

TOWNSHIP OF PLUMSTED

COUNTY OF OCEAN

REPORT OF AUDIT

DECEMBER 31, 2011

WILLIAM E. ANTONIDES AND COMPANY
Certified Public Accountants

506 Hooper Avenue, Suite B
Toms River, NJ 08753

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

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TOWNSHIP OF PLUMSTED

COUNTY OF OCEAN

PART I

AUDITOR'S REPORT OF THE TOWNSHIP'S FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2011

William E. Antonides and Company
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of Plumsted
County of Ocean
New Egypt, New Jersey

We have audited the accompanying balance sheets - regulatory basis of the various funds and account groups of the Township of Plumsted (the "Township"), as of December 31, 2011 and 2010, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2011. These financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "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 more fully in Note 1, the Township prepares its financial statements on a regulatory basis of accounting prescribed by the Division, as required by state statute, that demonstrates compliance with a modified accrual basis of accounting, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than 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.

Further in our opinion, because of the effects of the matter 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, 2011 and 2010, the changes in 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 has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds and account groups of the Township, as of December 31, 2011 and 2010 and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2011 on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2012, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 conducted for the purpose of forming opinions on the financial statements of the Township as a whole. The accompanying supplementary schedules and the comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements, but is required by the Division. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.

William E. Antonides and Company
Independent Auditors


William E. Antonides
Certified Public Accountant
Registered Municipal Accountant
R.M.A. Number 14

June 25, 2012

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

BALANCE SHEET - CURRENT FUND

Exhibit A

REGULATORY BASIS

Sheet 1 of 2

DECEMBER 31, 2011 AND 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Assets</u>			
Current Fund:			
Cash - Treasurer	A-4	\$ 1,394,388.46	\$ 2,028,317.94
Cash - Collector	A-5	336,305.69	353,415.38
Change Fund	A-6	600.00	550.00
		<u>1,731,294.15</u>	<u>2,382,283.32</u>
Receivables with Full Reserves:			
Foreclosed Property	A-7	196,900.00	36,400.00
Tax Title Liens Receivable	A-9	18,142.68	15,051.01
Special Charges Receivable	A-10	60.00	3,578.80
Revenue Accounts Receivable	A-11	4,867.91	7,698.02
Due from Police Association		816.49	
		<u>220,787.08</u>	<u>62,727.83</u>
Deferred Charges:			
Special Emergency Authorizations (N.J.S. 40A:4-53)	A-13	7,400.00	14,800.00
		<u>1,959,481.23</u>	<u>2,459,811.15</u>
Federal and State Grant Fund:			
Interfund - Current Fund	A-24	40,058.79	170,539.78
Grants Receivable	A-25	179,152.96	257,254.56
		<u>219,211.75</u>	<u>427,794.34</u>
		<u>\$ 2,178,692.98</u>	<u>\$ 2,887,605.49</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

BALANCE SHEET - CURRENT FUND

Exhibit A

REGULATORY BASIS

Sheet 2 of 2

DECEMBER 31, 2011 AND 2010

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Current Fund:			
Appropriation Reserves	A-3,14	\$ 236,324.54	\$ 229,563.75
Deferred Revenue	A-12	5,099.00	25,099.00
Reserve for Encumbrances	A-15	48,774.01	34,215.01
Third Party Liens	A-16		10,201.08
Due State of New Jersey	A-17	2,700.00	10,098.26
Payroll Liabilities	A-18	10,513.57	10,380.91
Tax Overpayments	A-19	763.42	4,184.06
Prepaid Taxes	A-20	104,969.00	115,994.28
Local District School Tax Payable	A-21	971,976.38	1,017,368.88
Due County for Added and Omitted Taxes	A-22	4,561.86	18,662.97
Reserve for Revaluation	A-23		408.22
Interfund - Grant Fund	A-24	40,058.79	170,539.78
		<u>1,425,740.57</u>	<u>1,646,716.20</u>
Reserve for Receivables		220,787.08	62,727.83
Fund Balance	A-1	312,953.58	750,367.12
		<u>1,959,481.23</u>	<u>2,459,811.15</u>
Federal and State Grant Fund:			
Reserve for Encumbrances	A-15	101,647.86	89,576.45
Appropriated Reserves	A-26	117,563.89	338,217.89
		<u>219,211.75</u>	<u>427,794.34</u>
		<u>\$ 2,178,692.98</u>	<u>\$ 2,887,605.49</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE Sheet 1 of 2

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 754,000.00	\$ 860,000.00
Miscellaneous Revenue Anticipated	A-2	980,666.72	1,246,805.81
Receipts from Delinquent Taxes	A-2	5,063.86	17,622.78
Receipts from Current Taxes	A-2	16,496,597.34	16,558,582.40
Non-Budget Revenues	A-2	69,675.21	70,497.49
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	197,747.98	216,242.81
Due to State of New Jersey Cancelled	A-17	6,705.26	
Cancelled Federal and State Grant Appropriated Reserves	A-26	11,547.87	22,887.65
Reimburse Fund Balance Tax Appeal Notes Issued		208,000.00	
Total Income		<u>18,730,004.24</u>	<u>18,992,638.94</u>
<u>Expenditures</u>			
Budget Appropriations within Caps:			
Operations:			
Salaries and Wages		1,081,200.41	1,165,219.41
Other Expenses		1,107,709.71	1,261,065.03
Deferred Charges and Statutory Expenditures		322,715.00	311,065.00
Budget Appropriations excluded from Caps:			
Operations:			
Salaries and Wages		75,667.00	86,321.50
Other Expenses		219,011.62	303,312.74
Capital Improvements		34,999.35	
Municipal Debt Service		164,999.50	1,214.96
Deferred Charges		7,400.00	51,400.00
	A-4	<u>3,013,702.59</u>	<u>3,179,598.64</u>
Refund Prior Year Revenue		5,579.04	
Special District Taxes	A-8	1,349,191.00	1,296,757.77
Local District School Taxes	A-21	10,787,988.00	10,513,773.00
County Taxes	A-22	3,244,592.79	3,294,187.86
Reserve for Due from Police Association		816.49	
Cancelled Federal and State Grant Receivable	A-25	11,547.87	22,539.07
Total Expenditures		<u>18,413,417.78</u>	<u>18,306,856.34</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE **Sheet 2 of 2**

