27/01 | | | 500,352.00 | | 500,352.00 | |
| 01-1055 | Acquisition of Property | 09/27/01 | | | 183,808.00 | | 183,808.00 | |
| 04-1132 | Various Improvements | 09/07/06 | | | 28,000.00 | | 28,000.00 | |
| 05-1165 | Improvements To Shark River Road | 09/07/06 | 01/21/10 | 1.75% | 47,500.00 | 2,500.00 | 47,500.00 | 2,500.00 |
| 05-1167 | Various Road Improvements | 09/07/06 | 01/21/10 | 1.75% | 146,276.00 | 137,826.00 | 146,276.00 | 137,826.00 |
| 06-1186 | Improvements To Hope Road | 09/07/06 | | | 57,950.00 | | 57,950.00 | |
| 06-1179 | Improvements To Borough Parks | 12/29/06 | | | 121,610.00 | | 121,610.00 | |
| 06-1205 | Improvements To Shark River Road | 09/06/07 | 01/21/10 | 1.75% | 47,500.00 | 47,500.00 | 47,500.00 | 47,500.00 |
| 06-1206 | Drainage Outfall Improvements | 03/05/08 | 01/21/10 | 1.75% | 190,000.00 | 190,000.00 | 190,000.00 | 190,000.00 |
| 07-1219 | Construction of a Multipurpose Recreation Building at Liberty Park II | 03/06/07 | 01/21/10 | 1.75% | 252,700.00 | 252,700.00 | 252,700.00 | 252,700.00 |
| 07-1234 | Acquisition of Real Property - Somers Tract | 01/24/08 | 01/21/10 | 1.75% | 1,600,000.00 | 1,600,000.00 | 1,600,000.00 | 1,600,000.00 |
| | | | | | \$ 3,756,456.00 | \$ 2,803,166.00 | \$ 3,756,456.00 | \$ 2,803,166.00 |

Reference

C

1-C

1-C

C

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOAN PROGRAM

Year ended December 31, 2009

| <u>Purpose</u> | <u>Date of Issue of Original Note</u> | <u>Amount</u> | <u>Schedule of Maturities</u> | <u>Interest Rate</u> | <u>Balance December 31, 2008</u> | <u>Principal Payment</u> | <u>Balance December 31, 2009</u> |
|----------------------------|---------------------------------------|---------------|---|----------------------|----------------------------------|--------------------------|----------------------------------|
| Riverdale Park Acquisition | 05/09/97 | \$ 739,750.00 | 2008-2017 Principal and Interest Semi-Annually \$23,000.00 | 2.0% | \$ 357,931.90 | \$ 39,035.59 | \$ 318,896.31 |
| | | | | <u>Reference</u> | C | 3-C | C |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|--|------------------|----------------------------|
| Balance, December 31, 2008 | C | \$ 140,925.66 |
| Increased By: | | |
| Transferred From Improvement Authorizations | 11-C | <u>74,121.95</u> |
| | | 215,047.61 |
| Decreased By: | | |
| Transferred To Improvement Authorizations | 11-C | <u>140,925.66</u> |
| Balance, December 31, 2009 | C | <u><u>\$ 74,121.95</u></u> |

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY
 GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2009

