

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY  
YEARS ENDED DECEMBER 31, 2010 AND 2009

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

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

TABLE OF CONTENTS

Year ended December 31, 2010

Independent Auditor's Report

<u>Financial Statements</u>	<u>Exhibit</u>
<u>Current Fund</u>	
Comparative Balance Sheet - Regulatory Accounting Basis	A
Comparative Statement of Operations and Changes in Fund Balance - Regulatory Accounting Basis	A-1
Statement of Revenues - Regulatory Accounting Basis	A-2
Statement of Appropriations - Regulatory Accounting Basis	A-3
<u>Trust Fund</u>	
Comparative Balance Sheet - Regulatory Accounting Basis	B
<u>General Capital Fund</u>	
Comparative Balance Sheet - Regulatory Accounting Basis	C
Comparative Statement of Fund Balance - Regulatory Accounting Basis	C-1
<u>Water Utility Fund</u>	
Comparative Balance Sheet - Regulatory Accounting Basis	D
Comparative Statement of Operations and Changes in Fund Balance - Regulatory Accounting Basis	D-1
Comparative Statement of Fund Balance - Regulatory Accounting Basis	D-2
Statement of Revenues - Regulatory Accounting Basis	D-3
Statement of Appropriations - Regulatory Accounting Basis	D-4
<u>General Fixed Assets Account Group</u>	
Comparative Statement of General Fixed Assets - Regulatory Accounting Basis	E
<u>Notes To Financial Statements</u>	

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

TABLE OF CONTENTS

Year ended December 31, 2010

<u>Supplementary Schedules</u>	<u>Schedule</u>
<u>Current Fund</u>	
Schedule of Cash	1-A
Schedule of Due From/(To) State of New Jersey - Senior Citizens' and Veterans' Deductions	2-A
Schedule of Taxes Receivable and Analysis of Property Tax Levy	3-A
Schedule of Tax Title Liens Receivable	4-A
Schedule of Miscellaneous Liens Receivable	5-A
Schedule of Property Acquired for Taxes - Assessed Valuation	6-A
Schedule of Revenue Accounts Receivable	7-A
Schedule of Deferred Charges - N.J.S.A. 40A:4-55 - Special Emergency Authorizations	8-A
Schedule of 2009 Appropriation Reserves	9-A
Schedule of Accounts Payable	10-A
Schedule of Reserve for Encumbrances	11-A
Schedule of Prepaid Taxes	12-A
Schedule of Tax Overpayments	13-A
Schedule of County Taxes Payable	14-A
Schedule of Regional School District Tax Payable	15-A
Schedule of Regional High School Tax Payable	16-A
Schedule of Special District Taxes Payable	17-A
Schedule of Municipal Open Space Tax Payable	18-A
Schedule of Due To State and Local Agencies	19-A
Schedule of Various Reserves	20-A
Schedule of Cash - Federal and State Grant Fund	21-A
Schedule of Grants Receivable - Federal and State Grant Fund	22-A
Schedule of Reserve for State Grants - Appropriated - Federal and State Grant Fund	23-A
Schedule of Reserve for State Grants - Unappropriated - Federal and State Grant Fund	24-A
<u>Trust Fund</u>	
Schedule of Cash - Treasurer	1-B
Schedule of Assessments Receivable - Assessment Trust Fund	2-B
Schedule of Due To State of New Jersey - Animal Control Trust Fund	3-B
Schedule of Reserve for Animal Control Fund Expenditures - Animal Control Trust Fund	4-B
Schedule of Reserve for Open Space - Open Space Trust Fund	5-B
Schedule of Various Reserves - Trust - Other Fund	6-B
Schedule of Investments - Length of Service Awards Program Fund	7-B
Schedule of Miscellaneous Reserves - Length of Service Awards Program Fund	8-B

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

TABLE OF CONTENTS

Year ended December 31, 2010

<u>Supplementary Schedules</u>	<u>Schedule</u>
<u>General Capital Fund</u>	
Schedule of Cash - Treasurer	1-C
Schedule of Analysis of General Capital Cash	2-C
Schedule of Deferred Charges To Future Taxation - Funded	3-C
Schedule of Deferred Charges To Future Taxation - Unfunded	4-C
Schedule of General Serial Bonds	5-C
Schedule of Bond Anticipation Notes	6-C
Schedule of Improvement Authorizations	7-C
Schedule of Capital Improvement Fund	8-C
Schedule of Due From State of New Jersey - Grants Receivable	9-C
Schedule of Various Reserves	10-C
Schedule of Bond and Notes Authorized But Not Issued	11-C
<u>Water Utility Fund</u>	
Schedule of Cash - Treasurer	1-D
Schedule of Water Utility Capital Fund Cash	2-D
Schedule of Fixed Capital	3-D
Schedule of Fixed Capital Authorized and Uncompleted	4-D
Schedule of 2009 Appropriation Reserves	5-D
Schedule of Encumbrances Payable	6-D
Schedule of Accrued Interest on Bonds	7-D
Schedule of Serial Bonds	8-D
Schedule of Improvement Authorizations	9-D
Schedule of Capital Improvement Fund	10-D
Schedule of Reserve for Amortization	11-D
Schedule of Deferred Reserve for Amortization	12-D
Schedule of Reserve for Capital Projects	13-D
<u>General Fixed Assets Account Group</u>	
Schedule of General Fixed Assets	1-E

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

TABLE OF CONTENTS

Year ended December 31, 2010

Comments Section

Scope of Audit

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

Collection of Interest on Delinquent Taxes and Assessments  
Tax Sale

Confirmation of Delinquent Taxes and Other Charges

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

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

Comparative Schedule of Tax Rate Information

Apportionment of Tax Rate

Assessed Valuations

Comparison of Tax Levies and Collection Currently

Comparative Schedule of Tax Title Liens

Property Acquired by Tax Title Lien Liquidation

Comparative Schedule of Fund Balances

Officials in Office and Surety Bonds

Internal Control Section

Report on Internal Control over Financial Reporting  
and on Compliance Based on an Audit of Financial  
Statements Performed in Accordance with  
Government Auditing Standards

Comments and Recommendations

# 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

Monmouth County Office  
912 Highway 33 • Suite 2  
Freehold, NJ 07728  
(732) 409-0800  
Fax: (732) 866-9312

Ocean County Office

512 Main Street • PO Box 1778  
Toms River, NJ 08754  
(732) 240-5600  
Fax: (732) 505-8358

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Township Committee  
Township of Manalapan, New Jersey

We have audited the accompanying regulatory-basis financial statements of the Township of Manalapan, County of Monmouth, New Jersey ("Township") as of December 31, 2010 and 2009, and for the year ended December 31, 2010, which collectively comprise the Township's basic financial statements listed as financial statement exhibits in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 Township 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 of Local Government Services, Department of Community Affairs, State of New Jersey to audit nor were we engaged to audit the LOSAP Fund financial statements as part of our audit of the Township's financial statements. The LOSAP Fund financial activities are included in the Township's Trust Fund, and represent 2.69% and 1.97% of the assets and liabilities, respectively, of the Township's Trust Funds as of December 31, 2010 and 2009.

Honorable Mayor and Members  
of the Township Committee  
Township of Manalapan, New Jersey  
Page 2

In our opinion, because of the effects of the Township'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 Township as of December 31, 2010 and 2009, or the changes in its financial position, or, where applicable, its cash flows for the years then ended. Further, the Township 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 Township as of December 31, 2010 and 2009, 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, 2010 and 2009 on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated June 15, 2011 on our consideration of the Township'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 15, 2011

## FINANCIAL STATEMENTS

CURRENT FUND

EXHIBITS



TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

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

Years ended December 31, 2010 and 2009

<u>Revenue and Other Income Realized</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Fund Balance Utilized	A-2	\$ 5,200,000.00	\$ 4,200,000.00
Miscellaneous Revenue Anticipated	A-2	7,343,256.10	8,331,245.31
Receipts From Delinquent Taxes	A-2	1,326,016.87	2,062,769.41
Receipts From Current Taxes	A-2,3-A	113,910,008.51	110,272,775.16
Non-Budget Revenue	A-2	258,987.13	874,750.73
Other Credits To Income:			
Senior Citizens' and Veterans' Allowed	2-A	750.00	1,250.00
Unexpended Balance of Appropriation Reserves	9-A	254,051.18	836,987.03
Prior Year Interfunds Returned	A,1-A	12,535.07	
Accounts Payable Cancelled	10-A	11,093.98	6,861.29
		<u>128,316,698.84</u>	<u>126,586,638.93</u>
<u>Expenditures</u>			
Budget Appropriations Within CAPS:			
Operations:			
Salaries and Wages	A-3	12,465,874.66	12,467,728.00
Other Expenses	A-3	10,217,519.00	10,673,605.00
Deferred Charges and Statutory Expenditures	A-3	2,787,515.00	2,690,332.00
Budget Appropriations Excluded From CAPS:			
Operations:			
Salaries and Wages	A-3	60,867.00	60,867.00
Other Expenses	A-3	834,467.67	650,807.74
Capital Improvements	A-3	50,000.00	75,000.00
Municipal Debt Service	A-3	2,268,334.92	2,293,789.97
Deferred Charges	A-3	185,000.00	185,000.00
County Taxes	3-A,14-A	17,812,947.82	17,032,514.26
Regional Elementary School Tax	3-A,15-A	50,330,369.16	48,454,714.54
Regional High School Taxes	3-A,16-A	24,477,946.59	25,234,976.26
Special District Taxes	3-A,17-A	2,201,882.00	2,114,730.00
Municipal Open Space Taxes	3-A,18-A	1,142,240.20	1,291,282.65
Senior Citizens' and Veterans' Disallowed	2-A	3,137.31	4,287.26
Interfund Advances	A-1		12,535.07
		<u>124,838,101.33</u>	<u>123,242,169.75</u>
Excess in Revenue		3,478,597.51	3,344,469.18
Fund Balance, January 1	A	<u>6,792,603.53</u>	<u>7,648,134.35</u>
		10,271,201.04	10,992,603.53
Decreased By:			
Utilized as Anticipated Revenue	A-1,A-2	<u>5,200,000.00</u>	<u>4,200,000.00</u>
Fund Balance, December 31	A	<u>\$ 5,071,201.04</u>	<u>\$ 6,792,603.53</u>

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Reference	Anticipated Budget	Budget Amendments	Amount Realized	Excess/ (Deficit)
Fund Balance Anticipated	A-1	\$ 5,200,000.00		\$ 5,200,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	7-A	27,500.00		33,126.00	\$ 5,626.00
Other	7-A	30,000.00		35,255.00	5,255.00
Fees and Permits	7-A	875,000.00		1,072,000.33	197,000.33
Fines and Costs:					
Municipal Court	7-A	375,000.00		399,907.52	24,907.52
Interest and Costs on Taxes	7-A	250,000.00		277,988.27	27,988.27
Interest on Investments and Deposits	7-A	20,000.00		34,134.52	14,134.52
PILOT - Heritage Village		95,000.00		113,362.05	18,362.05
Consolidated Municipal Property Tax Relief Aid	7-A	17,274.00		17,274.00	
Energy Receipts Tax	7-A	3,836,675.00		3,836,675.00	
Garden State Trust Fund	7-A	22,055.43		22,055.43	
Uniform Construction Code Fees	7-A	550,000.00		954,593.50	404,593.50
Interlocal Service Agreement - Animal Control Services	7-A	80,667.00		110,589.50	29,922.50
Uniform Fire Safety Act	7-A	85,000.00		124,424.77	39,424.77
Reserve for Debt Service - Capital Fund	7-A	130,000.00		130,000.00	
Public Health Priority Funding - 1987	22-A	5,631.00		5,631.00	
Recycling Tonnage Grant	22-A	33,753.92		33,753.92	
Drunk Driving Enforcement Fund	22-A	7,565.24		7,565.24	
Clean Communities Program	22-A	58,351.47		58,351.47	
Municipal Alliance on Alcoholism and Drug Abuse	22-A	21,957.00		21,957.00	
Multistate Learning Collaborative Grant (MLC - 3)	22-A	7,500.00		7,500.00	
Office on Aging Grant	22-A	20,000.00		20,000.00	
NJ Body Armor Replacement Fund	22-A	2,111.58		2,111.58	
NABOHL Medical Reserve Corp Program	22-A	5,000.00		5,000.00	
Community Stewardship	22-A	7,000.00		7,000.00	
Recycling Service Improvements (MRSIG)	22-A		10,000.00	10,000.00	
COOL Cities Tree Grant	22-A	3,000.00		3,000.00	
<b>Total Miscellaneous Revenues</b>	A-1	<u>6,566,041.64</u>	<u>10,000.00</u>	<u>7,343,256.10</u>	<u>767,214.46</u>
Receipts From Delinquent Taxes	A-1	<u>1,250,000.00</u>		<u>1,326,016.87</u>	<u>76,016.87</u>
Amount To Be Raised By Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2	<u>18,791,982.18</u>		<u>20,740,866.65</u>	<u>1,948,884.47</u>
Budget Revenues	A-3	31,808,023.82	10,000.00	34,610,139.62	2,792,115.80
Non-Budget Revenues	A-1,1-A			<u>258,987.13</u>	<u>258,987.13</u>
		<u>\$ 31,808,023.82</u>	<u>\$ 10,000.00</u>	<u>\$ 34,869,126.75</u>	<u>\$ 3,051,102.93</u>

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	<u>Reference</u>	
<u>Analysis of Realized Revenues</u>		
Allocation of Current Tax Collections:		
Revenue From Collections	A-1,3-A	\$ 113,910,008.51
Allocated To:		
School, County, Special District and Open Space Taxes	3-A	<u>95,965,385.77</u>
		17,944,622.74
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>2,796,243.91</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 20,740,866.65</u>
Receipts From Delinquent Taxes:		
Delinquent Tax Collections	A-2,3-A	<u>\$ 1,326,016.87</u>

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

<u>Analysis of Non-Budget Revenues</u>	<u>Reference</u>	
Miscellaneous Revenue Not Anticipated:		
Telephone Commissions		\$ 220.00
Copies/Maps		10,102.87
Prior Year Refunds		30,502.79
Prior Year Refunds Insurance		111.03
Recycle Batteries/Scrap Metal		13,906.45
2% Administrative Fee for Seniors and Vets		6,007.41
Metro Cell Tower Fence Payment as per Agreement		8,400.00
Highway Safety Reimbursement for Safety Equipment Purchase		48,000.00
Miscellaneous		28,141.42
Returned Check Charges		750.50
Sale of Assets		34,328.00
Stale Dated Checks		162.00
DMV - State Collection Inspection Fees		10,087.34
Collector Duplicate Bills		20.00
Ceremony Fees Marriage/Civil Union		3,100.00
Bid Spec Fees		2,625.00
School Resource Officer (FRHSD)		20,000.00
Manalapan-Englishtown Regional BOE Reimbursement re Shared Services		4,561.34
Medical Deduction per Chap 2 P.L. 2010**		<u>37,960.98</u>
	A-1,1-A	<u>\$ 258,987.13</u>