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Excess in Revenue		\$ 316,586.46	\$ 685,782.60
Fund Balance January 1	A	750,367.12	924,584.52
		<u>1,066,953.58</u>	<u>1,610,367.12</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1	<u>754,000.00</u>	<u>860,000.00</u>
Fund Balance December 31	A	<u>\$ 312,953.58</u>	<u>\$ 750,367.12</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 1 of 3

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or</u>
	<u>Ref.</u>	<u>Budget</u>	<u>40A:4-87</u>	<u>(Deficit)</u>
	<u>A-1</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Fund Balance Anticipated		754,000.00	754,000.00	
<u>Miscellaneous Revenues</u>				
Licenses				
Alcoholic Beverages	A-11	9,900.00		400.00
Other	A-11	6,250.00		(314.00)
Fees and Permits	A-11	86,700.00		3,371.00
Fines and Costs				
Municipal Court	A-11	68,000.00		10,300.00
Interest and Costs on Taxes	A-11	30,000.00		5,936.00
Interest on Investments and Deposits	A-11	20,000.47		90,071.00
Cable Television Franchise Fee	A-11	23,852.97		78,933.18
Consolidated Municipal Property Tax Relief Act	A-11	13,787.00		31,426.27
Energy Receipts Tax (P.L. 1997, Ch. 162 and 167)	A-11	433,436.00		18,883.68
Garden State Trust Fund	A-11	5,099.00		23,852.97
Rental/Smoke Detector Inspections	A-11	18,000.00		13,787.00
Uniform Construction Code Fees	A-11	90,000.00		433,436.00
Plumsted Board of Education	A-11	20,000.00		5,099.00
Alcohol Education/Rehabilitation Program	A-25		1,456.24	17,875.00
Body Armor Grant	A-25		1,607.70	89,554.00
Clean Communities Program	A-25		14,143.85	20,000.00
Drunk Driving Enforcement Fund	A-25		4,783.97	1,456.24
Municipal Alliance on Alcoholism and Drug Abuse	A-25	15,740.00		1,607.70
N.J. Transportation Trust Fund Authority - Resurfacing				14,143.85
of Helen Street and Locust Lane				4,783.97
Ocean County Tourism Grant				15,740.00
	A-25		57,000.00	57,000.00
	A-25		1,000.00	1,000.00

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 2 of 3

	Ref.	Anticipated		Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
		Budget				
Recycling Tonnage Grant	A-25	\$		\$ 4,784.03	4,784.03	\$
Recycling Revenue Sharing	A-25			6,968.18	6,968.18	
Recycling Revenue Sharing	A-25			2,792.65	2,792.65	
Safe and Secure Communities Program	A-25		22,236.00		22,236.00	
Court Settlement	A-25		9,000.00		9,000.00	
Total Miscellaneous Revenues	A-1		<u>872,001.44</u>	<u>94,536.62</u>	<u>980,666.72</u>	<u>14,128.66</u>
Receipts from Delinquent Taxes	A-1,2		11,247.62		5,063.86	(6,183.76)
Subtotal General Revenue			1,637,249.06	94,536.62	1,739,730.58	7,944.90
Amount to be Raised by Taxes for Support of Municipal Budget	A-2		1,402,434.70		1,216,342.19	(186,092.51)
Budget Totals			<u>3,039,683.76</u>	<u>94,536.62</u>	<u>2,956,072.77</u>	<u>(178,147.61)</u>
Non-Budget Revenues	A-1,2				69,675.21	69,675.21
	Ref.		<u>\$ 3,039,683.76</u>	<u>\$ 94,536.62</u>	<u>\$ 3,025,747.98</u>	<u>\$ (108,472.40)</u>

A-3 A-3

A-3

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 3 of 3

	<u>Ref.</u>	<u>Realized</u>
<u>Analysis of Realized Revenues</u>		
<u>Allocation of Current Collections</u>		
Revenue from Collections	A-1,8	\$ 16,496,597.34
Less: Allocated to School, County and Special District Taxes	A-8	15,400,771.79
Balance for Support of Municipal Budget Appropriations		<u>1,095,825.55</u>
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>120,516.64</u>
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	<u>\$ 1,216,342.19</u>
 <u>Receipts from Delinquent Taxes</u>		
Delinquent Tax Collections	A-2,9,10	<u>\$ 5,063.86</u>
 <u>Analysis of Non-Budget Revenue</u>		
Clerk		\$ 2,768.86
Police		118.54
Construction Code		240.00
Tax Collector		6,548.32
Payments in Lieu of Taxes		2,000.00
Senior Citizen and Veteran Deduction		
2% Administrative Fee		1,638.75
Finance Department		31.02
Miscellaneous		<u>56,329.72</u>
	A-2	<u>\$ 69,675.21</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 1 of 8