| Ordinance Number | Improvement Description | Ordinance Date | Amount | Balance December 31, 2008 | | Capital Improvement Fund | Deferred Charges To Future Taxation Unfunded | Transferred From Encumbrances Payable | Reimbursed | Expended | Transferred To Encumbrances Payable | Balance December 31, 2009 | | |
|------------------|---|---------------------|---------------|---------------------------|--------------|--------------------------|--|---------------------------------------|------------|------------|-------------------------------------|---------------------------|--------------|--------------|
| | | | | Funded | Unfunded | | | | | | | Funded | Unfunded | |
| 01-1051 | Acquisition of Property | 04/23/01 | \$ 220,000.00 | \$ | 20,333.59 | | | | | | | \$ | 20,333.59 | |
| 01-1053 | Acquisition of Property | 05/01/01 | 1,300,000.00 | | 73,832.35 | | | | | | | | 73,832.35 | |
| 01-1056 | Acquisition of Property | 09/25/01 | 465,000.00 | | 12,550.61 | | | | | | | | 12,550.61 | |
| 01-1060/ | Municipal Complex Phase I | 10/16/01 | 15,000,000.00 | | | | | | | | | | | |
| 02-1077 | | 08/20/02 | 500,000.00 | \$ | 2,887.00 | | | | | | | \$ | 2,887.00 | |
| 04-1115 | Acquisition of Public Works Equipment | 03/16/04 | 740,000.00 | | 13,668.36 | | | | | | | | 13,668.36 | |
| 04-1125 | Municipal Complex Phase II | 07/20/04 | 3,000,000.00 | | 17,937.37 | | | | | | | | 17,937.37 | |
| 04-1132 | Various Improvements | 11/09/04 | 418,000.00 | | | | | | | | | | | |
| 05-1159 | New Municipal Complex | 09/05/05 | 800,000.00 | | 40,739.05 | | | | | | | | 40,739.05 | |
| 05-1165/06-1205 | Improvements To Shark River Road | 12/27/05 | 150,000.00 | | | | | | | | | | | |
| 06-1167 | Various Road Improvements | 12/27/05 | 785,000.00 | | 131,340.84 | | | | | | | | 131,340.84 | |
| 06-1179 | Improvements To Borough Parks | 09/09/06 | 132,000.00 | | 89,860.34 | | | | | | | | 89,860.34 | |
| 06-1181 | New Municipal Complex | 05/02/06 | 1,500,000.00 | | 279,641.65 | | | | | | | | 279,641.65 | |
| 06-1186 | Improvements To Hope Road | 06/13/06 | 211,000.00 | | | | | | | | | | | |
| 06-1195 | 2007 Sidewalk Construction Program | 08/15/06 | 101,744.40 | | 5,762.10 | | | | | | | | 5,762.10 | |
| 06-1204 | Refunding Series 2002 Bond | 11/13/06 | 7,000,000.00 | | 7,000,000.00 | | | | | | | | 7,000,000.00 | |
| 06-1206 | Drainage Outfall Improvements | 12/05/06 | 200,000.00 | | 160,190.00 | | | | | | | | 160,190.00 | |
| 07-1215/08-1238 | 2007 Road and Recreation Trail Reconstruction, Construction and Resurfacing Program | 03/06/07 & 03/04/08 | 2,919,975.00 | | 465,161.44 | | | | | | | | 465,161.44 | |
| 07-1219 | Construction of a Multipurpose Recreation Building at Liberty Park II | 05/01/07 | 416,000.00 | | | | | | | | | | | |
| 07-1234 | Acquisition of Real Property - Somers Tract | 11/27/07 | 1,600,000.00 | | 5,000.00 | | | | | | | | 5,000.00 | |
| 08-1245 | Acquisition of Real Property - 2040 Wayside Road | 07/15/08 | 575,000.00 | | 77,336.46 | | | | | | | | 77,336.46 | |
| 09-1286 | Various Items of Equipment | 12/01/09 | 1,035,000.00 | | 575,000.00 | | | | | | | | 575,000.00 | |
| | | | | \$ | 957,137.81 | | \$ | 1,040,250.00 | \$ | 6,757.50 | \$ | 74,121.95 | \$ | 9,642,175.91 |
| | | | | | 8,613,539.49 | | 1,040,250.00 | 140,925.66 | 6,757.50 | 171,098.23 | 74,121.95 | 927,964.37 | 9,642,175.91 | |
| | | | | | C | | 4-C | 10-C | 1-C | 1-C | 10-C | C | C,4-C | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------------|
| Balance, December 31, 2008 | C | \$ 239,644.80 |
| Increased By: | | |
| Budget Appropriation | 1-C | <u>50,000.00</u> |
| | | 289,644.80 |
| Decreased By: | | |
| Improvement Authorization | 11-C | <u>54,750.00</u> |
| Balance, December 31, 2009 | C | <u><u>\$ 234,894.80</u></u> |