\*\* - Employee Health Care contributions shall be treated as a Payroll Agency transaction

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Appropriated		Budget After Modification	Paid or Charged	Expended	Reserved	Cancelled
	Original Budget						
General Appropriations Operations - Within "CAPS"	\$	270,000.00	\$	263,176.97	\$	6,823.03	
GENERAL GOVERNMENT							
General Administration:							
Salaries and Wages		19,800.00		11,544.89		8,255.11	
Other Expenses		36,125.00		34,094.50		2,030.50	
Governing Body:							
Salaries and Wages		196,750.00		189,780.43		6,969.57	
Other Expenses		43,345.00		42,919.31		425.69	
Finance Administration:							
Salaries and Wages		292,500.00		285,913.39		6,586.61	
Other Expenses		56,000.00		54,787.86		4,212.14	
Audit Services:							
Other Expenses		42,000.00		42,000.00			
Collection of Taxes:							
Salaries and Wages		153,500.00		151,274.44		2,225.56	
Other Expenses		24,350.00		19,072.06		5,277.94	
Assessment of Taxes:							
Salaries and Wages		141,000.00		139,484.00		1,516.00	
Other Expenses		86,145.00		44,377.85		41,767.15	
Legal Services and Costs:							
Other Expenses		195,000.00		175,647.08		19,352.92	
Engineering Services and Costs:							
Other Expenses		80,500.00		70,267.25		10,232.75	
LAND USE ADMINISTRATION							
Planning Board:							
Salaries and Wages		63,000.00		62,091.26		908.74	
Other Expenses		37,060.00		21,014.27		16,045.73	
Zoning Board:							
Salaries and Wages		44,000.00		43,336.00		664.00	
Other Expenses		18,500.00		24,274.31		4,225.69	
INSURANCE							
General Liability Insurance		623,500.00		588,339.35		35,160.65	
Workers Compensation Insurance		125,000.00		87,529.91		37,470.09	
Employee Group Insurance		2,938,303.00		2,890,534.55		47,768.45	
Unemployment Insurance		75,000.00		70,716.79		4,283.21	

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Appropriated		Paid or Charged	Expended		Cancelled
	Original Budget	Budget After Modification				
General Appropriations Operations - Within "CAPS"						
PUBLIC SAFETY						
Police Department:						
Salaries and Wages	6,975,216.66	6,975,216.66	6,746,995.28	128,221.38		\$ 100,000.00
Other Expenses	162,794.00	162,794.00	148,564.77	14,229.23		
Police Dispatch:						
Salaries and Wages	374,500.00	374,500.00	359,264.16	15,235.84		
Other Expenses	3,730.00	3,730.00	1,126.00	2,604.00		
Emergency Management:						
Salaries and Wages	5,000.00	5,000.00	5,000.00			
Other Expenses	3,525.00	3,525.00	1,427.38	2,097.62		
First Aid Contribution:						
Other Expenses	30,000.00	30,000.00	30,000.00			
Uniform Fire Safety Act:						
Salaries and Wages	149,500.00	149,500.00	142,195.67	7,304.33		
Other Expenses	5,270.00	5,270.00	2,932.63	2,337.37		
Municipal Prosecutor:						
Salaries and Wages	30,000.00	30,000.00	30,000.00			
Volunteer Incentive Award Program:						
Other Expenses	6,000.00	6,000.00	5,851.40	148.60		
Municipal Court:						
Salaries and Wages	235,000.00	237,000.00	232,393.99	4,606.01		
Other Expenses	15,437.00	15,437.00	9,110.99	6,326.01		
Public Defender:						
Salaries and Wages	10,000.00	10,000.00	10,000.00			
PUBLIC WORKS						
Streets and Roads:						
Salaries and Wages	1,533,100.00	1,533,100.00	1,479,479.94	53,620.06		
Other Expenses	191,500.00	191,500.00	172,579.86	18,920.14		
Snow Removal:						
Salaries and Wages	35,000.00	35,000.00	35,000.00			
Other Expenses	290,000.00	290,000.00	290,000.00			
Sanitation/Solid Waste Collection:						
Other Expenses	1,271,500.00	1,281,500.00	1,169,696.06	111,803.94		
Buildings and Grounds:						
Salaries and Wages	147,000.00	147,000.00	140,720.12	6,279.88		
Other Expenses	220,000.00	220,000.00	158,483.06	61,516.94		
Recycling:						
Other Expenses	64,000.00	64,000.00	30,697.18	33,302.82		
Vehicle Maintenance:						
Salaries and Wages	231,000.00	231,000.00	216,014.74	14,985.26		
Other Expenses	188,500.00	188,500.00	183,961.20	4,538.80		
Community/Condominium Services Act:						
Other Expenses	195,000.00	195,000.00	78,652.00	116,348.00		
Shade Tree Commission:						
Salaries and Wages	8,200.00	8,200.00	7,424.81	775.19		
Other Expenses	3,100.00	3,100.00	200.00	2,900.00		

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Appropriated		Budget After Modification	Paid or Charged	Expended	Reserved	Cancelled
	Original Budget						
General Appropriations Operations - Within "CAPS"							
HEALTH AND HUMAN SERVICES							
Public Health Services:							
Salaries and Wages	288,000.00		288,000.00	271,126.73	16,873.27		
Other Expenses	40,900.00		40,900.00	26,624.07	14,275.93		
Environmental Commission:							
Other Expenses	500.00		500.00	127.50	372.50		
Community Alliance:							
Salaries and Wages	26,500.00		26,500.00	24,479.92	2,020.08		
Other Expenses	3,500.00		3,500.00	1,672.24	1,827.76		
Animal Control Services:							
Salaries and Wages	14,633.00		14,633.00		14,633.00		
Other Expenses	1,250.00		1,250.00	223.83	1,026.17		
PARK AND RECREATION							
Recreation Commission and Open Space:							
Salaries and Wages	311,600.00		311,600.00	305,446.06	6,153.94		
Other Expenses	46,755.00		46,755.00	34,962.96	11,792.04		
Senior Citizen Advisory Council:							
Other Expenses	4,000.00		4,000.00	801.00	3,199.00		
Senior Citizen Center:							
Salaries and Wages	94,250.00		94,250.00	93,312.74	937.26		
Other Expenses	61,035.00		61,035.00	59,127.87	1,907.13		
OTHER COMMON OPERATING FUNCTIONS							
Provision for Accumulated Sick and Vacation:							
Other Expenses	50,000.00		50,000.00	50,000.00			
Postage:							
Other Expenses	65,000.00		58,000.00	40,413.22	17,586.78		
UNIFORM CONSTRUCTION CODE							
Construction Official:							
Salaries and Wages	802,500.00		802,500.00	799,035.18	3,464.82		
Other Expenses	15,365.00		15,365.00	11,934.79	3,430.21		
Code Enforcement/Zoning:							
Salaries and Wages	96,000.00		96,000.00	92,674.96	3,325.04		
Other Expenses	5,355.00		5,355.00	3,823.89	1,531.11		

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Appropriated		Budget After Modification	Expended		Cancelled
	Original Budget			Paid or Charged	Reserved	
General Appropriations						
Operations - Within "CAPS"						
UTILITIES AND BULK PURCHASES						
Gasoline and Diesel Fuels	245,000.00		237,000.00	197,973.09	39,026.91	
Electricity	315,000.00		315,000.00	279,074.07	35,925.93	
Telephone and Telegraph	75,000.00		75,000.00	68,727.49	6,272.51	
Natural Gas	85,000.00		85,000.00	48,588.82	36,411.18	
Heating/Fuel Oil	12,000.00		12,000.00	8,340.51	3,659.49	
Street Lighting	660,000.00		660,000.00	636,872.21	23,127.79	
Water	40,000.00		40,000.00	28,909.85	11,090.15	
Sewer	10,000.00		10,000.00	6,976.00	3,024.00	
Telecommunication Costs	18,000.00		18,000.00	16,659.72	1,340.28	
Landfill/Disposal Costs	1,450,000.00		1,440,000.00	1,205,898.82	234,101.18	
Total Operations - Within "CAPS"	22,782,393.66		22,782,393.66	21,313,755.25	1,368,638.41	100,000.00
Contingent	1,000.00		1,000.00	100.00	900.00	
Total Operations Including Contingent - Within "CAPS"	22,783,393.66		22,783,393.66	21,313,855.25	1,369,538.41	100,000.00
Detail:						
Salaries and Wages	12,563,874.66		12,565,874.66	12,159,715.29	306,159.37	100,000.00
Other Expenses	10,219,519.00		10,217,519.00	9,154,139.96	1,063,379.04	
STATUTORY EXPENDITURES						
Contribution To:						
Public Employees' Retirement System	14,154.00		14,154.00	14,154.00		
Social Security System (O.A.S.I.)	970,000.00		970,000.00	909,168.23	60,831.77	
Police and Firemen's Retirement System of NJ	1,368,652.00		1,368,652.00	1,368,652.00		
Public Employees Retirement System	433,803.00		433,803.00	433,803.00		
Defined Contribution Retirement Program	906.00		906.00		906.00	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	2,787,515.00		2,787,515.00	2,725,777.23	61,737.77	
Total General Appropriations for Municipal Purposes - Within "CAPS"	25,570,908.66		25,570,908.66	24,039,632.48	1,431,276.18	100,000.00

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY  
CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Appropriated		Budget After Modification	Paid or Charged	Expended	Reserved	Cancelled
	Original Budget						
General Appropriations							
Operations - Excluded From "CAPS"							
Employee Group Health Insurance	218,697.00		218,697.00	218,697.00			
Public Employees Retirement System	25,176.00		25,176.00	25,176.00			
Police and Firemen's Retirement System of NJ	65,374.00		65,374.00	65,374.00			
Length of Services Awards Program (LOSAP):							
Other Expenses	47,250.00		47,250.00	47,250.00			
Stormwater and Water Pollution:							
Other Expenses	25,000.00		25,000.00	15,835.00		9,165.00	
Recycling Tax (NJSA 13:1E-96.5)	65,000.00		65,000.00	50,780.52		14,219.48	
Total Other Operations - Excluded from "CAPS"	446,497.00		446,497.00	423,112.52		23,384.48	
SHARED SERVICE AGREEMENTS							
Animal Control Services:							
Salaries and Wages	60,867.00		60,867.00	55,396.89		5,470.11	
Other Expenses	19,800.00		19,800.00	13,664.54		6,135.46	
Monmouth County 911:							
Other Expenses	89,639.04		89,639.04	68,986.46		20,652.58	
Interlocal - Information Technology:							
Other Expenses	89,000.00		89,000.00	78,195.00		10,805.00	
Interlocal Monmouth Public Health Consortium:							
Other Expenses	22,842.00		22,842.00	17,792.00		5,050.00	
Total Shared Service Agreements	282,148.04		282,148.04	234,034.89		22,410.57	
Additional Appropriations Offset by Revenues (N.J.S.40A:4-45.3h):							
SFSP Fire District Payments	10,522.00		10,522.00	10,522.00			
Total Additional Appropriations Offset By Revenues (N.J.S.40A-4-45.3h)	10,522.00		10,522.00	10,522.00			
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES							
Clean Communities Program	58,351.47		58,351.47	58,351.47			
Drunk Driving Enforcement Fund	7,565.24		7,565.24	7,565.24			
Monmouth County Community Alliance Grant - Grant Share	21,957.00		21,957.00	21,957.00			
Public Health Priority Funding	5,631.00		5,631.00	5,631.00			
Body Armor Replacement - State	2,111.58		2,111.58	2,111.58			
Office on Aging	20,000.00		20,000.00	20,000.00			
Recycling Tonnage Grant	33,753.92		33,753.92	33,753.92			
Chapter 159 - Recycling Service Improvements	10,000.00		10,000.00	10,000.00			
Matching Funds for Grants	10,000.00		10,000.00	10,000.00			
Multistate Learning Collaborative Grant (MLC - 3)	7,500.00		7,500.00	7,500.00		10,000.00	
COOL Cities Tree Grant	3,000.00		3,000.00	3,000.00			
NABOHL Medical Reserve Corp Program	5,000.00		5,000.00	5,000.00			
Community Stewardship Grant	7,000.00		7,000.00	7,000.00			
Total Public and Private Programs Offset by Revenues	191,870.21		191,870.21	181,870.21		10,000.00	
Total Operations - Excluded From "CAPS"	931,037.25		931,037.25	849,539.62		45,795.05	
							35,702.58

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Original Budget	Appropriated Budget After Modification	Paid or Charged	Expended	Reserved	Cancelled
General Appropriations Operations - Excluded From "CAPS"						
Detail:						
Salaries and Wages	60,867.00	60,867.00	55,396.89		5,470.11	
Other Expenses	870,170.25	870,170.25	794,142.73		40,324.94	35,702.58
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund	50,000.00	50,000.00	50,000.00			
Total Capital Improvements - Excluded From "CAPS"	50,000.00	50,000.00	50,000.00			
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	1,487,093.00	1,487,093.00	1,487,093.00			
Interest on Bonds	505,739.00	505,739.00	505,739.00			
Capital Lease Obligations Approved Prior to 07/01/2007:						
Principal	253,000.00	253,000.00	236,500.92			16,499.08
Interest	39,002.00	39,002.00	39,002.00			
Total Municipal Debt Service - Excluded From "CAPS"	2,284,834.00	2,284,834.00	2,268,334.92			16,499.08
DEFERRED CHARGES						
Deferred Charges To Future Taxation - Special Emergency	185,000.00	185,000.00	185,000.00			
Total Deferred Charges - Municipal - Excluded from "CAPS"	185,000.00	185,000.00	185,000.00			
Total General Appropriations - Excluded From "CAPS"	3,450,871.25	3,450,871.25	3,352,874.54		45,795.05	52,201.66
Subtotal General Appropriations	29,021,779.91	29,021,779.91	27,392,507.02		1,477,071.23	152,201.66
Reserve for Uncollected Taxes	2,796,243.91	2,796,243.91	2,796,243.91			
Total General Appropriations	\$ 31,818,023.82	\$ 31,818,023.82	\$ 30,188,750.93		\$ 1,477,071.23	\$ 152,201.66
Reference		A-3			A	A-3
Analysis of Budget After Modification						
Original Budget	A-2 \$ 31,806,023.82					
Added by N.J.S. 40A:4-87	A-2 10,000.00					
Analysis of Paid or Charged						
Cash Disbursements			\$ 26,394,559.58			
Deferred Charges:						
Special Emergency Authorizations	1-A		185,000.00			
Encumbrances Payable	8-A		631,077.23			
Reserve for Appropriated Grants	11-A		181,870.21			
Reserve for Uncollected Taxes	23-A		2,796,243.91			
	A-2					
			\$ 30,188,750.93			

See accompanying notes.