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
\$	950.00	\$ 950.00	\$	950.00	\$	
<u>General Government</u>						
Shared Services						
Other Expenses						
Business Administrator's Office						
Salaries and Wages	24,000.00	23,947.00	23,946.77		.23	
Other Expenses	1,000.00	653.00	652.29		.71	
Mayor and Township Committee						
Salaries and Wages	4.00	4.00	4.00			
Other Expenses	1,600.00	1,600.00	1,203.06	395.00	1.94	
Municipal Clerk						
Salaries and Wages	88,875.00	88,875.00	85,418.44		3,456.56	
Other Expenses	25,650.00	29,650.00	22,305.63	2,382.85	4,961.52	
Levy Cap Referendum Costs	4,000.00					
Assessment Search Officer						
Salaries and Wages	4,068.79	4,068.79	3,936.73		132.06	
Financial Administration						
Salaries and Wages	80,000.00	78,207.00	72,461.44		5,745.56	
Other Expenses	10,247.00	10,247.00	8,238.35	44.10	1,964.55	
Audit Services	26,000.00	26,000.00	24,785.00		1,215.00	
Assessment of Taxes						
Salaries and Wages	47,700.00	47,700.00	47,680.62		19.38	
Other Expenses	5,600.00	5,600.00	2,737.77		2,862.23	
Collection of Taxes						
Salaries and Wages	56,525.00	58,960.20	58,464.71		495.49	
Other Expenses	8,475.00	8,475.00	8,117.45	44.10	313.45	
Tax Search Officer						
Salaries and Wages	2,435.20					
Legal Services and Costs						
Other Expenses	75,000.00	75,000.00	35,794.60		39,205.40	

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 2 of 8

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
Engineering Services and Costs	\$ 6,500.00	\$ 6,500.00	\$ 5,672.50	\$ 265.50	\$ 562.00	\$
Other Expenses						
Plumsted Township Main Street Program						
Salaries and Wages	9,690.00	9,760.00	9,483.56		276.44	
Other Expenses	7,000.00	7,000.00	2,089.74		4,910.26	
Senior Outreach Services						
Other Expenses	750.00	750.00	500.80	207.05	42.15	
Municipal Land Use Law (N.J.S. 40:55D-1 et seq.)						
Planning Board						
Salaries and Wages	5,000.00	4,800.00	4,597.04		202.96	
Other Expenses	5,300.00	5,300.00	3,373.63	13.25	1,913.12	
Zoning Officer						
Salaries and Wages	8,181.76	8,181.76	8,181.16		.60	
Mobile Home Inspector						
Salaries and Wages	2,959.66	2,959.66	2,956.98		2.68	
Rental Inspections						
Salaries and Wages	14,325.00	11,825.00	10,065.00		1,760.00	
Insurance						
General Liability	52,598.65	52,598.65	52,598.65			
Workers Compensation	74,323.64	74,323.64	74,323.64			
Employee Group Health Insurance	306,420.00	289,420.00	261,469.42		27,950.58	
Insurance						
Vision Program	2,500.00	2,500.00	440.00		2,060.00	
Dental Program	14,000.00	14,000.00	12,939.42		1,060.58	
Health Benefit Waiver	4,000.00	4,000.00	2,000.00		2,000.00	
Other Insurance	21,000.00	21,000.00	17,601.33		3,398.67	
Public Safety Director						
Salaries and Wages	1.00	1.00	1.00			

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 3 of 8

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
Public Safety						
Police						
Salaries and Wages	\$ 637,800.00	\$ 648,800.00	\$ 638,464.93	\$ 10,335.07	\$	
Other Expenses	35,900.00	43,400.00	37,044.65	3,022.41	3,332.94	
Other Expenses - Vehicle Purchase	22,162.42	22,162.42	22,162.42			
First Aid Organization (50:5-2) Contribution	10,000.00	10,000.00	10,000.00			
Emergency Management Services						
Salaries and Wages	6,905.00	6,905.00	6,904.30		.70	
Other Expenses	3,800.00	3,800.00	2,252.44	850.51	697.05	
School Crossing Guards						
Salaries and Wages	100.00	100.00			100.00	
Municipal Court						
Salaries and Wages	41,300.00	44,623.00	43,122.84		1,500.16	
Other Expenses	6,515.00	6,515.00	3,482.47	29.97	3,002.56	
Public Defender (P.L. 1997, C. 256)						
Other Expenses	500.00	500.00			500.00	
Streets and Roads						
Road Repairs and Maintenance						
Other Expenses	90,000.00	90,000.00	75,229.72	5,629.89	9,140.39	
Sanitation						
Trash Removal						
Other Expenses	20,000.00	20,000.00	8,224.53		11,775.47	
Recycling (Ch. 102, P.L. 1987)						
Salaries and Wages	7,000.00	7,000.00			7,000.00	
Other Expenses	4,000.00	4,000.00	177.83		3,822.17	
Sanitary Landfill						
Other Expenses	950.00	950.00			950.00	

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 4 of 8

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
Public Buildings and Grounds						
Salaries and Wages	\$ 15,450.00	\$ 15,450.00	\$ 8,322.70	\$	7,127.30	\$
Other Expenses	20,400.00	20,400.00	18,557.37	540.03	1,302.60	
Demolition	900.00	900.00			900.00	
<u>Health and Welfare</u>						
Board of Health						
Other Expenses	6,000.00	6,000.00	3,000.00		3,000.00	
Soil/Water Testing	450.00	450.00			450.00	
Environmental Commission						
Other Expenses	1,100.00	1,100.00	718.25	350.00	31.75	
Administration of Public Assistance						
Relocation Costs	350.00	350.00			350.00	
Catholic Charities - N.J.S.A. 30:14-11	410.00	410.00	410.00			
Federally Mandated Hepatitis Immunization						
Other Expenses	490.00	490.00			490.00	
<u>Recreation and Education</u>						
Recreation Department						
Other Expenses	15,940.00	15,940.00	10,919.99		5,020.01	
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	2,625.00	2,625.00	2,244.17		380.83	
Council for the Arts						
Salaries and Wages	1,250.00	1,250.00	1,111.50		138.50	
Other Expenses	2,000.00	2,000.00	2,000.00			
Public Employee Awards (N.J.S. 40A:5-31)						
Salaries and Wages	2,600.00	2,600.00			2,600.00	
Other Expenses	250.00	250.00			250.00	
Municipal Utilities Authority						
Other Expenses	3,000.00	3,000.00	3,000.00			