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF MISCELLANEOUS RESERVES

Year ended December 31, 2009

| | Balance December 31, <u>2008</u> | <u>Increased</u> | <u>Decreased</u> | Balance December 31, <u>2009</u> |
|------------------------------------|--|---------------------|----------------------|--|
| Reserve for: | | | | |
| Tinton Green Bike Path | \$ 6,417.00 | | | \$ 6,417.00 |
| Future Road Improvements | 10,264.72 | | | 10,264.72 |
| Sidewalk Contributions | 6,640.00 | \$ 21,260.00 | | 27,900.00 |
| Paving Hockhockson Road | 8,730.89 | | | 8,730.89 |
| Debt Service | 17,697.06 | 5,716.76 | \$ 17,697.06 | 5,716.76 |
| Calton Homes/Stormwater | 15,000.00 | | | 15,000.00 |
| Sitar Off Tract | 37,000.00 | | | 37,000.00 |
| Pines II | 132,000.00 | | 20,000.00 | 112,000.00 |
| Matzel and Mumford - RCA | 18,004.16 | | | 18,004.16 |
| Historic District Improvements | 60,942.37 | 54,718.35 | 65,627.86 | 50,032.86 |
| County Open Space Grant Receivable | <u>58,000.00</u> | | | <u>58,000.00</u> |
| | <u>\$ 370,696.20</u> | <u>\$ 81,695.11</u> | <u>\$ 103,324.92</u> | <u>\$ 349,066.39</u> |

Reference

C

1-C

1-C

C

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2009

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Balance December 31, 2008</u> | <u>2009 Authorizations</u> | <u>B.A.N. Redeemed</u> | <u>Funded By Budget Appropriations</u> | <u>Balance December 31, 2009</u> |
|-------------------------|--|----------------------------------|----------------------------|------------------------|--|----------------------------------|
| 01-1051 | Acquisition of Property | \$ 17,395.00 | | | | \$ 17,395.00 |
| 01-1053 | Acquisition of Property | | | \$ 153,764.50 | \$ 79,932.15 | 73,832.35 |
| 01-1056 | Acquisition of Property | 11,995.00 | | | | 11,995.00 |
| 05-1165/ | | | | | | |
| 06-1205 | Improvements to Shark River Road | | | | 10,560.00 | 34,440.00 |
| 06-1179 | Improvements to Borough Parks | | | 45,000.00 | 31,649.66 | 89,960.34 |
| 06-1181 | New Municipal Complex | 375,000.00 | | 121,610.00 | | 375,000.00 |
| 06-1186 | Improvements to Hope Road | | | 57,950.00 | 32,594.65 | 25,355.35 |
| 06-1204 | Refunding Series 2002 Bond | 7,000,000.00 | | | | 7,000,000.00 |
| 08-1245 | Acquisition of Real Property - 2040 Wayside Road | 575,000.00 | | | | 575,000.00 |
| 09-1286 | Various Items of Equipment | | \$ 1,040,250.00 | | | 1,040,250.00 |
| | | <u>\$ 7,979,390.00</u> | <u>\$ 1,040,250.00</u> | <u>\$ 378,324.50</u> | <u>\$ 154,736.46</u> | <u>\$ 9,243,228.04</u> |

Reference

14-C

4-C

14-C

4-C

14-C

SEWER UTILITY FUND

SCHEDULES

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2009

| | Reference | Operating | Capital |
|---|-----------|------------------------|---------------------|
| Balance, December 31, 2008 | D | \$ 2,333,762.94 | \$ 249,678.64 |
| Increased By Receipts: | | | |
| Consumer Accounts Receivable | D-3,3-D | \$ 3,324,110.56 | |
| Capital Surplus | D-2,D-3 | 200,000.00 | |
| Non-Budget Revenue | D-1,D-3 | 69,554.44 | |
| Prepaid Rents | 8-D | 178,482.27 | |
| Reserve for Connection Fees | 9-D | 119,053.74 | |
| Sewer Overpayment | 10-D | 914.33 | |
| | | <u>3,892,115.34</u> | |
| | | 6,225,878.28 | 249,678.64 |
| Decreased By Disbursements: | | | |
| 2009 Budget Appropriations | D-4 | 4,148,323.92 | |
| 2008 Appropriation Reserves | 5-D | 49,634.82 | |
| Accounts Payable | 7-D | 13,892.50 | |
| Sewer Overpayments | 10-D | 914.33 | |
| Refund Prior Year Revenue | D-1 | 1.64 | |
| Fund Balance anticipated as Revenue - Sewer Utility Fund | D-2 | | \$ 200,000.00 |
| | | <u>4,212,767.21</u> | 200,000.00 |
| Balance, December 31, 2009 | D | <u>\$ 2,013,111.07</u> | <u>\$ 49,678.64</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF SEWER UTILITY CAPITAL CASH