TRUST FUND

EXHIBIT

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

Assets	Reference	2010	2009	Liabilities, Reserves and Fund Balance	Reference	2010	2009
Animal Control Trust Fund: Cash and Cash Equivalents	1-B	\$ 59,964.42	\$ 64,987.02	Animal Control Trust Fund: Due To: State of New Jersey Current Fund Reserve for Animal Control Fund Expenditures	3-B B 4-B	\$ 1,033.80	\$ 11.40 12,535.07 52,440.55
Assessment Trust Fund: Deferred Assessments Receivable	2-B	1,923.00	1,923.00	Assessment Trust Fund: Reserve for Deferred Assessments Receivable	B	1,923.00	1,923.00
Open Space Trust Fund: Cash and Cash Equivalents Due From General Capital Fund	1-B 5-B	1,543,042.85 9,416.40	1,880,531.28	Open Space Trust Fund: Reserve for Open Space	5-B	1,552,459.25	1,880,531.28
Trust - Other Fund: Cash and Cash Equivalents	1-B	10,681,999.85	10,954,794.93	Trust - Other Fund: Various Reserves Fund Balance	6-B B	10,679,790.33 2,209.52	10,952,585.41 2,209.52
Length of Service Award Program Fund ("LOSAP") - Unaudited: Investments	7-B	339,954.53	259,762.42	Length of Service Award Program Fund ("LOSAP") - Unaudited: Miscellaneous Reserves	8-B	339,954.53	259,762.42
Total Assets		\$ 12,636,301.05	\$ 13,161,998.65	Total Liabilities, Reserves and Fund Balance		\$ 12,636,301.05	\$ 13,161,998.65

See accompanying notes.

GENERAL CAPITAL FUND

EXHIBITS

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY  
 GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

<u>Assets</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Cash and Cash Equivalents	1-C,2-C	\$ 4,872,622.97	\$ 4,679,829.82	General Serial Bonds	5-C	\$ 16,527,221.00	\$ 18,461,271.00
Deferred Charges To Future Taxation:				Bond Anticipation Notes	6-C	2,660,000.00	
Funded	3-C	16,527,221.00	18,461,271.00	Contracts Payable	7-C	2,970,680.43	2,299,663.32
Unfunded	4-C	4,047,000.00		Improvement Authorizations:			
Grants Receivable	9-C	205,801.25	637,051.25	Funded	7-C	1,866,730.88	2,875,980.38
				Unfunded	7-C	1,505,579.14	
				Capital Improvement Fund	8-C	32,846.51	55,846.51
				Due To Open Space Fund	1-C	9,416.40	
				Reserve for:			
				Dog Park	10-C		7,500.00
				Sidewalk Program	10-C	12,213.33	9,933.33
				Country Estates Section VI Imps.	10-C	18,128.17	18,128.17
				Fund Balance	C-1	49,829.36	49,829.36
<b>Total Assets</b>		<b>\$ 25,652,645.22</b>	<b>\$ 23,778,152.07</b>	<b>Total Liabilities, Reserves and Fund Balance</b>		<b>\$ 25,652,645.22</b>	<b>\$ 23,778,152.07</b>

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE - REGULATORY ACCOUNTING BASIS

Years ended December 31, 2010 and 2009

Reference

Balance, December 31, 2010 and 2009	C	<u>\$ 49,829.36</u>
-------------------------------------	---	---------------------

See accompanying notes.

WATER UTILITY FUND  
EXHIBITS

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

<u>Assets</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>	<u>Liabilities, Reserves and Fund Balances</u>	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Operating Fund:							
Cash - Treasurer	1-D	\$ 125,698.40	\$ 154,329.33	Operating Fund:			
Total Operating Fund		<u>125,698.40</u>	<u>154,329.33</u>	Appropriation Reserves	D-4,5-D	\$ 5,859.10	\$ 3,850.03
				Accounts Payable	5-D	950.25	
				Encumbrances Payable	6-D	105.00	1,324.75
				Accrued Interest on Bonds	7-D	912.32	1,041.37
				Fund Balance	D-1	7,826.67	6,216.15
				Total Operating Fund		<u>117,871.73</u>	<u>148,113.18</u>
						<u>125,698.40</u>	<u>154,329.33</u>
Capital Fund:				Capital Fund:			
Cash and Cash Equivalents	1-D,2-D	134,675.39	235,238.89	Serial Bonds	8-D	258,779.00	296,729.00
Fixed Capital	3-D	1,108,234.71	1,108,234.71	Improvement Authorizations:			
Fixed Capital Authorized and Uncompleted	4-D	206,500.00	206,500.00	Funded	9-D	21,116.83	47,280.83
Total Capital Fund		<u>1,449,410.10</u>	<u>1,549,973.60</u>	Contracts Payable	9-D	11,956.50	71,727.00
				Capital Improvement Fund	10-D	6,625.00	6,625.00
Total Assets		<u>\$ 1,575,108.50</u>	<u>\$ 1,704,302.93</u>	Reserve for Amortization	11-D	841,234.71	841,234.71
				Deferred Reserve for Amortization	12-D	214,721.00	176,771.00
				Reserve for Capital Projects	13-D	80,268.08	94,897.08
				Fund Balance	D-2	14,708.98	14,708.98
				Total Capital Fund		<u>1,449,410.10</u>	<u>1,549,973.60</u>
				Total Liabilities, Reserves and Fund Balances		<u>\$ 1,575,108.50</u>	<u>\$ 1,704,302.93</u>

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

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

Years ended December 31, 2010 and 2009

	<u>Reference</u>	<u>2010</u>	<u>2009</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	D-3	\$ 48,352.00	\$ 25,476.00
Miscellaneous Revenue Anticipated	D-3,1-D	44,828.69	136,056.58
Accounts Payable Cancelled	D-3	20,000.00	21.25
Accrued Interest Cancelled	7-D	129.05	70.28
Unexpended Balance of Appropriation Reserves	5-D	<u>3,151.53</u>	<u>6,651.50</u>
Total Revenue		<u>116,461.27</u>	<u>168,275.61</u>
Expenditures:			
Operating	D-4	10,000.00	34,000.00
Debt Service	D-4	52,350.72	52,665.35
Capital Outlay	D-4	<u>36,000.00</u>	<u>                    </u>
Total Expenditures		<u>98,350.72</u>	<u>86,665.35</u>
Excess in Revenue		18,110.55	81,610.26
Fund Balance, January 1	D	<u>148,113.18</u>	<u>91,978.92</u>
		166,223.73	173,589.18
Decreased By:			
Utilized as Anticipated Revenue	D-1	<u>48,352.00</u>	<u>25,476.00</u>
Fund Balance, December 31	D	<u>\$ 117,871.73</u>	<u>\$ 148,113.18</u>

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE  
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2010 and 2009

Reference

Balance, December 31, 2010 and 2009	D	<u>\$ 14,708.98</u>
-------------------------------------	---	---------------------

See accompanying notes.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	<u>Reference</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Utilized	D-1	\$ 48,352.00	\$ 48,352.00	
Water Capital - Reserve for Capital Projects	D-1, 1-D	20,000.00	20,000.00	
Miscellaneous	D-1, 1-D	<u>30,000.00</u>	<u>44,828.69</u>	<u>\$ 14,828.69</u>
	D-4	<u>\$ 98,352.00</u>	<u>\$ 113,180.69</u>	<u>\$ 14,828.69</u>

Analysis of Miscellaneous Revenue

Master Volume Fees		\$ 30,314.86
Application Fees		14,068.21
Interest Earned on Deposits		<u>445.62</u>
	1-D	<u>\$ 44,828.69</u>

See accompanying notes.

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Appropriations		Expended		Cancelled
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	
Operating:					
Other Expenses	\$ 10,000.00	\$ 10,000.00	\$ 4,141.00	\$ 5,859.00	
Total Operating	10,000.00	10,000.00	4,141.00	5,859.00	
Capital Outlay	36,000.00	36,000.00	35,999.90	0.10	
Total Capital Outlay	36,000.00	36,000.00	35,999.90	0.10	
Debt Service:					
Payment of Bond Principal	37,950.00	37,950.00	37,950.00		
Interest on Bonds	14,402.00	14,402.00	14,400.72		\$ 1.28
Total Debt Service	52,352.00	52,352.00	52,350.72		1.28
Total Water Utility Appropriations	\$ 98,352.00	\$ 98,352.00	\$ 92,491.62	\$ 5,859.10	\$ 1.28
					D-4
Cash Disbursed			\$ 92,386.62		
Encumbrances Payable			105.00		
			\$ 92,491.62		
					D-4

See accompanying notes.

GENERAL FIXED ASSETS ACCOUNT GROUP  
EXHIBIT

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS -  
REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

	<u>Reference</u>	Balance December 31, <u>2010</u>	Balance December 31, <u>2009</u>
Land and Land Improvements	1-E	\$ 15,859,211.72	\$ 15,249,211.72
Buildings and Improvements	1-E	5,127,087.00	4,567,265.00
Machinery, Equipment and Vehicles	1-E	<u>7,538,165.57</u>	<u>7,083,931.26</u>
Total General Fixed Assets		<u>\$ 28,524,464.29</u>	<u>\$ 26,900,407.98</u>
Investment in General Fixed Assets	1-E	<u>\$ 28,524,464.29</u>	<u>\$ 26,900,407.98</u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

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

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 Township 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 Township 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 Township departments.

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

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

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.

Water Utility Operating and Capital Funds - are used to account for Water 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 Utility to the general public be financed through user fees. Operations related to the acquisition of Water capital facilities are recorded within the Water Utility Capital Fund.

General Fixed Assets Account Group - The Township 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.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

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 Township. 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 Township budget. Receivables for property taxes are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable.

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 Township'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.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

1. Summary of Significant Accounting Policies (continued)

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

Had the Township'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 Township 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.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

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 Township 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 Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the Current Fund budget. As funds are raised, the deferred charges are reduced.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans

Substantially, all Township employees participate in the Public Employees' Retirement System ("PERS") and the Police and Fireman'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 Township is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, PERS and PFRS bill the Township 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>
2010	\$ 473,133.00	\$ 1,434,026.00
2009	432,743.00	1,322,369.00
2008	339,239.60	1,238,461.00

Defined Contribution Retirement Program

The Defined Contribution Retirement Program ("DCRP") was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax-deferred salary placed into an account that the employee manages through investment options provided by the employer.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans (continued)

The law required that 3 classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is re-elected to an elected office held prior to that date without a break in service may remain in the PERS.
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain in the PERS.

Contributions made by employees for the DCRP are currently 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution.

During the year 2010, there were 3 officials or employees enrolled in the DCRP.

K. Volunteer Length of Service Award Plan

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

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be \$1,050.00 per year of active emergency service, commencing with the year 2003.

Appropriations - Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2003.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

1. Summary of Significant Accounting Policies (continued)

K. Volunteer Length of Service Award Plan (continued)

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Township 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 Township has been calculated to be approximately \$78,750.00 per year. (This amount may vary annually, however, based upon the total number of eligible active volunteer members in the program).

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.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

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 Township 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 Township, or bonds or other obligations of school districts of which the Township 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.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

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 Township 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 Township 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 Township 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.



TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

2. Deposits and Investments (continued)

Deposits (continued)

New Jersey Cash Management Fund

During the year, the Township participated in the New Jersey Cash Management Fund ("Fund"). The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Fund's participants. Deposits with the Fund are not subject to custodial credit risk as defined above. At December 31, 2010 and 2009, the Township's deposits with the Fund were \$93,169.12 and \$92,933.46, respectively.

Investments

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Township does not have a policy for Custodial Risk. As of December 31, 2010 and 2009, \$339,954.53 and \$259,762.42, respectively, of the Township's investments was exposed to Custodial Credit Risk, as follows:

	<u>Fair Value (LOSAP)</u>	<u>Book Value</u>	<u>Total Reported Value</u>
<u>2010</u>			
Uninsured and Collateralized:			
Collateral held by pledging financial Institution's Trust Department but not in the Township's name	<u>\$ 339,954.53</u>	<u>\$ 339,954.53</u>	<u>\$ 339,954.53</u>
<u>2009</u>			
Uninsured and Collateralized:			
Collateral held by pledging financial Institution's Trust Department but not in the Township's name	<u>\$ 259,762.42</u>	<u>\$ 259,762.42</u>	<u>\$ 259,762.42</u>

Interest Rate Risk

The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

2. Deposits and Investments (continued)

Investments (continued)

Credit Risk

State law limits investments as noted above (N.J.S.A. 40A:5-15.1). The Township does not have an investment policy that would further limit its investment choices.

The fair values of the above-listed investments were based on quoted market prices.

3. Interfund Balances and Activity

Balances due to/from other funds at December 31, 2010 consist of the following:

Due to Open Space Trust Fund from General Capital Fund representing Cash Advance	\$ 9,416.40
---	-------------

4. Taxes Receivable

Taxes

Taxes Receivable as of December 31, 2010 consist of the following:

<u>2010</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 1,561,847.67	\$ 107,110.69	\$ 102,743.75	<u>\$ 1,771,702.11</u>

In 2010, the Township collected \$1,326,016.87 from Delinquent Taxes, which represented 98.54% of the Delinquent Tax Receivable at December 31, 2009.

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

<u>2009</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 1,345,670.45	\$ 59,372.07	\$ 90,136.38	<u>\$ 1,495,178.90</u>

In 2009, the Township collected \$2,059,732.15 from Delinquent Taxes, which represented 98.52% of the Delinquent Tax Receivable at December 31, 2008.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

5. Fixed Assets

The following is a summary of the General Fixed Assets Account Group for the years 2010 and 2009.