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 5 of 8

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>						
Salaries and Wages	\$ 16,433.00	\$ 16,433.00	\$ 16,433.00	\$	\$	
<u>Unclassified</u>						
Utilities						
Street Lighting	69,500.00	73,500.00	70,444.65		3,055.35	
Natural Gas	9,650.00	9,650.00	5,997.80		3,652.20	
Electricity	48,000.00	41,500.00	37,109.92		4,390.08	
Telephone	24,000.00	26,500.00	26,500.00			
Utilities						
Water	5,500.00	5,500.00	2,699.60		2,800.40	
Fuel Oil	8,000.00	8,000.00	4,851.78		3,148.22	
Gasoline	50,000.00	50,000.00	37,376.16		12,623.84	
Contingent	1,000.00	1,000.00	1,000.00			
Total Operations within Caps	<u>2,188,910.12</u>	<u>2,188,910.12</u>	<u>1,963,803.75</u>	<u>13,774.66</u>	<u>211,331.71</u>	
Detail:						
Salaries and Wages	1,072,603.41	1,081,200.41	1,040,445.22		40,755.19	
Other Expenses	1,116,306.71	1,107,709.71	923,358.53	13,774.66	170,576.52	

DEFERRED CHARGES AND STATUTORY

EXPENDITURES WITHIN CAPS

Statutory Expenditures

Contribution to:

Public Employees' Retirement System of New Jersey	99,364.00	99,364.00	99,364.00			
Social Security System (O.A.S.I.)	110,000.00	110,000.00	100,460.21		9,539.79	
Police and Firemen's Retirement System of New Jersey	105,351.00	105,351.00	105,351.00			
Unemployment Compensation Disability Insurance (N.J.S. 43:21-3 et seq.)	8,000.00	8,000.00	6,909.93		1,090.07	
Total Deferred Charges and Statutory Expenditures within Caps	<u>322,715.00</u>	<u>322,715.00</u>	<u>312,085.14</u>		<u>10,629.86</u>	

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 6 of 8

	<u>Appropriated</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>	
Total Appropriations within Caps	\$ 2,511,625.12	\$ 2,511,625.12	\$ 2,275,888.89	\$ 13,774.66	\$ 221,961.57	\$
<u>OPERATIONS EXCLUDED FROM CAPS</u>						
Employee Group Health	23,580.00	23,580.00	23,580.00			
Recycling Tax						
Other Expenses	1,400.00	1,400.00	424.95		975.05	
<u>Uniform Construction Code - Appropriations Offset by Increased Fee Revenues (N.J.A.C. 5:23-4.17)</u>						
Salaries and Wages	55,667.00	55,667.00	48,989.96		6,677.04	
Other Expenses	11,200.00	11,200.00	5,489.12		5,710.88	
<u>Interlocal Municipal Service Agreements</u>						
Plumsted Board of Education						
School Resource Officer						
Salaries and Wages	20,000.00	20,000.00	20,000.00			
Courtesy Busing	35,720.00	35,720.00	35,720.00			
<u>Public and Private Programs Offset by Revenues</u>						
Local Matching Funds for Grants	1,000.00	1,000.00			1,000.00	
Alcohol Education/Rehabilitation Program	1,456.24	1,456.24	1,456.24			
Body Armor Grant	1,607.70	1,607.70	1,607.70			
Clean Communities Program	14,143.85	14,143.85	14,143.85			
Drunk Driving Enforcement Fund	4,783.97	4,783.97	4,783.97			
Municipal Alliance on Alcohol and Drug Abuse						
Grant Portion	15,740.00	15,740.00	15,740.00			
Matching Portion	4,900.00	4,900.00	4,900.00			
N.J. Transportation Trust - Helen Street & Locust Lane	57,000.00	57,000.00	57,000.00			
Ocean County Tourism:						
Grant Portion	1,000.00	1,000.00	1,000.00			
Matching Portion	1,000.00	1,000.00	1,000.00			

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 7 of 8

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
	\$	\$	\$	\$	\$	\$
Recycling Revenue Sharing Program	6,968.18	6,968.18	6,968.18			
Recycling Revenue Sharing Program	2,792.65	2,792.65	2,792.65			
Recycling Tonnage Grant	4,784.03	4,784.03	4,784.03			
Safe and Secure Communities Program						
Grant Portion	22,236.00	22,236.00	22,236.00			
Matching Portion	5,559.00	5,559.00	5,559.00			
Supplemental Fire Services Program	2,140.00	2,140.00	2,140.00			
Total Operations excluded from Caps	294,678.62	294,678.62	280,315.65	14,362.97		
Detail:						
Salaries and Wages	75,667.00	75,667.00	68,989.96	6,677.04		
Other Expenses	219,011.62	219,011.62	211,325.69	7,685.93		
CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS						
Acquisition of 4WD Police Vehicle	35,000.00	35,000.00		34,999.35		.65
MUNICIPAL DEBT SERVICE EXCLUDED FROM CAPS						
Payment of Bond Anticipation Note and Capital Notes	143,437.50	143,437.50	143,437.00			.50
Interest on Notes	21,562.50	21,562.50	21,562.50			
Total Municipal Debt Service Excluded From Caps	165,000.00	165,000.00	164,999.50			.50
DEFERRED CHARGES EXCLUDED FROM CAPS						
Special Emergency Authorizations - 5 Years	7,400.00	7,400.00	7,400.00			
(N.J.S.A. 40A:4-55)						
Total General Appropriations excluded from Caps	502,078.62	502,078.62	452,715.15	34,999.35	14,362.97	1.15