Year ended December 31, 2009

| | Balance December 31, <u>2009</u> |
|---|--|
| Fund Balance | \$ 4,678.64 |
| Reserve for Woodland Crest Pump Station | <u>45,000.00</u> |
| | <u>\$ 49,678.64</u> |

Reference D

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Year ended December 31, 2009

| | <u>Reference</u> | | |
|----------------------------|------------------|-------------------|----------------------|
| Balance, December 31, 2008 | D | | \$ 127,826.89 |
| Increased By: | | | |
| Sewer Rents Levied | 3-D | | <u>3,689,186.49</u> |
| | | | 3,817,013.38 |
| Decreased By: | | | |
| Collections | D-3,1-D | \$ 3,324,110.56 | |
| Prepaid Rents Applied | D-3,8-D | <u>375,066.17</u> | |
| | | | <u>3,699,176.73</u> |
| Balance, December 31, 2009 | D | | <u>\$ 117,836.65</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2009

| <u>Description</u> | <u>Balance</u> <u>December 31,</u> <u>2009 and 2008</u> |
|---|---|
| Construction of a System Interceptor and Collection System | \$ 7,867,152.25 |
| Installation of Sanitary Sewer Mains (01-1059) | 505,519.98 |
| Squankum Pump Station | 234,851.06 |
| Wyncrest Pump Station | <u>1,303,957.34</u> |
| | <u>\$ 9,911,480.63</u> |
| | <u>Reference</u> D |

BOROUGH OF TINTON FALLS
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF 2008 APPROPRIATION RESERVES

Year ended December 31, 2009

| | Balance December 31, 2008 | Balance After Modifications | Paid or Charged | Lapsed | Reference |
|--|---------------------------------|-----------------------------------|---------------------|---------------------|-----------------|
| Operating: | | | | | |
| Salaries and Wages | \$ 10,017.03 | \$ 10,017.03 | \$ 242.22 | \$ 9,774.81 | |
| Other Expenses | <u>39,782.49</u> | <u>85,124.52</u> | <u>49,374.07</u> | <u>35,750.45</u> | |
| Total Operating | <u>49,799.52</u> | <u>95,141.55</u> | <u>49,616.29</u> | <u>45,525.26</u> | |
| Statutory Expenditures: Contributions To: | | | | | |
| Social Security System (O.A.S.I.) | <u>2,162.56</u> | <u>2,162.56</u> | <u>18.53</u> | <u>2,144.03</u> | |
| Total Statutory Expenditures | <u>2,162.56</u> | <u>2,162.56</u> | <u>18.53</u> | <u>2,144.03</u> | |
| Total Sewer Utility Fund Appropriations | <u>\$ 51,962.08</u> | <u>\$ 97,304.11</u> | <u>\$ 49,634.82</u> | <u>\$ 47,669.29</u> | D 1-D D-1 |
| Appropriation Reserves | | \$ 51,962.08 | | | D |
| Encumbrances Payable | | <u>45,342.03</u> | | | 6-D |
| | | <u>\$ 97,304.11</u> | | | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|---------------------------------------|------------------|----------------------------|
| Balance, December 31, 2008 | D | \$ 45,342.03 |
| Increased By: | | |
| Transferred From 2009 Appropriations | D-4 | <u>63,448.49</u> |
| | | 108,790.52 |
| Decreased By: | | |
| Transferred To Appropriation Reserves | 5-D | <u>45,342.03</u> |
| Balance, December 31, 2009 | D | <u><u>\$ 63,448.49</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|--------------------|
| Balance, December 31, 2008 | D | \$ 15,892.50 |
| Decreased By: | | |
| Cash Disbursements | 1-D | <u>13,892.50</u> |
| Balance, December 31, 2009 | D | <u>\$ 2,000.00</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF PREPAID SEWER RENTS