<u>2010</u>	Balance, December 31, <u>2009</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2010</u>
Land	\$ 15,249,211.72	\$ 610,000.00		\$ 15,859,211.72
Buildings and Improvements	4,567,265.00	559,822.00		5,127,087.00
Machinery and Equipment	<u>7,083,931.26</u>	<u>477,099.44</u>	<u>\$ 22,865.13</u>	<u>7,538,165.57</u>
Total	<u>\$ 26,900,407.98</u>	<u>\$ 1,646,921.44</u>	<u>\$ 22,865.13</u>	<u>\$ 28,524,464.29</u>

<u>2009</u>	Balance, December 31, <u>2008</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2009</u>
Land	\$ 9,469,630.00	\$ 5,779,581.72		\$ 15,249,211.72
Buildings and Improvements	4,567,265.00			4,567,265.00
Machinery and Equipment	<u>7,992,597.32</u>	<u>643,242.52</u>	<u>\$ 1,551,908.58</u>	<u>7,083,931.26</u>
Total	<u>\$ 22,029,492.32</u>	<u>\$ 6,422,824.24</u>	<u>\$ 1,551,908.58</u>	<u>\$ 26,900,407.98</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

6. Long-Term Debt

The Township's long-term debt consisted of the following at December 31, 2010:

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2010</u>
<u>General Bonds</u>				
General Improvements	10/01/03	\$ 8,150,000.00	3.20-3.50%	\$ 1,725,000.00
Open Space	10/01/03	1,564,000.00	3.20-4.00%	984,000.00
General Improvements	12/29/05	2,605,000.00	5.00%	1,437,000.00
General Improvements	12/13/07	7,498,000.00	4.00-5.25%	6,296,221.00
General Improvements	04/23/08	4,149,000.00	4.00-5.25%	3,599,000.00
General Improvements	12/30/09	2,642,000.00	2.50-5.00%	<u>2,486,000.00</u>
				<u>\$ 16,527,221.00</u>
<u>Water Utility Capital Bonds</u>				
Water Capital Bonds	12/29/05	\$ 361,000.00	5.00%	\$ 200,000.00
Water Capital Bonds	12/13/07	70,000.00	4.00-5.25%	<u>58,779.00</u>
				<u>\$ 258,779.00</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

6. Long-Term Debt (continued)

Aggregate long-term debt service requirements are as follows:

	General Capital		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 1,993,847.00	\$ 732,313.00	\$ 2,726,160.00
2012	1,829,643.00	654,706.00	2,484,349.00
2013	1,886,431.00	577,528.00	2,463,959.00
2014	1,459,200.00	497,398.00	1,956,598.00
2015	1,521,959.00	430,793.00	1,952,752.00
2016	1,267,709.00	358,167.00	1,625,876.00
2017	1,325,441.00	301,960.00	1,627,401.00
2018	1,377,164.00	242,989.00	1,620,153.00
2019	1,299,858.00	175,126.00	1,474,984.00
2020	1,354,609.00	121,041.00	1,475,650.00
2021	955,360.00	62,346.00	1,017,706.00
2022	<u>256,000.00</u>	<u>12,800.00</u>	<u>268,800.00</u>
	<u>\$ 16,527,221.00</u>	<u>\$ 4,167,167.00</u>	<u>\$ 20,694,388.00</u>

	Water Utility		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 40,153.00	\$ 12,844.88	\$ 52,997.88
2012	42,357.00	10,837.24	53,194.24
2013	44,569.00	8,719.40	53,288.40
2014	46,800.00	6,490.94	53,290.94
2015	49,041.00	4,150.92	53,191.92
2016	5,291.00	1,698.88	6,989.88
2017	5,559.00	1,434.34	6,993.34
2018	5,836.00	1,156.40	6,992.40
2019	6,142.00	849.98	6,991.98
2020	6,391.00	604.32	6,995.32
2021	<u>6,640.00</u>	<u>348.66</u>	<u>6,988.66</u>
	<u>\$ 258,779.00</u>	<u>\$ 49,135.96</u>	<u>\$ 307,914.96</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

6. Long-Term Debt (continued)

The Township is a participant in the 2007 Monmouth County Improvement Authority County - Guaranteed Capital Equipment Lease Program ("Program").

The Township's payment obligations for principal and interest under the Program are as follows:

	Capital Lease Program		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 97,800.00	\$ 27,592.00	\$ 125,392.00
2012	101,800.00	23,680.00	125,480.00
2013	67,300.00	18,590.00	85,890.00
2014	70,600.00	15,225.00	85,825.00
2015	74,200.00	11,695.00	85,895.00
2016	77,900.00	7,985.00	85,885.00
2017	81,800.00	4,090.00	85,890.00
	<u>\$ 571,400.00</u>	<u>\$ 108,857.00</u>	<u>\$ 680,257.00</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

6. Long-Term Debt (continued)

Summary of Municipal Debt (Excluding  
Current and Operating Debt and Type I School Debt)

<u>Issued</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General:			
Bonds and Notes	\$ 19,187,221.00	\$ 18,461,271.00	\$ 21,998,506.00
Water Utility:			
Bonds and Notes	<u>258,779.00</u>	<u>296,729.00</u>	<u>333,494.00</u>
Total Debt Issued	19,446,000.00	18,758,000.00	22,332,000.00
Less:			
Funds Temporarily Held To Pay Bonds and Notes	<u>3,644,000.00</u>	<u>1,084,000.00</u>	<u>7,247,000.00</u>
	<u>15,802,000.00</u>	<u>17,674,000.00</u>	<u>15,085,000.00</u>
<u>Authorized But Not Issued</u>			
General Bonds and Notes	<u>1,387,000.00</u>	<u>0.00</u>	<u>0.00</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 17,189,000.00</u>	<u>\$ 17,674,000.00</u>	<u>\$ 15,085,000.00</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a Statutory Net Debt of 0.26%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional High School Debt	\$ 8,253,309.94	\$ 8,253,309.94	
Regional Elementary School District Debt	48,471,986.77	48,471,986.77	
Water Utility Debt	258,779.00	258,779.00	
General Debt	<u>20,574,221.00</u>	<u>3,644,000.00</u>	<u>\$ 16,930,221.00</u>
	<u>\$ 77,558,296.71</u>	<u>\$ 60,028,075.71</u>	<u>\$ 16,930,221.00</u>

Net Debt \$16,930,221.00 divided by Equalized Valuation basis per N.J.S.A. 40A:2.6 as amended \$6,339,697,969 = 0.26%.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

6. Long-Term Debt (continued)

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

3.5% of Equalized Valuation Basis	\$ 223,989,428.90
Less: Net Debt	<u>16,930,221.00</u>
Remaining Borrowing Power	<u>\$ 207,059,207.90</u>

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

Cash Receipts From Fees, Rents or Other Charges for the Year		\$ 113,180.69
Deductions:		
Operating and Maintenance Costs	\$ 40,140.90	
Debt Service per Water Account	<u>52,350.72</u>	
		<u>92,491.62</u>
Excess Revenue		<u>\$ 20,689.07</u>

7. Bond Anticipation Notes

The Township 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.

On December 31, 2010, the Township's outstanding bond anticipation notes were as follows:

<u>Purpose</u>	<u>Issue Date</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Acquisition of Real Property	06/24/10	02/17/11	1.25%	<u>\$ 2,600,000.00</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

8. Bonds and Notes Authorized But Not Issued

At December 31, 2010, the Township of Manalapan had \$1,387,000.00 authorized but not issued bonds and notes of the General Capital Fund.

9. Local District School and Regional High School Taxes

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

The Township has elected to defer school taxes as follows:

	<u>Regional High School Tax</u>	
	<u>2010</u>	<u>2009</u>
Balance of Tax	\$ 11,749,414.84	\$ 11,152,750.51
Deferred	<u>4,948,095.00</u>	<u>4,948,095.00</u>
Tax Payable	<u>\$ 6,801,319.84</u>	<u>\$ 6,204,655.51</u>

10. Fund Balance Appropriated

The Current Fund balance at December 31, 2010 was \$5,071,201.04 of which \$4,300,000.00 was appropriated and included as anticipated revenue for the year ended December 31, 2011.

The Water Utility Operating Fund balance at December 31, 2010 was \$117,871.73 of which \$42,998.00 was appropriated and included as anticipated revenue for the year ended December 31, 2011.

11. Deferred Charges to Be Raised in Succeeding Year's Budgets

None noted.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

12. 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 Township's liability related to unused sick pay. The Township permits its employees to accumulate unused sick and vacation pay. The Township estimates the current cost of such unpaid compensation to be \$653,003.22 at December 31, 2010. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

13. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. All funds collected from employees are transmitted to the state for this period. The Reserve for Unemployment Compensation Insurance at December 31, 2010 and 2009 totaled \$87,768.69 and \$56,366.63 respectively.

14. Contingent Liabilities

State and Federal Grants

The Township 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, 2010, the Township estimates that no material liabilities will result from such audits.

Pending Litigation

The Township is involved in a claim for reasonable compensation under the Fair Labor Standards Act. This action is pending in the United States District Court for the District of New Jersey and is being vigorously defended by the Township. The Township's legal counsel expects the Township to prevail; however, the Township has potential exposure of up to \$500,000.00.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

15. Risk Management

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Township has opted to retain risk, up to certain limits, for which reinsurance has been obtained for Workmen's Compensation coverage. As of December 31, 2010, the Township has a trust reserve for Workmen's Compensation of \$237,089.71. The Township is a member of the Statewide Joint Insurance Fund ("Fund"). The Fund is a public-entity risk pool and is both an insured and self-administered group of public entities established for the purpose of insuring against property damage, general liability, and motor vehicles and equipment liability. The Fund contracts for excess liability coverage for property, general liability, auto liability, public official liability, and law enforcement liability. There were no settlements in excess of insurance coverage in 2010. In addition, the Township is not aware of any claims pending that have a demand in excess of these coverages. There have been no settlements which exceeded insurance coverage for each of the past three fiscal years.

16. Post-Retirement Health Benefits

The Township contributes to the State Health Benefits Program ("SHBP"), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of 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.

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 1991, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 91-243. Eligibility to participate in the SHBP's post-retirement benefit program begins after 25 years of credited service with the Township. During 2008, the Township adopted resolution number 2008-390 under the provisions of N.J.S.A. 52:14-17.38. This resolution requires that non-union employees must work 15 years or more within the Township in order to be eligible for health benefits upon retirement. 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>.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

16. Post-Retirement Health Benefits (continued)

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 Township on a monthly basis. Plan members or beneficiaries receiving benefits do not make any contributions.

The Township's contributions to SHBP for the years ended December 31, 2010, 2009 and 2008 were \$766,302.80, \$690,925.28, and \$630,757.34,, respectively, which equaled the required contributions for each year. There were approximately 52, 48, and 44 retired participants eligible at December 31, 2010, 2009, and 2008, respectively.

17. Deferred Compensation

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

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

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

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

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

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

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be \$1,050.00 per year of active emergency service, commencing with the year 2003.

Appropriations - Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2003.

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

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

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

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

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

18. Length of Service Award Program ("LOSAP") – Unaudited (continued)

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 Township perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accountants Statements for Accounting and Auditing Review Services.

19. Subsequent Event

On January 15, 2011, the Township issued Bonds in the amount of \$3,855,000.00. The Bonds are payable through 2031, have an average couple rate of 4.792%, and a total interest cost of 4.058%.

SUPPLEMENTARY SCHEDULES

CURRENT FUND  
SCHEDULES

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF CASH

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 15,546,786.93
Increased By Receipts:			
Non-Budget Revenues	A-2	\$ 258,987.13	
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	2-A	300,370.54	
Taxes Receivable	3-A	114,378,785.76	
Revenue Accounts Receivable	7-A	7,139,330.46	
2011 Prepaid Taxes	12-A	536,215.92	
Tax Overpayments	13-A	92,130.60	
Due To State of New Jersey	19-A	54,487.00	
Various Reserves	20-A	21,965.67	
Due From Animal Control Trust Fund	A,A-1	<u>12,535.07</u>	
			<u>122,794,808.15</u>
			138,341,595.08
Decreased By Disbursements:			
2010 Budget Appropriations	A-3	26,394,559.58	
2009 Appropriations Reserves	9-A	1,486,048.20	
Tax Overpayments	13-A	115,166.18	
County Taxes Payable	14-A	17,835,445.39	
Regional School Tax	15-A	50,330,369.16	
Regional High School Tax	16-A	23,881,282.26	
Special District Taxes	17-A	2,201,882.00	
Municipal Open Space Tax	18-A	1,142,240.20	
Due To State of New Jersey	19-A	53,633.00	
Various Reserves	20-A	<u>12,606.40</u>	
			<u>123,453,232.37</u>
Balance, December 31, 2010	A		<u><u>\$ 14,888,362.71</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

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

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 4,954.40
Increased By:			
Cash Receipts	1-A	\$ 300,370.54	
2010 Senior Citizens' Deductions Disallowed	3-A	181.47	
2009 Senior Citizens' Deductions Disallowed	A-1,3-A	<u>3,137.31</u>	
			<u>303,689.32</u>
			308,643.72
Decreased By:			
Senior Citizens' Deductions Per Tax Billing	3-A	57,000.00	
Veterans' Deductions Per Tax Billing	3-A	239,500.00	
2010 Senior Citizens Deductions Allowed by Tax Collector	3-A	1,750.00	
2009 Senior Citizens Deductions Allowed by Tax Collector	A-1,3-A	750.00	
2010 Veterans Allowed By Tax Collector	3-A	<u>1,250.00</u>	
			<u>300,250.00</u>
Balance, December 31, 2010	A		<u><u>\$ 8,393.72</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year ended December 31, 2010

Year	Balance December 31, 2009	2010 Levy	Added	Collections		Senior Citizens' and Veterans' Deductions Allowed/ (Disallowed)	Transferred To Tax Title Liens	Cancellations and Adjustments	Balance December 31, 2010
				2009	2010				
2006	\$ 3,014.41							\$ 3,014.41	
2007	13,098.69		\$ 16,635.89	\$ 2,380.29				27,354.29	
2008	43,258.97		15,390.36	17,885.33				34,638.37	
2009	1,345,670.45		70,315.00	1,305,951.25	\$ (2,387.31)		\$ 2,848.01	42,103.62	
2010		\$ 114,641,773.28	888,912.18	\$ 557,921.09	113,052,768.89	299,318.53	9,641.14	1,561,847.67	
	\$ 1,405,042.52	\$ 114,641,773.28	\$ 991,253.43	\$ 557,921.09	\$ 114,378,785.76	\$ 296,931.22	\$ 12,489.15	\$ 1,668,968.36	
	A	3-A	3-A	12-A	1-A	2-A	4-A	3-A	A

Reference

Analysis of Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 112,436,920.70	3-A
Special District Tax	2,204,852.58	3-A
Added and Omitted Tax	888,912.18	3-A
	<u>\$ 115,530,685.46</u>	

Tax Levy:

Regional Elementary School Tax	\$ 50,330,369.16	15-A
Regional High School Tax	24,477,946.69	16-A
County Taxes:		
County Tax	15,773,144.36	14-A
County Library Tax	903,439.36	14-A
County Open Space Tax	983,694.77	14-A
Due County for Added and Omitted Taxes	152,669.33	14-A
Special District Taxes:		
Fire District #1	1,191,486.00	17-A
Fire District #2	1,010,396.00	17-A
Municipal Open Space Tax	1,142,240.20	18-A
	<u>\$ 95,965,385.77</u>	A-2

Tax for Municipal Purposes  
Additional Taxes Added

	18,791,982.18	A-2
	<u>773,317.51</u>	3-A
	19,565,299.69	
	<u>\$ 115,530,685.46</u>	