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 8 of 8

	Appropriated		Expended		Unexpended Balance Cancelled
<u>Ref.</u>	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved
Subtotal General Appropriations	\$ 3,013,703.74	\$ 3,013,703.74	\$ 2,728,604.04	\$ 48,774.01	\$ 236,324.54
Reserve for Uncollected Taxes	120,516.64	120,516.64	120,516.64		1.15
Total General Appropriations	<u>\$ 3,134,220.38</u>	<u>\$ 3,134,220.38</u>	<u>\$ 2,849,120.68</u>	<u>\$ 48,774.01</u>	<u>\$ 236,324.54</u>
Appropriation by 40A:4-87		\$ 94,536.62			
Budget		<u>3,039,683.76</u>			A-1
Reserve for Uncollected Taxes			\$ 120,516.64		
Disbursements			2,575,092.42		
Deferred Charges:					
Special Emergency Authorizations			7,400.00		
Interfund - Federal and State Grant Fund			<u>146,111.62</u>		
			<u>\$ 2,849,120.68</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

BALANCE SHEET - TRUST FUND

Exhibit B

REGULATORY BASIS

DECEMBER 31, 2011 AND 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Assets</u>			
Animal Control Trust Fund:			
Cash	B-1	\$ <u>5,986.21</u>	\$ <u>4,506.57</u>
Trust Other Fund:			
Cash	B-1	<u>457,104.48</u>	<u>369,896.67</u>
		<u>\$ 463,090.69</u>	<u>\$ 374,403.24</u>
<u>Liabilities and Reserves</u>			
Animal Control Trust Fund:			
Reserve for:			
Animal Control Trust Fund Expenditures	B-3	\$ 5,802.21	\$ 4,426.57
Encumbrances	B-4	<u>184.00</u>	<u>80.00</u>
		<u>5,986.21</u>	<u>4,506.57</u>
Trust Other Fund:			
Reserve for Encumbrances	B-4	8,263.00	30,711.00
Miscellaneous Reserves	B-5	<u>448,841.48</u>	<u>339,185.67</u>
		<u>457,104.48</u>	<u>369,896.67</u>
		<u>\$ 463,090.69</u>	<u>\$ 374,403.24</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

BALANCE SHEET - GENERAL CAPITAL FUND

Exhibit C

REGULATORY BASIS

DECEMBER 31, 2011 AND 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Assets</u>			
Cash	C-2	\$ 487,032.21	\$ 631,191.85
Receivables With Full Reserves:			
Federal and State Grants and Aid Receivable	C-4	300,000.00	300,000.00
Deferred Charges to Future Taxation:			
Funded	C-5	193,568.69	210,542.68
Unfunded	C-6	2,586,326.09	2,529,763.09
		<u>\$ 3,566,926.99</u>	<u>\$ 3,671,497.62</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Bond Anticipation Notes Payable	C-8	\$ 1,021,563.00	\$ 1,165,000.00
Refunding Bond Anticipation Notes Payable	C-9	218,000.00	
Green Trust Loans Payable	C-10	193,568.69	210,542.68
Improvement Authorizations:			
Funded	C-11	1,204.35	1,478.75
Unfunded	C-11	1,654,015.59	1,631,178.48
Reserve for Encumbrances	C-11, 13	120,987.28	293,829.85
Capital Improvement Fund	C-12	2,731.39	6,731.39
Miscellaneous Reserves	C-13	54,430.41	62,331.19
		<u>3,266,500.71</u>	<u>3,371,092.34</u>
Reserve for Federal and State Grants and Aid Receivable	C-7	300,000.00	300,000.00
Fund Balance	C-1	<u>426.28</u>	<u>405.28</u>
		<u>\$ 3,566,926.99</u>	<u>\$ 3,671,497.62</u>

At December 31, 2011 there were bonds and notes authorized but not issued in the amount of \$1,046,763.09 (Exhibit C-14).

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-1

STATEMENT OF FUND BALANCE - REGULATORY BASIS

Balance December 31, 2010	<u>Ref.</u> C	\$ 405.28
Increased by Receipts:		
Refunding Bond Anticipation Notes Premium		<u>21.00</u>
Balance December 31, 2011	C	<u>\$ 426.28</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

BALANCE SHEET - GENERAL FIXED ASSETS ACCOUNT GROUP

Exhibit H

REGULATORY BASIS

DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
General Fixed Assets:		
Land	\$ 1,352,704.30	\$ 1,352,704.30
Machinery and Equipment	1,036,135.44	1,071,183.82
Improvements	<u>4,254,376.80</u>	<u>4,254,376.80</u>
	<u>\$ 6,643,216.54</u>	<u>\$ 6,678,264.92</u>
Investment in General Fixed Assets	<u>\$ 6,643,216.54</u>	<u>\$ 6,678,264.92</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Township of Plumsted, County of Ocean, New Jersey (the "Township"), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township as required by N.J.S. 40A:5-5.

The Governmental Accounting Standards Board ("GASB") Statement 14 established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The criteria differ from the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") requirements where certain boards, commissions, and agencies of the Township, by statute or other directive, report separately on their financial statements. The financial statements of the following units are reported separately:

Plumsted Township Board of Education
Plumsted Township First Aid Organization
Plumsted Township Fire District
Plumsted Township Municipal Utilities Authority
Plumsted Township Redevelopment Agency

B. Descriptions of Funds

The GASB is the recognized standard-setting body for establishing governmental generally accepted accounting and financial reporting principles.

The accounting policies of the Township conform to the accounting principles applicable to municipalities which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differs from the fund structure required by generally accepted accounting principles ("GAAP"):

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

Animal Control Trust Fund - dog license revenues and expenditures.

Trust Other Fund - sundry deposits held for satisfactory completion of specific work; receipts and disbursements for dedicated purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Descriptions of Funds (Continued)

General Capital Fund - resources, including Federal and State grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes.

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

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local governmental units. The more significant differences are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

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

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

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Deferred Charges - the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at December 31, 2011 is set forth in Note 9.