Year ended December 31, 2009

| | <u>Reference</u> | |
|-----------------------------------|------------------|-----------------------------|
| Balance, December 31, 2008 | D | \$ 375,066.17 |
| Increased By: | | |
| Collections - 2009 Sewer Rents | 1-D | <u>178,482.27</u> |
| | | 553,548.44 |
| Decreased By: | | |
| Applied To Sewer Rents Receivable | D-3,3-D | <u>375,066.17</u> |
| Balance, December 31, 2009 | D | <u><u>\$ 178,482.27</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF RESERVE FOR CONNECTION FEES

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------------|
| Balance, December 31, 2008 | D | \$ 1,135,586.86 |
| Increased By: | | |
| Cash Receipts | 1-D | <u>119,053.74</u> |
| | | 1,254,640.60 |
| Decreased By: | | |
| Anticipated as Revenue | D-3 | <u>300,000.00</u> |
| Balance, December 31, 2009 | D | <u><u>\$ 954,640.60</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF SEWER OVERPAYMENTS

Year ended December 31, 2009

| | <u>Reference</u> | |
|----------------------------|------------------|------------------------|
| Balance, December 31, 2008 | D | \$ 30.13 |
| Increased By: | | |
| Cash Receipts | 1-D | <u>914.33</u> |
| | | 944.46 |
| Decreased By: | | |
| Cash Disbursements | 1-D | <u>914.33</u> |
| Balance, December 31, 2009 | D | <u><u>\$ 30.13</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2009

Reference

Balance, December 31, 2009 and 2008

D

\$ 9,911,480.63

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR WOODLAND CREST PUMPING STATION

Year ended December 31, 2009

Reference

Balance, December 31, 2009 and 2008

D

\$ 45,000.00

GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULE OF GENERAL FIXED ASSETS

Year ended December 31, 2009

| | Balance, December 31, <u>2008</u> | <u>Additions</u> | <u>Deletions</u> | Balance December 31, <u>2009</u> |
|--------------------------------------|---|----------------------|-----------------------------|--|
| Land | \$ 13,299,224.85 | | | \$ 13,299,224.85 |
| Buildings | 25,036,477.24 | | | 25,036,477.24 |
| Improvements Other Than Buildings | 41,291.65 | | | 41,291.65 |
| Machinery and Equipment | <u>9,599,818.79</u> | <u>\$ 235,359.67</u> | <u> </u> | <u>9,835,178.46</u> |
| | <u>\$ 47,976,812.53</u> | <u>\$ 235,359.67</u> | <u>\$ 0.00</u> | <u>\$ 48,212,172.20</u> |
| <u>Reference</u> | E | 1-E | 1-E | E |

COMMENTS SECTION

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

An audit of the financial accounts and transactions of the Borough of Tinton Falls, County of Monmouth, New Jersey ("Borough") for the year ended December 31, 2009, has recently been completed. The results of the audit are herewith set forth.

Scope of Audit

The audit covered the financial transactions of the Treasurer's Office, the activities of the Mayor and Borough Council and the records of the various outside departments.

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

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

Investments were verified by physical inspection, or by independent certifications obtained directly from the depositories.

Revenues and receipts were established and verified as to source and amount insofar as the records permitted.

Our audit was made in accordance with auditing standards generally accepted in the United States of America and in compliance with the 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. Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Contracts and Agreements Required to be Advertised per N.J.S. 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 (40A:11-3), shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

Contracts and Agreements Required to be Advertised per N.J.S. 40A:11-4 (continued)

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion shall be sought before a commitment is made.

The minutes indicate that the following items were requested by public advertising:

Heil Replacement Parts
Department of Public Works Uniform Supply and Laundry Service
School Bus Transportation for Summer Recreation Program
Sidewalk Improvements to Sycamore Avenue
Front Loading Refuse Containers of Various Sizes and Types

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

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the bid threshold "for the performance of any work or the furnishing of labor materials and supplies or the hiring of teams or vehicles", other than where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

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

The Governing Body adopted the following ordinance authorizing interest to be charged on delinquent taxes and sewer rents:

NOW THEREFORE BE IT ORDAINED by the Borough of Tinton Falls as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after the due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after the due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31, an additional penalty of 6% shall be charged against the delinquency.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

Collection of Interest on Delinquent Taxes and Assessments (continued)