Analysis of Current Year Tax Collections

2009 Cash Collections of 2010 Taxes	\$ 557,921.09
2010 Cash Collections of 2010 Taxes	113,052,768.89
Veterans' and Senior Citizens' Deductions	<u>299,318.53</u>
	\$ 113,910,008.51

Reference A-1,A-2

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF TAX TITLE LIENS RECEIVABLE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 90,136.38
Increased By:			
Transfers From Taxes Receivable	3-A	\$ 12,489.15	
Interest and Costs	4-A	<u>118.22</u>	
			<u>12,607.37</u>
Balance, December 31, 2010	A		<u>\$ 102,743.75</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF MISCELLANEOUS LIENS RECEIVABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 1,171.25
Increased By:		
Liens Levied	5-A	<u>5,733.75</u>
		6,905.00
Decreased By:		
Collections	5-A	<u>1,687.25</u>
Balance, December 31, 2010	A	<u><u>\$ 5,217.75</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 352,300.00
Decreased By:		
Adjustment	6-A	<u>87,500.00</u>
Balance, December 31, 2010	A	<u>\$ 264,800.00</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Accrued in <u>2010</u>	Collected in <u>2010</u>	Balance December 31, <u>2010</u>
Licenses:				
Alcoholic Beverages		\$ 33,126.00	\$ 33,126.00	
Other		35,255.00	35,255.00	
Fees and Permits		1,072,000.33	1,072,000.33	
Fines and Costs:				
Municipal Court	\$ 30,140.68	395,633.24	399,907.52	\$ 25,866.40
Interest and Costs on Taxes		277,988.27	277,988.27	
Interest on Investments and Deposits		34,134.52	34,134.52	
PILOT - Heritage Village		113,362.05	113,362.05	
Energy Receipts Tax		3,836,675.00	3,836,675.00	
Consolidated Municipal Property Tax				
Relief Aid		17,274.00	17,274.00	
Garden State Trust Fund		22,055.43	22,055.43	
Uniform Construction Code Fees		954,593.50	954,593.50	
Uniform Fire Safety Act		124,424.77	124,424.77	
Reserve for Debt Service - Capital Fund		130,000.00	130,000.00	
Interlocal Service Agreement - Animal Control Services		<u>110,589.50</u>	<u>110,589.50</u>	
	<u>\$ 30,140.68</u>	<u>\$ 7,157,111.61</u>	<u>\$ 7,161,385.89</u>	<u>\$ 25,866.40</u>
	<u>Reference</u>	A	7-A	A
Cash Receipts	1-A		\$ 7,139,330.46	
Various Reserves	20-A		<u>22,055.43</u>	
	A-2		<u>\$ 7,161,385.89</u>	

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

SCHEDULE OF DEFERRED CHARGES - N.J.S.A. 40A:4-55  
SPECIAL EMERGENCY AUTHORIZATIONS

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	<u>Decreased</u>	Balance December 31, <u>2010</u>
Special Emergency Authorization (N.J.S. 40A:4-55)	<u>\$ 185,000.00</u>	<u>\$ 185,000.00</u>	<u>\$ 0.00</u>
<u>Reference</u>	A	A-3	A

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF 2009 APPROPRIATION RESERVES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<b>GENERAL GOVERNMENT</b>				
General Administration:				
Salaries and Wages	\$ 6,344.92	\$ 6,344.92	\$ 3,796.99	\$ 2,547.93
Other Expenses	6,088.31	6,501.88	6,244.99	256.89
Governing Body:				
Salaries and Wages	34.00	34.00		34.00
Municipal Clerk:				
Salaries and Wages	2,359.47	2,359.47		2,359.47
Other Expenses	6,852.77	17,274.75	8,802.72	8,472.03
Finance Administration:				
Salaries and Wages	7,811.31	2,155.73	1,330.46	825.27
Other Expenses	9,469.27	18,008.95	9,541.71	8,467.24
Central Computer Office:				
Other Expenses	9,043.25	22,985.25	18,608.00	4,377.25
Collection of Taxes:				
Salaries and Wages	1,326.95	1,326.95	1,176.12	150.83
Other Expenses	906.17	2,024.03	1,002.86	1,021.17
Assessment of Taxes:				
Salaries and Wages	1,404.02	1,404.02	1,312.82	91.20
Other Expenses	11,135.49	179,478.84	177,119.77	2,359.07
Legal Services and Costs:				
Other Expenses	15,741.01	29,368.78	28,689.84	678.94
Engineering Services and Costs:				
Other Expenses	22,626.71	19,695.01	15,802.72	3,892.29
<b>LAND USE ADMINISTRATION</b>				
Planning Board:				
Salaries and Wages	1,758.86	1,758.86		1,758.86
Other Expenses	9,440.79	9,672.40	570.54	9,101.86
Zoning Board:				
Salaries and Wages	972.49	972.49		972.49
Other Expenses	6,101.77	6,101.77	1,450.00	4,651.77
<b>INSURANCE</b>				
General Liability Insurance	33,055.50	20,881.75		20,881.75
Workers Compensation Insurance	27,919.83	29,841.10	22,731.98	7,109.12
Employee Group Insurance	85,482.52	15,906.00	15,783.08	122.92
Unemployment Insurance	840.39	840.39		840.39
<b>PUBLIC SAFETY</b>				
Police Department:				
Salaries and Wages	45,525.29	3,525.29	3,208.88	316.41
Other Expenses	1,582.14	84,628.48	61,419.92	23,208.56
Police Dispatch:				
Salaries and Wages	16,811.41	811.41		811.41
Other Expenses	15.44	432.58	431.09	1.49
Emergency Management:				
Other Expenses	894.32	969.32	75.00	894.32
First Aid Contribution:				
Other Expenses		15,000.00	15,000.00	
Uniform Fire Safety Act:				
Salaries and Wages	6,607.09	6,607.09		6,607.09
Other Expenses	471.65	2,076.50	1,448.30	628.20
Volunteer Incentive Award Program:				
Other Expenses	3,139.50	3,349.50	905.00	2,444.50
Municipal Court:				
Salaries and Wages	5,615.63	5,615.63	1,273.68	4,341.95
Other Expenses	3,478.22	6,420.94	2,885.52	3,535.42

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<b>PUBLIC WORKS</b>				
Streets and Roads:				
Salaries and Wages	18,364.51	18,364.51	10,424.88	7,939.63
Other Expenses	2,362.50	93,344.40	91,747.93	1,596.47
Snow Removal:				
Other Expenses		496,921.54	496,921.54	
Sanitation/Solid Waste Collection:				
Other Expenses	24,370.85	370.85		370.85
Buildings and Grounds:				
Salaries and Wages	8,379.06	8,379.06	2,250.00	6,129.06
Other Expenses	14,859.73	67,764.76	61,209.30	6,555.46
Recycling:				
Other Expenses	1,250.58	9,980.84	6,827.02	3,153.82
Vehicle Maintenance:				
Salaries and Wages	6,059.26	6,059.26	2,250.00	3,809.26
Other Expenses	4,369.29	51,297.49	51,161.11	136.38
Community/Condominium Services Act:				
Other Expenses	14,823.32	15,292.32	469.00	14,823.32
Shade Tree Commission:				
Salaries and Wages	1,421.09	1,421.09		1,421.09
Other Expenses	2,503.16	2,777.66	274.50	2,503.16
<b>HEALTH AND HUMAN SERVICES</b>				
Public Health Services:				
Salaries and Wages	13,760.30	3,760.30	2,978.18	782.12
Other Expenses	10,029.32	9,204.58	5,457.18	3,747.40
Environmental Commission:				
Salaries and Wages	500.00	500.00		500.00
Other Expenses	4.52	4.52		4.52
Community Alliance:				
Salaries and Wages	2,203.92	2,203.92	846.32	1,357.60
Other Expenses	1,645.33	2,057.74	734.11	1,323.63
Animal Control Services:				
Salaries and Wages	4,727.36	1,727.36	626.55	1,100.81
Other Expenses	1,250.00	1,250.00		1,250.00
<b>PARK AND RECREATION</b>				
Recreation Services and Programs:				
Salaries and Wages	3,696.57	3,696.57	1,205.13	2,491.44
Other Expenses	11,082.33	19,491.12	7,027.00	12,464.12
Senior Citizen Advisory Council:				
Other Expenses	3,145.50	3,145.50	598.54	2,546.96
Senior Citizen Center:				
Salaries and Wages	1,631.08	1,631.08	936.27	694.81
Other Expenses	1,871.19	7,473.72	5,685.56	1,788.16
<b>OTHER COMMON OPERATING FUNCTIONS</b>				
Celebration of Public Events:				
Other Expenses	250.00	250.00		250.00
Postage:				
Other Expenses	8,434.24	10,452.43	10,018.19	434.24

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<b>UNIFORM CONSTRUCTION CODE</b>				
Construction Official:				
Salaries and Wages	9,722.91	4,222.91		4,222.91
Other Expenses	4,704.85	8,866.55	4,160.46	4,706.09
<b>UTILITIES AND BULK PURCHASES</b>				
Gasoline and Diesel Fuels	36,002.33	23,002.33	22,400.91	601.42
Electricity	11,549.50	22,757.62	22,322.67	434.95
Telephone and Telegraph	4,977.98	977.98	620.84	357.14
Natural Gas	23,302.86	15,180.90	10,213.06	4,967.84
Heating/Fuel Oil	8,464.53	1,013.92	549.39	464.53
Street Lighting	18,476.69	46,398.34	45,921.65	476.69
Water	19,730.29	4,730.29	1,037.00	3,693.29
Sewer	3,024.00	24.00		24.00
Telecommunication Costs	348.98	499.18	74.90	424.28
Landfill/Disposal Costs	43,819.90	115,500.00	115,180.10	319.90
Contingent	1,000.00	1,000.00		1,000.00
<b>STATUTORY EXPENDITURES</b>				
Contribution To:				
Social Security System ("O.A.S.I.")	2,589.49	2,589.49	2,571.65	17.84
Defined Contribution Retirement Program	7.54	7.54		7.54
Length of Services Awards Program ("LOSAP"):				
Other Expenses		45,000.00	45,000.00	
Stormwater and Water Pollution:				
Other Expenses	18,822.00	26,659.50	7,837.50	18,822.00
Recycling Tax	1,812.93	6,735.66	4,922.73	1,812.93
Animal Control Services:				
Salaries and Wages	169.16	169.16		169.16
Other Expenses	8,667.20	9,995.14	1,402.87	8,592.27
Monmouth County 911:				
Other Expenses		45,328.26	45,328.26	
Monmouth Public Health Consortium:				
Other Expenses	<u>5,044.75</u>	<u>5,044.75</u>	<u>5,044.75</u>	<u>                    </u>
Total General Appropriations	<u>\$ 736,089.39</u>	<u>\$ 1,748,900.22</u>	<u>\$ 1,494,849.04</u>	<u>\$ 254,051.18</u>

	<u>Reference</u>	A	A-1
Appropriation Reserves	9-A	\$ 736,089.39	
Encumbrances Payable	11-A	<u>1,012,810.83</u>	
		<u>\$ 1,748,900.22</u>	
Cash Disbursed	1-A		\$ 1,486,048.20
Accounts Payable	10-A		<u>8,800.84</u>
			<u>\$ 1,494,849.04</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 11,745.93
Increased By:		
Appropriation Reserves	9-A	<u>8,800.84</u>
		20,546.77
Decreased By:		
Cancelled	A-1	<u>11,093.98</u>
Balance, December 31, 2010	A	<u><u>\$ 9,452.79</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 1,012,810.83
Increased By:		
2010 Budget Appropriations	A-3	<u>631,077.23</u>
		1,643,888.06
Decreased By:		
Transfer To Appropriation Reserves	9-A	<u>1,012,810.83</u>
Balance, December 31, 2010	A	<u><u>\$ 631,077.23</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF PREPAID TAXES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 557,921.09
Increased By:		
2011 Prepaid Taxes	1-A	<u>536,215.92</u>
		1,094,137.01
Decreased By:		
Amount Applied To 2010 Taxes Receivable	3-A	<u>557,921.09</u>
Balance, December 31, 2010	A	<u><u>\$ 536,215.92</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF TAX OVERPAYMENTS

Year ended December 31, 2010

	<u>Reference</u>	
Balance December 31, 2009	A	\$ 115,166.18
Increased By:		
Cash Receipts	1-A	<u>92,130.60</u>
		207,296.78
Decreased By:		
Cash Disbursements	1-A	<u>115,166.18</u>
Balance, December 31, 2010	A	<u><u>\$ 92,130.60</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 175,170.37
Increased By:			
2010 Tax Levy:			
County Tax	3-A	\$ 15,773,144.36	
County Library Tax	3-A	903,439.36	
County Open Space Fund Tax	3-A	983,694.77	
Due To County for Added and Omitted Taxes	3-A A-1	<u>152,669.33</u>	
			<u>17,812,947.82</u>
			17,988,118.19
Decreased By:			
Cash Disbursements	1-A		<u>17,835,445.39</u>
Balance, December 31, 2010	A		<u>\$ 152,672.80</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF REGIONAL SCHOOL DISTRICT TAX PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	A	\$ 0.00
Increased By:		
2010 Levy	A-1,3-A	<u>50,330,369.16</u>
		50,330,369.16
Decreased By:		
Cash Disbursements	1-A	<u>50,330,369.16</u>
Balance, December 31, 2010	A	<u><u>\$ 0.00</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009:			
School Tax Payable	A	\$ 6,204,655.51	
School Tax Deferred	16-A	<u>4,948,095.00</u>	
			\$ 11,152,750.51
Increased By:			
Levy (School Year July 1, 2010 to June 30, 2011)	3-A		<u>24,477,946.59</u>
			35,630,697.10
Decreased By:			
Cash Disbursements	1-A		<u>23,881,282.26</u>
Balance, December 31, 2010:			
School Tax Payable	A	6,801,319.84	
School Tax Deferred	16-A	<u>4,948,095.00</u>	
			<u>\$ 11,749,414.84</u>
 <u>2010 Liability for Regional High School Tax</u>			
Tax Payable, December 31, 2010	A		\$ 6,801,319.84
Tax Paid	1-A		<u>23,881,282.26</u>
			30,682,602.10
Less:			
Tax Payable, December 31, 2009	A		<u>6,204,655.51</u>
Amount Charged To 2010 Operations	A-1		<u>\$ 24,477,946.59</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 0.00
Increased By:			
Fire District #1 Levy	3-A	\$ 1,191,486.00	
Fire District #2 Levy	3-A	<u>1,010,396.00</u>	
	A-1		<u>2,201,882.00</u>
			2,201,882.00
Decreased By:			
Payments	1-A		<u>2,201,882.00</u>
Balance, December 31, 2010	A		<u><u>\$ 0.00</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 0.00
Increased By:			
2010 Levy		\$ 1,132,296.00	
2010 Added and Omitted Taxes		<u>9,944.20</u>	
	A-1,3-A		<u>1,142,240.20</u>
			1,142,240.20
Decreased By:			
Cash Disbursements	1-A		<u>1,142,240.20</u>
Balance, December 31, 2010	A		<u><u>\$ 0.00</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE TO STATE AND LOCAL AGENCIES