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount which would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation. The compensated absence liability at December 31, 2011 is set forth in Note 4.

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

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

Interfunds - advances in the Current Fund are reported as interfund receivables with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve. The status of interfunds is set forth in Note 15.

Inventories of Supplies - the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires that the cost of inventories be reflected on the balance sheet until utilized and expended.

General Fixed Assets - in accordance with the New Jersey Administrative Code, which differs in certain respects from GAAP, the Township has developed a fixed assets accounting and reporting system. Fixed assets acquired prior to December 31, 1985 are based upon the replacement cost values at that date, as permitted. All general fixed assets acquired after January 1, 1986, are recorded at cost.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets (Continued)

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

GAAP does not require utilization of a general fixed asset account group.

Except for land and buildings, all fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

Depreciation is not recorded in the General Fixed Assets Account Group.

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

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

During 2011 the following changes occurred in the fixed assets of the Township:

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Disposals</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
General Fixed Assets Account Group:			
Land	\$ 1,352,704	\$	\$ 1,352,704
Machinery and Equipment	1,071,184	35,048	1,036,136
Improvements	4,254,377		4,254,377
Construction in Progress			
	<u>\$ 6,678,265</u>	<u>\$ 35,048</u>	<u>\$ 6,643,217</u>

General fixed assets, as shown in Exhibit H, are presented as recorded in the Township records with offsetting reserves on the balance sheet of the Township’s General Fixed Assets Account Group.

D. Financial Statements

The GASB Codification requires the financial statements of a governmental unit to be presented in accordance with GAAP. The Township presents its financial statements in accordance with another comprehensive basis of accounting as promulgated by the Division which differs from the financial statements required by GAAP. In addition, the Division requires the financial statements to be referenced to the supplementary schedules. This practice differs from GAAP.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets and Budgetary Accounting

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

NOTE 2. CASH AND CASH EQUIVALENTS

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

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

If the public funds deposited exceed 75 percent of the 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 Township considers certain short-term investments permitted by statute to be cash equivalents if they mature within three months or may be withdrawn in cash upon notice from a pool of eligible investments in a participation arrangement with a bank that meets the insurance and collateral requirements of the statute.

At year-end, the carrying amount of the Township's deposits was \$2,691,079 and the bank balance amount was \$2,911,273. Of this amount \$391,258 was covered by federal depository insurance and a collateral pool under New Jersey's Governmental Unit Deposit Protection Act covered the remaining \$2,520,015.

B. Investments

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

- (1) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (2) Government money market mutual funds.

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

- a. (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (4) Bonds or other obligations of the Township, or bonds or other obligations of school districts of which the Township is a part or within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investments, New Jersey Department of the Treasury.
- (6) Municipal investment pools.
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c. 281; or
- (8) Agreements for the repurchase of fully collateralized securities, if:
- (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this section;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41);
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

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

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

Other than cash equivalents that would otherwise qualify as investments, except for their maturity or the withdrawal provisions of their deposit, the Township had no investments in qualified securities at December 31, 2011.

C. Cash Management Plan

In accordance with N.J.S. 40A:5-14, every municipality shall adopt a cash management plan and shall deposit and invest its funds pursuant to that plan. The plan shall be approved annually by majority vote of the governing body and may be modified from time to time in order to reflect changes in federal or state law or regulations. The chief financial officer shall be charged with administering the plan.

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

C. Cash Management Plan (Continued)

When an investment in bonds maturing in more than one year is authorized, the maturity of those bonds shall approximate the prospective use of the funds invested.

The plan also requires a monthly report to the governing body summarizing all investments made or redeemed since the previous report and shall include, at a minimum, the specific detailed information as set forth in the statute.

D. Credit Risk Categories

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following categories described below:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2011</u>	<u>2010</u>
Insured:		
FDIC	\$ 391,258	\$ 405,013
GUDPA	<u>2,520,015</u>	<u>3,122,058</u>
	\$ <u>2,911,273</u>	\$ <u>3,527,071</u>

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Township does not have a formal policy for custodial credit risk.

State law limits investments as noted above.

During the year, the Township had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Township.

NOTE 3. DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All 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 at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

NOTE 3. DEBT (CONTINUED)

A. Long-Term Debt

At December 31, 2011 the Township's long-term debt outstanding was as follows:

Green Trust Loan Program

The Township has three low interest loans (2%) under the New Jersey Department of Environmental Protection's Green Trust Loan Program. The \$100,000 for the Recreation Complex Improvement was finalized on or about December 20, 2010. Loans in the amounts of \$99,999 for the Recreation Park Project and \$149,999 for the Oakford Lake Park Development Project were both finalized on November 19, 1999. The Township must repay the latter two loans in semi-annual installments over seventeen and one half years and the Recreation Complex Loan must be repaid in semi-annual installments over nineteen and one half years. The balance as of December 31, 2011 was \$193,569 and loan payments are due through 2030.

Debt Service requirements during the next five fiscal years and thereafter are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 19,445	\$ 3,775
2013	19,836	3,384
2014	20,235	2,985
2015	20,642	2,578
2016	21,057	2,163
2017-30	<u>92,354</u>	<u>11,705</u>
	\$ <u>193,569</u>	\$ <u>26,590</u>

B. Short-Term Debt

Bond Anticipation Notes

On December 31, 2011 the Township's outstanding Bond Anticipation Notes were as follows:

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount</u>	<u>Interest Rate</u>
	General Capital Fund:		
08-11	Various Capital Improvements	\$ 271,563	1.50%
09-07	Preliminary Expenses in Connection with the Redevelopment Plans	<u>750,000</u>	3.30%
		\$ <u>1,021,563</u>	

NOTE 3. DEBT (CONTINUED)

B. Short-Term Debt (Continued)

Bond Anticipation Notes (Continued)

On December 31, 2011 the Township's outstanding Refunding Bond Anticipation Notes were as follows:

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount</u>	<u>Interest Rate</u>
11-08	General Capital Fund: Payment of Amounts Owing to Others for Taxes Levied	\$ <u>218,000</u>	3.00%

C. Bonds and Notes Authorized but not Issued

At December 31, 2011 the Township had bonds and notes authorized but not issued in the amount of \$1,046,763.