2. As to Tax Sale Certificates, the Tax Collector is hereby authorized and directed to collect 2% when the taxes, interest and costs shall exceed the sum of \$200.00 up to \$4,999.00; such additional sum shall be 4% when the taxes, interest and costs shall exceed the sum of \$5,000.00 up to \$9,999.00; and such additional sum shall be 6% when the taxes, interest and costs shall exceed the sum of \$10,000.00 of such amount paid.
3. Effective January 1, 1991, there will be a ten (10) day grace period of quarterly tax payments made by cash, check or money order.
4. Should the date upon which any installment becomes due fall on a date which is a legal holiday or a date when the office of the Tax Collector is not open for business for the day, no interest shall be charged if payment for such installment is made on the first business day thereafter.
5. Any payments not made in accordance with paragraph two of this ordinance shall be charged interest from the due date as set forth in paragraph one of this Ordinance.

Tax Sale

The last tax sale was held on June 11, 2009 and was complete.

Confirmation of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payment was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

| <u>Type</u> | <u>Number Mailed</u> |
|--|----------------------|
| Payment of 2009 Taxes | 25 |
| Payments and Delinquencies on 2009 Taxes | 10 |
| Payment of 2009 Sewer Charges | 25 |
| Delinquencies on 2009 Sewer Charges | 10 |

For those confirmation notices which were not returned by taxpayers, we examined subsequent and current cash collections as an alternative procedure when possible.

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

Confirmation of Delinquent Taxes and Other Charges (continued)

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

| <u>Year</u> | <u>Number of Liens</u> |
|-------------|------------------------|
| 2009 | 7 |
| 2008 | 6 |
| 2007 | 1 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

Comparative Statement of Operations
and Changes in Fund Balance - Current Fund

| | <u>2009</u> | | <u>2008</u> | |
|--|------------------------|-----------------|------------------------|-----------------|
| | <u>Amount</u> | <u>Percent</u> | <u>Amount</u> | <u>Percent</u> |
| <u>Revenue and Other Income Realized</u> | | | | |
| Fund Balance Utilized | \$ 3,150,000.00 | 4.92 % | \$ 3,150,000.00 | 4.98 % |
| Miscellaneous - From Other Than Local Property Tax Levies | 8,300,256.84 | 12.96 | 8,804,187.59 | 13.91 |
| Collection of Delinquent Taxes and Tax Title Liens | 647,399.52 | 1.01 | 578,328.06 | 0.91 |
| Collection of Current Tax Levy | <u>51,962,043.10</u> | <u>81.12</u> | <u>50,780,861.00</u> | <u>80.21</u> |
| Total Revenues | <u>64,059,699.46</u> | <u>100.00 %</u> | <u>63,313,376.65</u> | <u>100.00 %</u> |
| <u>Expenditures</u> | | | | |
| Budget Expenditures: | | | | |
| Municipal Purposes | 20,496,551.42 | 33.68 % | 19,699,785.19 | 32.59 % |
| County Taxes | 8,511,054.32 | 13.98 | 8,342,392.96 | 13.80 |
| Regional School Taxes | 18,720,022.63 | 30.76 | 18,815,938.94 | 31.13 |
| Regional High School Tax | 10,111,438.75 | 16.61 | 10,783,959.48 | 17.84 |
| Municipal Open Space Tax | 901,774.24 | 1.48 | 876,746.28 | 1.45 |
| Special District Taxes | 2,008,960.00 | 3.30 | 1,908,898.00 | 3.15 |
| Other Expenditures | <u>114,911.52</u> | <u>0.19</u> | <u>13,830.38</u> | <u>0.02</u> |
| Total Expenditures | <u>60,864,712.88</u> | <u>100.00 %</u> | <u>60,441,551.23</u> | <u>100.00 %</u> |
| Excess in Revenue | 3,194,986.58 | | 2,871,825.42 | |
| Fund Balance, January 1 | <u>3,198,844.04</u> | | <u>3,477,018.62</u> | |
| | 6,393,830.62 | | 6,348,844.04 | |
| Decreased By: | | | | |
| Utilized as Anticipated Revenue | <u>3,150,000.00</u> | | <u>3,150,000.00</u> | |
| Fund Balance, December 31 | <u>\$ 3,243,830.62</u> | | <u>\$ 3,198,844.04</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