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2010</u>
State of New Jersey:				
Marriage License Fees	\$ 600.00	\$ 3,650.00	\$ 3,500.00	\$ 750.00
D.H.S.S.	95.00	45.00	50.00	90.00
Training Fees	<u>9,219.25</u>	<u>50,792.00</u>	<u>50,083.00</u>	<u>9,928.25</u>
	<u>\$ 9,914.25</u>	<u>\$ 54,487.00</u>	<u>\$ 53,633.00</u>	<u>\$ 10,768.25</u>
<u>Reference</u>	A	1-A	1-A	A

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Cash <u>Received</u>	<u>Decreased</u>	Balance December 31, <u>2010</u>
Garden State Trust Fund	\$ 22,055.43	\$ 14,704.00	\$ 22,055.43	\$ 14,704.00
Revaluation Program	5,941.21			5,941.21
Polling Places	10,544.73	7,261.67	12,606.40	5,200.00
Tax Appeals	70,000.00			70,000.00
Unclaimed Bond & Interest	<u>3,039.08</u>	<u>                    </u>	<u>                    </u>	<u>3,039.08</u>
	<u>\$ 111,580.45</u>	<u>\$ 21,965.67</u>	<u>\$ 34,661.83</u>	<u>\$ 98,884.29</u>
	<u>Reference</u>	A	1-A	A
Cash Disbursements	1-A		\$ 12,606.40	
Realized as Revenue	7-A		<u>22,055.43</u>	
			<u>\$ 34,661.83</u>	

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## FEDERAL AND STATE GRANT FUND

## SCHEDULE OF CASH

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	A		\$ 158,592.85
Increased By:			
Grants Receivable	22-A	\$ 213,528.00	
Grants - Unappropriated	24-A	<u>46,819.91</u>	
			<u>260,347.91</u>
			418,940.76
Decreased By:			
Grants - Appropriated	23-A		<u>292,804.85</u>
Balance, December 31, 2010	A		<u>\$ 126,135.91</u>

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Increased By Revenue Realized <u>2010</u>	Cash Receipts	Cancelled	Transfer From Unappropriated Reserves	Balance December 31, <u>2010</u>
Municipal Alliance on Alcoholism and Drug Abuse	\$ 10,727.75	\$ 21,957.00	\$ 21,706.85			\$ 10,977.90
NJ Dept of Health H1N1 Preparedness Grant	58,432.00		47,743.70	\$ 10,688.30		20,000.00
Office on Aging Grant	20,000.00	20,000.00	20,000.00			128,650.00
US DOE Energy Efficiency Grant	155,300.00		26,650.00			0.60
US Dept of Justice - JAG Grant	14,334.00		14,333.40			
Public Health Priority Funding		5,631.00	5,631.00			
Recycling Tonnage		33,753.92			\$ 33,753.92	
Community Stewardship Grant		7,000.00	7,000.00			
Clean Communities Program		58,351.47	58,351.47			
Drunk Driving Enforcement Fund		7,565.24			7,565.24	
NJ State Body Armor		2,111.58	2,111.58			
Multi-State Learning Collaborative Grant		7,500.00			7,500.00	
COOL Cities Tree Grant		3,000.00				3,000.00
NABOHL Medical Reserve Corp Grant		5,000.00	5,000.00			
Recycling Service Improvement Grant		10,000.00	5,000.00			5,000.00
	<u>\$ 258,793.75</u>	<u>\$ 181,870.21</u>	<u>\$ 213,528.00</u>	<u>\$ 10,688.30</u>	<u>\$ 48,819.16</u>	<u>\$ 167,628.50</u>

Reference

A

A-2

21-A

23-A

24-A

A

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY  
 FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR STATE GRANTS - APPROPRIATED

Year ended December 31, 2010

Grant	Balance December 31, 2009	Transferred From 2010 Appropriations	Transferred From Encumbrances Payable	Cash Disbursed	Cancelled	Balance December 31, 2010
2005 - Medical Reserve Corp (MRC) 2006	\$ 6,930.66		\$ 168.00	\$ 168.00		\$ 6,930.66
Cert Trailer Equipment - 2006 Community Forestry Management - 2006	368.51		23,975.00	368.51 23,975.00		
2007			1,464.00	1,464.00		
Recycling Tomage Grant - 2007						
Tobacco Control - 2007	20.00					20.00
Municipal Alcohol Education and Rehabilitation Program 2008	229.00					229.00
NJ Body Armor Replacement Fund Drunk Driving Enforcement	3,645.96 2,536.57		500.00	3,645.96 1,580.00 500.00		956.57
Clean Communities Fund Tobacco Control	840.00 1,000.00			1,000.00		840.00
Medical Reserve Corp NABOHL 2009			490.00			15.00
Senior Grant Recycling Grant	12,913.40 6,391.42			475.00 12,913.40		
State Body Armor Grant Federal Body Armor	13,426.18 5,312.34			6,391.42 11,087.62		2,338.56
Drunk Driving Enforcement Multi-State Learning Collaborative	4,344.43 1,020.00		152.00	4,059.99 152.00		5,312.34 284.44
Public Health Priority Funding Tobacco Control	13,646.18 3,618.74		5,000.00	18,625.34 3,614.58		1,020.00 20.84
Clean Communities Program Medical Reserve Corp NACCHO	72,177.49 1,434.00		18,763.56 12,900.00	80,252.75 14,334.00	\$ 10,688.30	4.16
H1N1 Preparedness Grant Edward Byrne Memorial "JAG" Grant - ARRA	155,300.00			26,650.00		128,650.00
US DOES Energy Efficiency Grant 2010		\$ 21,957.00		21,957.00		
Community Alliance Senior Grant		20,000.00		20,000.00		
Recycling Grant Drunk Driving Enforcement		33,753.92		26,818.98		6,934.94
Multi-State Learning Collaborative Public Health Priority Funding		7,565.24		7,000.00		7,565.24
MRC NACCHO State Body Armor Grant		5,631.00		5,631.00		500.00
Clean Communities Cool Cities Tree Grant		5,000.00		2,689.19		2,310.81
Community Stewardship Grant Recycling Service Improvement Grant		58,351.47 3,000.00 7,000.00 10,000.00		24,356.01 7,000.00 10,000.00		2,111.58 33,995.46 3,000.00
	\$ 305,154.88	\$ 181,870.21	\$ 63,412.56	\$ 336,709.75	\$ 10,688.30	\$ 203,039.60
	A	A-3	A		22-A	A
Cash Disbursements				\$ 292,804.85		
Encumbrances Payable				43,904.90		
				\$ 336,709.75		

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND

SCHEDULE OF RESERVE FOR STATE GRANTS - UNAPPROPRIATED

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Cash <u>Received</u>	Transferred To Grants <u>Receivable</u>	Balance December 31, <u>2010</u>
Recycling Tonnage Grant	\$ 33,753.92		\$ 33,753.92	
Drunk Driving Enforcement Fund	7,565.24		7,565.24	
MLC - 3 Public Health	7,500.00		7,500.00	
Recycling Tonnage Grant		\$ 31,929.95		\$ 31,929.95
NJ State Body Armor Grant		5,546.21		5,546.21
Federal Body Armor Grant		9,343.75		9,343.75
	<u>\$ 48,819.16</u>	<u>\$ 46,819.91</u>	<u>\$ 48,819.16</u>	<u>\$ 46,819.91</u>

Reference

A

21-A

22-A

A

TRUST FUND  
SCHEDULES

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2010

	<u>Reference</u>	<u>Animal Control Trust Fund</u>	<u>Trust - Other Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2009	B	<u>\$ 64,987.02</u>	<u>\$ 10,954,794.93</u>	<u>\$ 1,880,531.28</u>
Increased By Receipts:				
Due To State Department of Health	3-B	4,041.60		
Animal Control Fees	4-B	38,299.30		
Open Space Trust Fund	5-B			1,403,566.47
Various Trust Funds	6-B		<u>19,104,736.52</u>	
		<u>42,340.90</u>	<u>19,104,736.52</u>	<u>1,403,566.47</u>
		<u>107,327.92</u>	<u>30,059,531.45</u>	<u>3,284,097.75</u>
Decreased By Disbursements:				
Paid To State Department of Health	3-B	3,019.20		
Animal Control Expenditures	4-B	31,809.23		
Open Space Trust Fund	5-B			1,731,638.50
Various Trust Funds	6-B		19,377,531.60	
Due To Current Fund	B	12,535.07		
Due From General Capital Fund	B			<u>9,416.40</u>
		<u>47,363.50</u>	<u>19,377,531.60</u>	<u>1,741,054.90</u>
Balance, December 31, 2010	B	<u><u>\$ 59,964.42</u></u>	<u><u>\$ 10,681,999.85</u></u>	<u><u>\$ 1,543,042.85</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

ASSESSMENT TRUST FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

Year ended December 31, 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Balance December 31, 2010 and 2009</u>
84-39	Sewer System Improvements	04/24/87	<u>\$ 1,923.00</u>
		<u>Reference</u>	B

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## ANIMAL CONTROL TRUST FUND

## SCHEDULE OF DUE TO STATE OF NEW JERSEY

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	B	\$ 11.40
Increased By:		
Cash Receipts	1-B	<u>4,041.60</u>
		4,053.00
Decreased By:		
Cash Disbursements	1-B	<u>3,019.20</u>
Balance, December 31, 2010	B	<u>\$ 1,033.80</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## ANIMAL CONTROL TRUST FUND

## SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	B	\$ 52,440.55
Increased By:		
Fees Collected	1-B	<u>38,299.30</u>
		90,739.85
Decreased By:		
Cash Disbursements	1-B	<u>31,809.23</u>
Balance, December 31, 2010	B	<u><u>\$ 58,930.62</u></u>

License Fees Collected

2009	\$ 36,366.81
2008	<u>34,813.30</u>
	<u><u>\$ 71,180.11</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

OPEN SPACE TRUST FUND

SCHEDULE OF RESERVE FOR OPEN SPACE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	B		\$ 1,880,531.28
Increased By:			
Open Space Tax Levy		\$ 1,132,296.00	
Open Space Tax Levy - Added and Omitted		9,944.20	
Reimbursement From County		250,000.00	
Interest Income		1,909.87	
Premium on Note		<u>9,416.40</u>	
	1-B		<u>1,403,566.47</u>
			3,284,097.75
Decreased By:			
Cash Disbursed	1-B		<u>1,731,638.50</u>
Balance, December 31, 2010	B		<u><u>\$ 1,552,459.25</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	Cash <u>Receipts</u>	<u>Disbursements</u>	Balance December 31, <u>2010</u>
Mount Laurel Fees	\$ 3,532,857.78	\$ 630,021.89	\$ 441,470.72	\$ 3,721,408.95
Recreation	363,643.66	984,905.33	934,127.33	414,421.66
Tree Planting	21,407.50	26.60	26.60	21,407.50
Outside Off-Duty Police Employment	168,272.67	361,544.01	456,346.63	73,470.05
Unemployment Trusts	56,366.63	82,262.77	50,860.71	87,768.69
Cash Surety Bonds	2,851,107.82	66,915.10	211,990.13	2,706,032.79
Shade Trees	166,652.65	8,330.00	35,075.75	139,906.90
Escrow, Engineering, and SOP	1,596,900.31	592,576.68	764,849.14	1,424,627.85
Law Enforcement Trust	15,838.59	117,374.59	48,068.01	85,145.17
Community Alliance	6,386.57	24.00	2,886.61	3,523.96
Detention Basin	439,931.26		20,590.00	419,341.26
Parking Offenses Adjudication Act	2,756.82	205.00	12.00	2,949.82
Tax Sale Premiums	187,650.00	227,550.00	173,325.00	241,875.00
Insurance Liability Claims	210,278.54	31,480.96	30,481.58	211,277.92
Workmen's Compensation Claims	263,057.55	3,763.82	29,731.66	237,089.71
Heritage Committee	23,421.51	31,930.00	45,710.27	9,641.24
Fire District Penalty Fees	34,181.63	2,615.00		36,796.63
DARE Program	906.50	1,000.00		1,906.50
Public Defender	2,416.13	1,569.00	212.00	3,773.13
Recycling	37,075.78	1,712.00	1,278.00	37,509.78
Mentoring	436.00			436.00
Police - Unclaimed Safekeeping	1,191.69			1,191.69
Accumulated Sick Leave	211,669.50	50,000.00	15,459.28	246,210.22
Snow Removal	426,202.50	395,000.00	493,506.35	327,696.15
Teen Advisory	530.00			530.00
Manalapan Art Council	24,954.01	20,967.97	38,136.14	7,785.84
Tax Title Liens Redemption Payable	102,396.84	810,182.47	893,894.18	18,685.13
Acceptance of Bequests/Gifts	4,240.00	7,600.00	6,381.55	5,458.45
Federal Forfeiture Funds	89,906.00	154,545.75	169,062.32	75,389.43
Special Needs Council	7,100.00	7,020.00	6,025.82	8,094.18
Payroll Fund	102,848.97	14,513,613.58	14,508,023.82	108,438.73
	<u>\$ 10,952,585.41</u>	<u>\$ 19,104,736.52</u>	<u>\$ 19,377,531.60</u>	<u>\$ 10,679,790.33</u>

Reference

B

1-B

1-B

B

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF INVESTMENTS

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	B		\$ 259,762.42
Increased By:			
Contributions	8-B	\$ 48,300.00	
Appreciation on Investments	8-B	<u>31,892.11</u>	
			<u>80,192.11</u>
Balance, December 31, 2010	B		<u>\$ 339,954.53</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF MISCELLANEOUS RESERVES

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	B		\$ 259,762.42
Increased By:			
Contributions	7-B	\$ 48,300.00	
Appreciation on Investments	7-B	<u>31,892.11</u>	
			<u>80,192.11</u>
Balance, December 31, 2010	B		<u><u>\$ 339,954.53</u></u>

GENERAL CAPITAL FUND  
SCHEDULES

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	C		\$ 4,679,829.82
Increased By:			
Funding From Open Space Fund	7-C	\$ 140,000.00	
Due To Open Space Fund - Premium on Bond Sale	C	9,416.40	
Grant Reciepts	9-C	354,803.13	
Various Reserves	10-C	2,280.00	
Bond Anticipation Notes Issued	6-C	2,660,000.00	
Capital Improvement Fund	8-C	<u>50,000.00</u>	
			<u>3,216,499.53</u>
			7,896,329.35
Decreased By:			
Various Reserves	10-C	7,500.00	
Improvement Authorizations	7-C	<u>3,016,206.38</u>	
			<u>3,023,706.38</u>
Balance, December 31, 2010	C		<u>\$ 4,872,622.97</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