D. Borrowing Power

New Jersey statutes limit the debt of a municipality to 3.5% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements plus the assessed valuation of Class II railroad property. The Township's statutory net debt at December 31, 2011 was .18%. The Township's remaining borrowing power is 3.32%.

E. Summary of Annual Debt Service

During 2011 the following changes occurred in the outstanding debt of the Township:

	<u>Balance Dec. 31, 2010</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Dec. 31, 2011</u>
General Debt:				
Bond Anticipation Notes	\$ 1,165,000	\$	\$ 143,437	\$ 1,021,563
Refunding Bond Anticipation Notes		218,000		218,000
Green Trust Loans:				
Recreation Complex Improvement Municipal Park	100,000		2,109	97,891
Recreation Park Development 2	44,217		5,946	38,271
Oakford Lake Park Development	66,326		8,919	57,407
	<u>\$ 1,375,543</u>	<u>\$ 218,000</u>	<u>\$ 160,411</u>	<u>\$ 1,433,132</u>

NOTE 4. COMPENSATED ABSENCES

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 compensated absences. The Township's policy with respect to compensated absences is as follows:

Vacation Leave

Any unused vacation leave may be carried forward into the next succeeding year only. In the event an employee is unable to utilize during the first six (6) months of the succeeding year any unused vacation time, the Township Committee may consider approval by resolution, an employee's request with Department Head approval, to utilize the aforementioned unused vacation time during the last six (6) months of the succeeding year. Unused vacation time from the previous year shall not be utilized so that a vacation will exceed the total for the previous year.

Sick Leave

Sick leave will be recorded in thirty (30) minute increments.

Sick leave can be accumulated without limit during each employee's length of service for a period of up to thirty (30) days.

In the first calendar year of employment, full-time permanent employees shall be entitled to two thirds (2/3) a day of sick leave for each month or fractional part thereof calculated from date of employment.

Thereafter, full-time permanent employees shall be entitled to either eight (8) days of sick leave each year which shall be credited to their account of the beginning of the year.

Any amount of sick leave used which exceeds the amount accrued to an employee's account at time of separation from the Township will be deducted from the final salary payment. Upon termination for any reason accumulated sick time will be forfeited.

Temporary and seasonal employees shall not be eligible for sick leave with pay.

If an employee is unable to report for work due to illness, this fact shall be reported to the department not later than one (1) hour after the start of the normal work day.

An employee on sick leave and receiving his normal compensation who, in addition, qualifies for payments under workers' compensation weekly benefits shall, during the period he is receiving such weekly benefits, be entitled only to that portion of his regular salary which with the workers' compensation payments, equals his normal salary.

NOTE 5. FUND BALANCES APPROPRIATED

The Current Fund balance at December 31, 2011 which was appropriated and included as anticipated revenue for the year ending December 31, 2012 is \$299,664.

NOTE 6. TAXES COLLECTED IN ADVANCE

Taxes collected in advance set forth as a cash liability in the financial statement is as follows:

	<u>Balance December 31</u>	
	<u>2011</u>	<u>2010</u>
Prepaid Taxes	\$ 104,969	\$ 115,994

NOTE 7. ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1 in each year and filed with the County Board of Taxation (the "Board") by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, Local School District, Fire District and County, the tax rate is struck by the 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 Township Tax Collector (the "Collector") on or before May 13th.

Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The N.J. Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

NOTE 8. DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED

Upon the authorization of capital projects, the Township establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to the New Jersey Statutes Annotated 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 the particular year in the current budget. As funds are raised, the deferred charges are reduced.

NOTE 9. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

As noted in Note 1, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011, the following deferred charges are shown on the balance sheet of the Current Fund:

	<u>Balance Dec. 31, 2011</u>	<u>2012 Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:			
Special Emergency	\$ 7,400	\$ 7,400	\$ -0-

The appropriation in the 2011 budget is not less than that required by statute.

NOTE 10. PENSION PLANS

The Township contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. These plans provide retirement, disability, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. Each plan has a Board of Trustees that implement benefit provisions which are established and amended by State statute. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

The contribution requirements of plan members are determined by State statute. Plan members enrolled in the PERS are required to contribute 5.5% of their annual covered salary. Plan members enrolled in the PFRS are required to contribute 8.5% of their annual covered salary. Effective October 1, 2011 the PERS and PFRS contribution requirements increased to 6.5% and 10.0%, respectively. The Township's contributions to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
2011	\$ 99,364	\$ 105,351
2010	84,341	99,483
2009	82,170	83,791

NOTE 11. SCHOOL TAXES

Local District School Taxes have been raised and liabilities deferred. Section 13 of P.L. 1991, C. 63 required that any municipality that levied school taxes on a school year basis shall defer from the 1991 municipal purposes tax levy at least 25% of the amount allowable to be deferred (which is 50% (fifty percent) of the levy). The remainder of the allowable amount shall be deferred from the levy in each of the next three years (1992-1994). The amounts so deferred shall be regarded as fund balance and shall be used to offset the local property tax levy for local purposes. In 1992 at least 50% of the amount allowable to be deferred from the 1992 tax levy was required to offset the 1993 local property tax levy and the total amount of deferral at December 31, 1993 was 75% of the amount allowable to be deferred based on the 1993 tax levy.

In 1994 Section 13, P.L. 1991, C. 63 was amended to provide municipalities with the option to determine the percentage if any of the amount allowable to be deferred to offset the local property tax levy for local purposes.