Comparative Statement of Operations
and Changes in Fund Balance - Sewer Utility Operating Fund

| | <u>2009</u> | | <u>2008</u> | |
|--|----------------------|-----------------|----------------------|-----------------|
| | <u>Amount</u> | <u>Percent</u> | <u>Amount</u> | <u>Percent</u> |
| <u>Revenue and Other Income Realized</u> | | | | |
| Fund Balance Utilized | \$ 600,000.00 | 12.20 % | \$ 1,000,000.00 | 20.45 % |
| Collection of Sewer Rents | 3,699,176.73 | 75.24 | 3,586,395.84 | 73.33 |
| Miscellaneous - From Other Than Sewer Rents | <u>617,223.73</u> | <u>12.55</u> | <u>304,603.25</u> | <u>6.23</u> |
| Total Revenues | <u>4,916,400.46</u> | <u>100.00 %</u> | <u>4,890,999.09</u> | <u>100.00 %</u> |
| <u>Expenditures</u> | | | | |
| Budget Expenditures: | | | | |
| Operating | 4,261,885.00 | 98.44 % | 4,187,268.00 | 98.63 % |
| Deferred Charges and Statutory Expenditures | 67,672.00 | 1.56 | 57,812.40 | 1.36 |
| Refund Prior Year Revenue | <u>1.64</u> | <u>0.00</u> | <u>276.71</u> | <u>0.01</u> |
| Total Expenditures | <u>4,329,558.64</u> | <u>100.00 %</u> | <u>4,245,357.11</u> | <u>100.00 %</u> |
| Excess in Revenue | 586,841.82 | | 645,641.98 | |
| Fund Balance, January 1 | <u>709,933.17</u> | | <u>1,064,291.19</u> | |
| | 1,296,774.99 | | 1,709,933.17 | |
| Decreased By: | | | | |
| Utilized as Anticipated Revenue | <u>600,000.00</u> | | <u>1,000,000.00</u> | |
| Fund Balance, December 31 | <u>\$ 696,774.99</u> | | <u>\$ 709,933.17</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

Comparative Schedule of Tax Rate Information

| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|----------|-------------|-------------|-------------|
| Tax Rate | \$ 1.646 | \$ 1.679 | \$ 3.683 |

Apportionment of Tax Rate

| | | | |
|----------------------------|------|------|-------|
| Municipal | .410 | .383 | .785 |
| County | .277 | .283 | .627 |
| Regional Elementary School | .623 | .644 | 1.447 |
| Regional High School | .336 | .369 | .824 |
| Fire District #1 | .063 | .061 | .119 |
| Fire District #2 | .073 | .072 | .138 |

Assessed Valuations

| | |
|------|----------------------|
| 2009 | \$ 3,005,914,119.00 |
| 2008 | \$ 2,922,487,599.00* |
| 2007 | \$ 1,280,603,288.00 |

Comparison of Tax Levies and Collection Currently

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

| <u>Year</u> | <u>Tax Levy</u> | <u>Currently</u> | |
|-------------|------------------|-----------------------------|--|
| | | <u>Cash Collections</u> | <u>Percentage of Collections</u> |
| 2009 | \$ 52,610,079.57 | 51,962,043.10 | 98.76% |
| 2008 | 51,505,118.71 | 50,780,861.00 | 98.59 |
| 2007 | 49,124,336.35 | 48,381,097.01 | 98.48 |

* Revaluation

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

Delinquent Taxes and Tax Title Items

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

| <u>Year</u> | <u>Amount of Tax Title Liens</u> | <u>Amount of Delinquent Taxes</u> | <u>Total Delinquent</u> | <u>Percentage of Tax Levy</u> |
|-------------|--|---|-----------------------------|---------------------------------------|
| 2009 | \$ 13,653.77 | \$ 589,652.29 | \$ 603,306.06 | 1.15% |
| 2008 | 4,938.68 | 670,363.03 | 675,301.71 | 1.31 |
| 2007 | 40.76 | 595,830.83 | 595,871.59 | 1.21 |

The Borough has no property acquired by tax title lien liquidation, for the years ending 2009, 2008 and 2007.