Year ended December 31, 2010

	Balance December 31, <u>2010</u>
Capital Improvement Fund	\$ 32,846.51
Fund Balance	49,829.36
Grants Receivable	(205,801.25)
Contracts Payable	2,970,680.43
Due To Open Space Fund	9,416.40
Reserve for:	
Sidewalk Program	12,213.33
Country Estates Sect VI Improvement	18,128.17

<u>Ordinance Number</u>	<u>Improvement Description</u>	
04-22	Various 2004 Capital Improvements	8,951.60
05-07	Various Capital Improvements	826.36
05-25	Various Capital Improvements	205,819.98
06-09	Various Capital Improvements	13,451.00
06-10	Various Capital Improvements	37,702.70
07-12	Various Road Improvements and Catch Basin Replacements	7,661.10
07-14	Recreation Center Park Expansion Project and Related Expenses	56,514.25
07-21	Various Capital Improvements	145,895.32
07-28	Various Improvements To Thompson Grove Park	1,828.58
08-04	Various 2008 Capital Improvements	716,996.57
08-06	Improvements to Police Department	286,686.59
08-17	Improvements to Height Parking Lot	89,500.00
09-01	Acquisition of Real Property 27/3	87,638.09
09-09	Various Capital Improvements	204,828.77
10-04	Various 2010 Capital Improvements	(928,139.35)
10-06	Acquisition of Real Property (OS)	1,049,148.46
		\$ 4,872,622.97

Reference      C,1-C

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	C	\$ 18,461,271.00
Decreased By:		
Serial Bonds Retired	5-C	<u>1,934,050.00</u>
Balance, December 31, 2010	C	<u>\$ 16,527,221.00</u>



TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

Year ended December 31, 2010

Purpose	Original Issue		Maturities of Bonds Outstanding December 31, 2010		Interest Rate	Balance December 31, 2009	Increased	Decreased	Balance December 31, 2010
	Date	Amount	Date	Amount					
General Improvements	10/01/03	\$ 8,150,000.00	10/01/11	\$ 725,000.00	3.200%				
			10/01/12	500,000.00	3.300%				
			10/01/13	500,000.00	3.500%	\$ 2,450,000.00		\$ 725,000.00	\$ 1,725,000.00
Open Space	10/01/03	1,564,000.00	10/01/11	100,000.00	3.200%				
			10/01/12	110,000.00	3.300%				
			10/01/13	110,000.00	3.500%				
			10/01/14	124,000.00	3.625%				
			10/01/15	125,000.00	3.750%				
			10/01/16	135,000.00	3.875%				
			10/01/17-18	140,000.00	4.000%	1,084,000.00		100,000.00	984,000.00
General Improvements	12/29/05	2,605,000.00	12/01/11	260,000.00	5.000%				
			12/01/12	273,000.00	5.000%				
			12/01/13	287,000.00	5.000%				
			12/01/14	301,000.00	5.000%				
			12/01/15	316,000.00	5.000%	1,687,000.00		250,000.00	1,437,000.00
General Improvements	12/13/07	7,498,000.00	12/01/11	444,847.00	5.000%				
			12/01/12	466,643.00	5.000%				
			12/01/13	489,431.00	5.000%				
			12/01/14	514,200.00	5.000%				
			12/01/15	539,959.00	5.000%				
			12/01/16	566,709.00	5.000%				
			12/01/17	595,441.00	5.000%				
			12/01/18	625,164.00	5.250%				
			12/01/19	657,858.00	4.000%				
			12/01/20	684,609.00	4.000%				
			12/01/21	711,360.00	5.250%	6,719,271.00		423,050.00	6,296,221.00
Various Capital Improvements	04/23/08	2,351,000.00	12/01/11	165,000.00	4.000%				
			12/01/12	172,000.00	5.000%				
			12/01/13	180,000.00	5.000%				
			12/01/14	189,000.00	5.000%				
			12/01/15	198,000.00	5.000%				
			12/01/16	208,000.00	4.000%				
			12/01/17	217,000.00	4.000%				
			12/01/18	225,000.00	5.250%				
			12/01/19	237,000.00	4.500%				
			12/01/20	248,000.00	4.500%	2,198,000.00		159,000.00	2,039,000.00

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY  
GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

Year ended December 31, 2010

Purpose	Original Issue		Maturities of Bonds Outstanding December 31, 2010		Interest Rate	Balance December 31, 2009	Increased	Decreased	Balance December 31, 2010
	Date	Amount	Date	Amount					
Open Space	04/23/08	1,798,000.00	12/01/11	126,000.00	4.000%				
			12/01/12	131,000.00	5.000%				
			12/01/13	138,000.00	5.000%				
			12/01/14	145,000.00	5.000%				
			12/01/15	152,000.00	5.000%				
			12/01/16	159,000.00	4.000%				
			12/01/17	166,000.00	4.000%				
			12/01/18	172,000.00	5.250%				
			12/01/19	181,000.00	4.500%				
			12/01/20	190,000.00	4.500%	1,681,000.00		121,000.00	1,560,000.00
	Various Capital Improvements	12/30/09	2,642,000.00	12/01/11	173,000.00	2.500%			
			12/01/12	177,000.00	2.500%				
			12/01/13	182,000.00	2.500%				
			12/01/14	186,000.00	2.500%				
			12/01/15	191,000.00	4.000%				
			12/01/16	199,000.00	4.000%				
			12/01/17	207,000.00	4.000%				
			12/01/18	215,000.00	4.000%				
			12/01/19	224,000.00	4.000%				
			12/01/20	232,000.00	5.000%				
			12/01/21	244,000.00	5.000%				
			12/01/22	256,000.00	5.000%	2,642,000.00		156,000.00	2,486,000.00
					\$ 18,461,271.00	\$ 0.00	\$ 1,934,050.00	\$ 16,527,221.00	

Reference C C 5-C 3-C C

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2010

<u>Ordinance Number</u>	<u>Original Issue Date</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2009</u>	<u>Increase</u>	<u>Balance December 31, 2010</u>
10-06	Acquisition of Real Property (OS)	06/24/10	02/17/11	1.25%	\$ 0.00	\$ 2,660,000.00	\$ 2,660,000.00
				<u>Reference</u>	C	1-C,11-C	C

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY  
 GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2010

Ordinance Number/Date	Improvement Description	Date	Ordinance Amount	Balance December 31, 2009		2010 Authorizations	Contracts Payable 2009	Paid	Authorizations Cancelled	Balance December 31, 2010	
				Funded	Unfunded					Funded	Unfunded
03-08	Various 2003 Capital Improvements	06/11/03	1,944,500.00				\$ 225,769.77	\$ 225,769.77			
04-22	Various 2004 Capital Improvements	08/11/04	1,160,000.00	\$ 17,451.60			4,960.00	13,460.00			8,951.60
05-07	Various Capital Improvements	02/23/05	50,000.00	826.36							826.36
05-25	Various Capital Improvements	07/06/05	1,925,000.00	174,252.46			31,567.52				205,819.98
06-09	Various Capital Improvements	06/28/06	1,025,000.00	13,451.00			619,850.00				13,451.00
06-10	Various Capital Improvements	06/28/06	2,437,000.00	42,539.46			412,547.66				37,702.70
07-12	Replacements	04/25/07	655,000.00	7,661.10							7,661.10
07-14	Related Expenses	05/09/07	4,400,000.00	62,378.00			1,761.25				56,514.25
07-21	Various Capital Improvements	09/05/07	750,000.00	192,394.14			39,787.53				145,895.32
07-28	Improvements to Thompson Park Grove	12/12/07	75,000.00	2,671.58							1,828.58
08-04	Various 2008 Capital Improvements	04/23/08	4,500,000.00	817,067.46			175,214.79				716,996.57
08-06	Improvements to Police Department	05/28/08	1,509,844.51	660,537.11			293,397.46				286,686.59
08-17	Improvements to Heights Parking Lot	09/10/08	90,000.00	89,500.00							89,500.00
09-01	Acquisition of Real Property	09/10/09	1,525,000.00	92,025.69			3,951.00				87,638.09
09-09	Various Capital Improvements	05/13/09	1,794,026.84	703,224.42			490,866.34				204,928.77
10-04	Various 2010 Capital Improvements	04/28/10	1,460,000.00		\$ 1,460,000.00			1,001,139.35	\$ 76,446.87		\$ 456,430.68
10-06	Acquisition of Real Property (OS)	05/12/10	2,800,000.00		2,800,000.00			1,750,851.54			1,049,148.46
				\$ 2,875,960.38	\$ 0.00	\$ 4,260,000.00	\$ 2,299,663.32	\$ 5,986,886.81	\$ 76,446.87		\$ 1,866,730.88
									9-C		
											\$ 1,505,579.14
											C, A-C
	Deferred Charges to Future Taxation - Unfunded					\$ 4,047,000.00					
	Capital Improvement Fund					73,000.00					
	Funding from Open Space Fund					140,000.00					
						\$ 4,260,000.00					
	Cash Disbursements							\$ 3,016,206.38			
	Contracts Payable							2,970,660.43			
								\$ 5,986,886.81			

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	C	\$ 55,846.51
Increased By:		
2010 Budget Appropriations	1-C	<u>50,000.00</u>
		105,846.51
Decreased By:		
Improvement Authorizations Funded	7-C	<u>73,000.00</u>
Balance, December 31, 2010	C	<u><u>\$ 32,846.51</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF DUE FROM STATE OF NEW JERSEY - GRANTS RECEIVABLE

Year ended December 31, 2010

	<u>Reference</u>		
Balance, December 31, 2009	C		\$ 637,051.25
Decreased By:			
Grant Receipts	1-C	\$ 354,803.13	
Cancelled	7-C	<u>76,446.87</u>	
			<u>431,250.00</u>
Balance, December 31, 2010	C		<u><u>\$ 205,801.25</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2010

	Balance, December 31, <u>2009</u>	<u>Increase</u>	<u>Decrease</u>	Balance, December 31, <u>2010</u>
Dog Park	\$ 7,500.00		\$ 7,500.00	
Sidewalk Program	9,933.33	\$ 2,280.00		\$ 12,213.33
Country Estates Sect VI Improvement	<u>18,128.17</u>	<u>                    </u>	<u>                    </u>	<u>18,128.17</u>
	<u>\$ 35,561.50</u>	<u>\$ 2,280.00</u>	<u>\$ 7,500.00</u>	<u>\$ 30,341.50</u>
<u>Reference</u>	C	1-C	1-C	C

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2010

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, <u>2009</u>	Increased By 2010 <u>Authorizations</u>	Bond Anticipation <u>Notes Issued</u>	Balance December 31, <u>2010</u>
10-04	Various Capital Improvements		\$ 1,387,000.00		\$ 1,387,000.00
10-06	Acquisition of Real Property		2,660,000.00	\$ 2,660,000.00	
		<u>\$ 0.00</u>	<u>\$ 4,047,000.00</u>	<u>\$ 2,660,000.00</u>	<u>\$ 1,387,000.00</u>
	<u>Reference</u>	11-C	4-C	6-C	11-C

WATER UTILITY FUND  
SCHEDULES

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2010

	Reference	Operating	Capital
Balance, December 31, 2009	D	\$ 154,329.33	\$ 235,238.89
Increased By Receipts:			
Miscellaneous Revenue	D-1,D-3	\$ 44,828.69	
Reserve for Capital Projects	13-D	<u>20,000.00</u>	<u>5,371.00</u>
		64,828.69	5,371.00
Decreased By Disbursements:			
2010 Budget Appropriations	D-4	92,386.62	240,609.89
2009 Appropriation Reserves	5-D	1,073.00	
Improvement Authorizations	9-D		85,934.50
Reserve for Capital Projects	13-D		<u>20,000.00</u>
		<u>93,459.62</u>	<u>105,934.50</u>
Balance, December 31, 2010	D	<u>\$ 125,698.40</u>	<u>\$ 134,675.39</u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF WATER UTILITY CAPITAL FUND CASH

Year ended December 31, 2010

	Balance December 31, <u>2010</u>
Capital Improvement Fund	\$ 6,625.00
Fund Balance	14,708.98
Reserve for Capital Projects	80,268.08
Contracts Payable	11,956.50

<u>Ordinance Number</u>	<u>Improvement Description</u>	
02-23	Installation of a Well at the Lambs Lane Water Treatment Plant	78.25
03-16	Installation of a Well at the Lambs Lane Water Treatment Plant	6,872.58
05-23	Roof Repair and Replacement Projects at the Lambs Lane Treatment Plant	2,141.00
09-10	Lagoon Rehabilitation and Installation of Equipment at Lambs Lane Water Treatment Plant	<u>12,025.00</u>
		<u>\$ 134,675.39</u>

Reference            D

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

D

\$ 1,108,234.71

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year ended December 31, 2010

Ordinance Number	Purpose	Ordinance		Balance December 31, 2010 and 2009
		Date	Amount	
03-16	Installation of a Well at the Lambs Lane Water Treatment Plant	09/10/03	\$ 60,000.00	\$ 60,000.00
05-23	Roof Repair and Replacement Projects at the Lambs Lane Treatment Plant	07/05/05	13,500.00	13,500.00
06-11	Rehabilitation and Upgrade of the Lambs Lane Treatment Plant	06/28/06	70,000.00	70,000.00
09-10	Lagoon Rehabilitation and Installation of Equipment at Lambs Lane Water Treatment Plant	06/10/09	63,000.00	<u>63,000.00</u>
				<u>\$ 206,500.00</u>
			<u>Reference</u>	D

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

		Balance December 31, <u>2009</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	<u>Lapsed</u>
Operating:					
Other Expenses		<u>\$ 3,850.03</u>	<u>\$ 5,174.78</u>	<u>\$ 2,023.25</u>	<u>\$ 3,151.53</u>
Total Operating		<u>3,850.03</u>	<u>5,174.78</u>	<u>2,023.25</u>	<u>3,151.53</u>
Total Water Utility Fund Appropriations		<u>\$ 3,850.03</u>	<u>\$ 5,174.78</u>	<u>\$ 2,023.25</u>	<u>\$ 3,151.53</u>
	<u>Reference</u>	D			D-1
Appropriation Reserves	D		\$ 3,850.03		
Encumbrances Payable	6-D		<u>1,324.75</u>		
			<u>\$ 5,174.78</u>		
Accounts Payable	D			\$ 950.25	
Cash Disbursements	1-D			<u>1,073.00</u>	
				<u>\$ 2,023.25</u>	

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	D	\$ 1,324.75
Increased By:		
Transfer From Current Appropriations	D-4	<u>105.00</u>
		1,429.75
Decreased By:		
Transfer To Appropriation Reserves	5-D	<u>1,324.75</u>
Balance, December 31, 2010	D	<u><u>\$ 105.00</u></u>

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	D	\$ 1,041.37
Decreased By:		
Cancelled To Operations	D-1	<u>129.05</u>
Balance, December 31, 2010	D	<u>\$ 912.32</u>

Analysis of Accrued Interest

<u>Principal Outstanding</u> <u>December 31, 2010</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Days</u>	<u>Amount</u>
Serial Bonds					
\$ 200,000.00	5.00%	12/01/10	12/31/10	30	\$ 674.51
33,770.00	5.00%	12/01/10	12/31/10	30	141.45
12,533.00	4.00%	12/01/10	12/31/10	30	41.78
<u>12,476.00</u>	5.25%	12/01/10	12/31/10	30	<u>54.58</u>
<u>\$ 258,779.00</u>					<u>\$ 912.32</u>

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2010

Purpose	Date of Issue	Original Issue	Outstanding		Interest Rate	Balance December 31, 2009	Decreased	Balance December 31, 2010
			Date	Amount				
Water Capital	12/29/05	\$ 361,000.00	12/01/11	\$ 36,000.00	5.000%	\$ 234,000.00	\$ 34,000.00	\$ 200,000.00
			12/01/12	38,000.00	5.000%			
			12/01/13	40,000.00	5.000%			
			12/01/14	42,000.00	5.000%			
			12/01/15	44,000.00	5.000%			
Water Capital	12/13/07	70,000.00	12/01/11	4,153.00	5.000%	62,729.00	3,950.00	58,779.00
			12/01/12	4,357.00	5.000%			
			12/01/13	4,569.00	5.000%			
			12/01/14	4,800.00	5.000%			
			12/01/15	5,041.00	5.000%			
			12/01/16	5,291.00	5.000%			
			12/01/17	5,559.00	5.000%			
			12/01/18	5,836.00	5.250%			
			12/01/19	6,142.00	4.000%			
			12/01/20	6,391.00	4.000%			
			12/01/21	6,640.00	5.250%			
					\$ 296,729.00	\$ 37,950.00	\$ 258,779.00	

Reference

D

12-D

D

TOWNSHIP OF MANALAPAN  
 COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2010

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2009		Contracts Payable 2009	Paid	Contracts Payable 2010	Balance December 31, 2010	
				Funded	Unfunded				Funded	Unfunded
02-23	Installation of a Well at the Lambs Lane Water Treatment Plant	09/18/02	\$ 435,000.00	\$ 78.25					\$ 78.25	
03-16	Installation of a Well at the Lambs Lane Water Treatment Plant	09/10/03	60,000.00	6,872.58					6,872.58	
05-23	Roof Repair and Replacement Projects at the Lambs Lane Treatment Plant	07/06/05	13,500.00	1,300.00	\$ 841.00				2,141.00	
06-11	Rehabilitation and Upgrade of the Lambs Lane Treatment Plant	06/28/06	70,000.00		63,178.00	\$ 55,553.50		\$ 7,624.50		
09-10	Supplemental to Rehabilitation and Upgrade of Lambs Lane Treatment Pt	06/10/09	63,000.00	39,030.00	7,708.00	30,381.00	4,332.00		12,025.00	
				\$ 47,280.83	\$ 0.00	\$ 71,727.00	\$ 85,934.50	\$ 11,956.50	\$ 21,116.83	\$ 0.00

Reference

D

D

D

1-D

D

D

D

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

D

\$ 6,625.00

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2010

Reference

Balance, December 31, 2010 and 2009

D

\$ 841,234.71

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Year ended December 31, 2010

<u>Ordinance Number</u>	<u>Description</u>	Balance December 31, <u>2009</u>	Increased By Bonds Paid	2010 Authorizations	Balance December 31, <u>2010</u>
03-16	Installation of a Well at the Lambs Lane Water Treatment Plant	\$ 93,000.00	\$ 34,000.00		\$ 127,000.00
05-23	Roof Repair and Replacement Projects at the Lambs Lane Treatment Plant	13,500.00			13,500.00
06-11	Rehabilitation and Upgrade of the Lambs Lane Treatment Plant	7,271.00	3,950.00		11,221.00
09-10	Lagoon Rehabilitation and Installation of Equipment at Lambs Lane Water Treatment Plant	<u>63,000.00</u>			<u>63,000.00</u>
		<u>\$ 176,771.00</u>	<u>\$ 37,950.00</u>	<u>\$ 0.00</u>	<u>\$ 214,721.00</u>
	<u>Reference</u>	D	8-D	12-D	D

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

WATER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR CAPITAL PROJECTS

Year ended December 31, 2010

	<u>Reference</u>	
Balance, December 31, 2009	D	\$ 94,897.08
Increased By:		
Cash Received	1-D	<u>5,371.00</u>
		100,268.08
Decreased By:		
Anticipated In Operating Fund	1-D	<u>20,000.00</u>
Balance, December 31, 2010	D	<u><u>\$ 80,268.08</u></u>

GENERAL FIXED ASSETS ACCOUNT GROUP  
SCHEDULE

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

## GENERAL FIXED ASSETS ACCOUNT GROUP

## SCHEDULE OF GENERAL FIXED ASSETS

Year ended December 31, 2010

	Balance December 31, <u>2009</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2010</u>
Land and Land Improvements	\$ 15,249,211.72	\$ 610,000.00		\$ 15,859,211.72
Buildings and Improvements	4,567,265.00	559,822.00		5,127,087.00
Machinery and Equipment	<u>7,083,931.26</u>	<u>477,099.44</u>	<u>\$ 22,865.13</u>	<u>7,538,165.57</u>
	<u>\$ 26,900,407.98</u>	<u>\$ 1,646,921.44</u>	<u>\$ 22,865.13</u>	<u>\$ 28,524,464.29</u>
<u>Reference</u>	E	1-E	1-E	E

COMMENTS SECTION

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

An audit of the financial accounts and transactions of the Township of Manalapan, County of Monmouth, New Jersey ("Township") for the year ended December 31, 2010, has recently been completed. The results of the audit are herewith set forth.

Scope of Audit

The audit covered the financial transactions of the Tax Collector/Treasurer, the activities of the Mayor and Township Committee 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 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".

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.

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

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

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

- Leasing of Park Space – Icecream/Ices
- Leasing of Park Space – Food/Beverages
- Renovations to PD Building
- Wide Area Rotary Mower
- Deep Tire Aerators
- Street Sweepers
- 2010 Recreation Physical Ed. Supplies
- Land Lease Telecommunications – Monopole
- Rebid Land Lease Telecomm.
- Land Lease Township Pole
- Kohler Generator Set or Equivalent
- Bus Shelter Maintenance Lease
- Multi-Terrain Loader
- Mason Dump Truck 2011
- Leaf Disposal 2010-13
- Dispatch Consoles Furniture
- Rock Salt

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

Collection of Interest on Delinquent Taxes and Assessments

The governing body on January 3, 2010 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, the Township Committee desires to establish the interest rate of eight percent (8%) per annum on all delinquent taxes and assessments up to and including \$1,500.00 and eighteen percent (18%) per annum on all delinquent taxes and assessments over the sum of \$1,500.00, said interest to be waived within a ten (10) day period after they become due;

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Collection of Interest on Delinquent Taxes and Assessments (continued)

WHEREAS, N.J.S.A. 54:4-67 permits the governing body to assess, by resolution, an additional six percent (6%) penalty against delinquent taxes that remain unpaid prior to the end of the calendar year in excess of \$10,000.00; and

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Manalapan that pursuant to provisions of N.J.S.A. 54:4-67 the rate to be charged for the non-payment of taxes and assessments on or before the date when the same become delinquent is hereby fixed at eight (8%) per annum up to and including the sum of \$1,500.00 and eighteen percent (18%) over the sum of \$1,500.00 and said interest may be waived within a ten (10) day period after they become delinquent.

In addition to the interest set forth above, all taxes in excess of \$10,000.00 which are delinquent as of December 31 will be assessed an additional penalty of six percent (6%) on the amount of the delinquency.

Tax Sale

The last tax sale was held on April 15, 2010 and was complete.

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

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

<u>Year</u>	<u>Number of Liens</u>
2010	10
2009	10
2008	10

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>
Payments and Delinquencies on 2010 and 2009 Taxes	35

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

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

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

	2010		2009	
	Amount	Percent	Amount	Percent
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 5,200,000.00	4.05 %	\$ 4,200,000.00	3.32 %
Miscellaneous - From Other				
Than Local Property Tax Levies	7,880,673.46	6.14	10,051,094.36	7.94
Collection of Delinquent Taxes				
and Tax Title Liens	1,326,016.87	1.03	2,062,769.41	1.63
Collection of Current Tax Levy	113,910,008.51	88.77	110,272,775.16	87.11
Total Revenues	128,316,698.84	100.00 %	126,586,638.93	100.00 %
<u>Expenditures</u>				
Budget Expenditures:				
Municipal Purposes	28,869,578.25	23.13 %	29,097,129.71	23.61 %
County Taxes	17,812,947.82	14.27	17,032,514.26	13.82
Local and Regional School Taxes	74,808,315.75	59.92	73,689,690.80	59.79
Open Space Tax	1,142,240.20	0.91	1,291,282.65	1.05
Special District Taxes	2,201,882.00	1.76	2,114,730.00	1.72
Other Expenditures	3,137.31	0.00	16,822.33	0.01
Total Expenditures	124,838,101.33	100.00 %	123,242,169.75	100.00 %
Excess in Revenue	3,478,597.51		3,344,469.18	
Fund Balance, January 1	6,792,603.53		7,648,134.35	
	10,271,201.04		10,992,603.53	
Decreased By:				
Utilized as Anticipated Revenue	5,200,000.00		4,200,000.00	
Fund Balance, December 31	\$ 5,071,201.04		\$ 6,792,603.53	

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Comparative Statement of Operations  
and Changes in Fund Balance - Water Utility Fund

	<u>2010</u>		<u>2009</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 48,352.00	41.52 %	\$ 25,476.00	15.14
Miscellaneous Revenue Anticipated	44,828.69	38.49	136,056.58	80.85 %
Miscellaneous Revenue Not Anticipated	<u>23,280.58</u>	<u>19.99</u>	<u>6,743.03</u>	<u>4.01</u>
Total Revenues	<u>116,461.27</u>	<u>100.00 %</u>	<u>168,275.61</u>	<u>100.00 %</u>
<u>Expenditures</u>				
Operating	10,000.00	10.17 %	34,000.00	39.23 %
Debt Service	52,350.72	53.23	52,665.35	60.77
Capital Outlay	<u>36,000.00</u>	<u>36.60</u>	<u>                    </u>	<u>                    </u>
Total Expenditures	<u>98,350.72</u>	<u>100.00 %</u>	<u>86,665.35</u>	<u>100.00 %</u>
Excess in Revenue	18,110.55		81,610.26	
Fund Balance, January 1	<u>148,113.18</u>		<u>91,978.92</u>	
	166,223.73		173,589.18	
Decreased By:				
Utilized as Anticipated Revenue	<u>48,352.00</u>		<u>25,476.00</u>	
Fund Balance, December 31	<u>\$ 117,871.73</u>		<u>\$ 148,113.18</u>	

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Comparative Schedule of Tax Rate Information (Excluding Fire Districts)

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate	\$ 1.986	\$ 1.701	\$ 1.699

Apportionment of Tax Rate

Municipal	0.332	0.295	0.284
Municipal Open Space	0.020	0.020	0.020
County	0.313	0.264	0.259
Regional Elementary School	0.889	0.758	0.776
Regional High School	0.432	0.364	0.360

Assessed Valuations

2010	\$5,661,476,396.00
2009	\$ 6,389,922,803.00
2008	\$6,332,030,561.00

Comparison of Tax Levies and Collection Currently

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collections</u>
2010	\$ 115,530,685.46	\$ 113,910,008.51	98.60%
2009	111,863,759.84	110,272,775.16	98.57
2008	111,238,138.58	109,196,504.75	98.16

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Comparative Schedule of Tax Title Liens

<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>
2010	\$ 102,743.75	\$ 1,668,958.36	\$ 1,771,702.11	1.53%
2009	90,136.38	1,405,042.52	1,495,178.90	1.34
2008	83,475.13	2,007,133.79	2,090,608.92	1.88

Property Acquired by Tax Title Lien Liquidation

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

<u>Year</u>	<u>Amount</u>
2010	\$ 264,800.00
2009	352,300.00
2008	352,300.00

Comparative Schedule of Fund Balances

Current Fund

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
2010	\$ 5,071,201.04	\$ 4,300,000.00
2009	6,792,603.53	5,200,000.00
2008	7,648,134.35	4,200,000.00
2007	7,422,456.40	3,663,760.00

Water Utility Operating Fund

2010	\$ 117,871.73	\$ 42,998.00
2009	148,113.18	48,352.00
2008	91,978.92	25,476.00
2007	241,624.16	200,000.00

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Officials In Office and Surety Bonds

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Andrew Lucas	Mayor	
Susan Cohen	Deputy Mayor	
Donald Holland	Committeeman	
Michelle Roth	Committeewoman	
Ryan Green	Committeeman	
Tara Lovrich	Business Administrator	
Patricia Addario	Chief Financial Officer	\$ 375,000.00
Regina Preteroti	Acting Township Clerk/Assessment Search Officer	*
Hope Ingram-Lewis	Tax Collector, Tax Search Officer	375,000.00
Roger McLaughlin	Township Attorney	*
Sharon Hartman	Tax Assessor	*
Daniella Trancho	Court Administrator	40,000.00
James Newman	Magistrate	30,000.00

\* Covered by \$250,000.00 Public Employees Bond

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

Monmouth County Office  
912 Highway 33 • Suite 2  
Freehold, NJ 07728  
(732) 409-0800  
Fax: (732) 866-9312

Ocean County Office  
512 Main Street • PO Box 1778  
Toms River, NJ 08754  
(732) 240-5600  
Fax: (732) 505-8358

## 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 Township Committee  
Township of Manalapan, New Jersey

We have audited the regulatory-basis financial statements of the Township of Manalapan, County of Monmouth, New Jersey ("Township") as of and for the year ended December 31, 2010 which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 15, 2011 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; the 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 Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal controls such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis.

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

This report is intended solely for the information and use of the Township of Manalapan's management, and Committee members, others within the organization, and the Division of Local Government Services, 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 15, 2011

## COMMENTS AND RECOMMENDATIONS

TOWNSHIP OF MANALAPAN  
COUNTY OF MONMOUTH, NEW JERSEY  
COMMENTS AND RECOMMENDATIONS

Year ended December 31, 2010

None noted.