Comparison of Sewer Levies

| <u>Year</u> | <u>Levy</u> | <u>Collections</u> |
|-------------|-----------------|--------------------|
| 2009 | \$ 3,689,186.49 | \$ 3,699,176.73 |
| 2008 | 3,611,277.45 | 3,586,395.84 |
| 2007 | 3,501,320.18 | 3,479,417.74 |

Comparative Schedule of Fund Balances

| | <u>Year</u> | <u>Balance December 31</u> | <u>Utilized in Budget of Succeeding Year</u> |
|---------------------------|-------------|--------------------------------|--|
| <u>Current Fund</u> | 2009 | \$ 3,243,830.62 | \$ 3,150,000.00* |
| | 2008 | 3,198,844.04 | 3,150,000.00 |
| | 2007 | 3,477,018.62 | 3,150,000.00 |
| | 2006 | 3,505,110.60 | 2,929,789.00 |
| | 2005 | 3,289,970.35 | 2,698,000.00 |
| <u>Sewer Utility Fund</u> | 2009 | \$ 696,774.99 | \$ 600,000.00* |
| | 2008 | 709,933.17 | 1,000,000.00 |
| | 2007 | 1,064,291.19 | 1,000,000.00 |
| | 2006 | 1,590,341.32 | 1,250,000.00 |
| | 2005 | 1,452,069.30 | 950,000.00 |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2009

Officials in Office and Surety Bonds

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

| <u>Name of Official</u> | <u>Title</u> |
|-------------------------|---|
| Peter Maclearie III | Mayor |
| Michael J. Skudera | President |
| Brendan P. Tobin | Deputy Council President |
| Duane Morrill | Council President |
| Gary Baldwin | Council Member |
| Paul J. Ford | Council Member |
| Brian M. Nelson | Attorney |
| William B. Dempsey | Borough Administrator |
| Stephen Pfeffer | Chief Financial Officer |
| Carol Hussey | Tax Collector, Sewer Utilities Collector |
| Karen Mount-Taylor | Borough Clerk |
| Scott R. Imbiaco | Tax Assessor |
| Richard B. Thompson | Magistrate |
| Victoria Donlon | Court Administrator |

During 2009, the Borough of Tinton Falls was provided insurance as part of the Municipal Excess Liability Joint Insurance Fund. The Government Crime Policy coverage is as follows:

| | |
|--|----------------|
| Employee Theft - Per Loss Coverage | \$1,000,000.00 |
| Forgery or Alteration | \$1,000,000.00 |
| Inside the Premises - Theft of Money and Securities | \$1,000,000.00 |
| Inside the Premises - Robbery or Safe Burglary of Other Property | \$1,000,000.00 |
| Computer Fraud | \$1,000,000.00 |
| Public Employee Dishonesty | \$1,000,000.00 |

All of the above bonds were examined and found to be properly executed.

INTERNAL CONTROL SECTION

Hutchins, Farrell, Meyer & Allison, P.A.

Certified Public Accountants • Business & Financial Advisors

Robert H. Hutchins, CPA, CVA
Eugene M. Farrell, CPA, RMA, CFP
Robert W. Allison, CPA, RMA
Alan E. Meyer, CPA/ABV
Joann DiLieto, CPA

Patrice R. Antonucci, CPA
Thomas L. Stetson, CPA

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

Honorable Mayor and Members
of the Borough Council
Borough of Tinton Falls, New Jersey

We have audited the regulatory-basis financial statements of the Borough of Tinton Falls, County of Monmouth, New Jersey ("Borough") as of and for the year ended December 31, 2009, which collectively comprise the Borough's basic financial statements and have issued our report thereon dated June 28, 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 ("Division"), and a qualified opinion since the Division does not require the Length of Service Award Program ("LOSAP") to be audited, only reviewed. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division.

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 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.

Honorable Mayor and Members
of the Borough Council
Borough of Tinton Falls, New Jersey
Page 2

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.

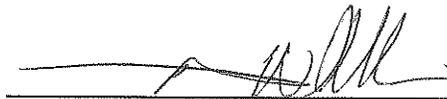
Compliance and Other Matters

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 and use of the Borough of Tinton Falls' management, and Council members, others within the organization, and the Division, and is not intended to be and should not be used by anyone other than these specified parties.

Hutchins, Farrell, Meyer & Allison, P.A.

Independent Auditors



Robert W. Allison
Registered Municipal Accountant
(#483)

June 28, 2010

COMMENTS AND RECOMMENDATIONS

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS AND RECOMMENDATIONS

Year ended December 31, 2009

None noted.