	<u>Local District School Tax</u>	
	<u>Balance December 31</u>	
	<u>2011</u>	<u>2010</u>
Balance of Tax	\$ 5,403,494	\$ 5,429,887
Deferred	<u>4,431,518</u>	<u>4,412,518</u>
Tax Payable	\$ <u>971,976</u>	\$ <u>1,017,369</u>

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 10, the Township's policy with respect to certain other postemployment retirement benefits is as follows:

Any employee who experiences a voluntary separation from the service of the Township, upon obtaining retirement age or after twenty-five (25) continuous years of service with the Township, shall be entitled to continue his or her insurance coverage through the Township, provided that the employee assume and pay for the entire cost of their insurance premiums for that former employee. If possible, such insurance premiums shall be paid directly to the insurance carrier.

NOTE 13. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township is a member of the Ocean County Municipal Joint Insurance Fund, and the Municipal Excess Liability Fund, public entity risk pools currently operating as a common risk management and insurance programs for municipalities within the state. The Township pays an actuarially determined annual assessment to Ocean County Municipal Joint Insurance Fund for its insurance coverage and that of the Municipal Excess Liability Fund. Supplemental assessments may be levied to supplement the funds. The Township has not been notified on any supplemental assessments.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

NOTE 14. CONTINGENT LIABILITIES

State and Federal Financial Assistance

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 financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2011, the Township estimates that no material liabilities will result from such audits.

Pending Litigation

There are actions which have been instituted against the Township which are in the discovery phase. The final outcome cannot be determined at the present time. The suit has no contingency booked in the accounting records. The probability and the amount of any potential loss is not known.

It is the opinion of the Township officials that there is no litigation threatened or pending that would materially affect the financial position of the Township or adversely affect the Township's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds, notes or other obligations.

NOTE 15. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2011:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$	\$ 40,059
Grant Fund	<u>40,059</u>	_____
	\$ <u>40,059</u>	\$ <u>40,059</u>

TOWNSHIP OF PLUMSTED

COUNTY OF OCEAN

PART II

SUPPLEMENTARY DATA

SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2011

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

Tax Rate	<u>2011</u> \$ <u>1.565</u>	<u>2010</u> \$ <u>1.536</u>	<u>2009</u> \$ <u>1.485</u>
Apportionment of Tax Rate			
Municipal Purpose Tax	.131	.110	.110
Municipal Open Space	.020	.020	.020
County	.302	.303	.284
Local School District	1.006	1.003	.977
Fire District	.106	.100	.094
Assessed Valuation			
2011	\$ 1,074,038,334		
2010		\$ 1,082,485,058	
2009			\$ 1,086,993,093

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash</u> <u>Collection</u>	<u>Currently</u> <u>Percentage</u> <u>of</u> <u>Collection</u>
2011	\$ 16,832,284	\$ 16,496,597	98.00%
2010	16,722,633	16,558,582	99.01%
2009	16,144,138	16,058,019	99.46%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>Year Ended</u> <u>December 31</u>	<u>Amount of</u> <u>Tax Title</u> <u>Liens</u>	<u>Amount of</u> <u>Delinquent</u> <u>Taxes</u>	<u>Total</u> <u>Delinquent</u>	<u>Percentage</u> <u>of</u> <u>Tax Levy</u>
2011	\$ 18,143	\$ 60	\$ 18,203	.11%
2010	15,051	3,579	18,630	.11%
2009	8,204	32,077	40,281	.25%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

One property was acquired in 2011 by foreclosure as a result of liquidation of tax title liens.

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 in the year of acquisition is summarized as follows:

<u>Year</u>	<u>Amount</u>
2011	\$ 196,900
2010	36,400
2009	36,400

COMPARATIVE SCHEDULE OF FUND BALANCES

<u>Year</u> <u>Current Fund</u>	<u>Balance</u> <u>December 31</u>	<u>Utilized in</u> <u>Budget of</u> <u>Succeeding Year</u>
2011	\$ 312,954	\$ 299,664
2010	750,367	735,000
2009	924,585	860,000
2008	1,353,457	1,215,068
2007	1,446,707	1,227,212

SUMMARY OF MUNICIPAL DEBT

	<u>Year 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Issued</u>			
General Bonds, Notes and Loans	\$ 1,433,132	\$ 1,375,543	\$ 575,897
Less:			
Amounts Applicable Only to the Payment of Debt:			
Open Space Trust (40A:2-44h)	<u>193,569</u>	<u>210,543</u>	<u>130,972</u>
Net Debt Issued	<u>1,239,563</u>	<u>1,165,000</u>	<u>444,925</u>
<u>Authorized but not Issued</u>			
General Bonds, Notes and Loans	<u>1,046,763</u>	<u>1,064,763</u>	<u>1,839,763</u>
Bonds, Notes and Loans Issued and Authorized but not Issued	\$ <u>2,286,326</u>	\$ <u>2,229,763</u>	\$ <u>2,284,688</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 .18%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 21,631,000	\$ 21,631,000	\$ -0-
General Debt	<u>2,440,306</u>	<u>780,670</u>	<u>1,659,636</u>
	\$ <u>24,071,306</u>	\$ <u>22,411,670</u>	\$ <u>1,659,636</u>

Net Debt \$1,756,199 divided by Equalized Valuation basis per N.J.S.A. 40A:2-6 as amended \$959,329,099 = .18%.

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

3.5% of Equalized Valuation Basis	\$ 33,576,518
Net Debt	<u>1,756,199</u>
Remaining Borrowing Power	\$ <u>31,820,319</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2011:

<u>Name</u>	<u>Position</u>
Ronald S. Dancer	Mayor
David J. Leutwyler	Deputy Mayor
Herb Marinari	Committeeman
Eric Sorchik	Committeeman
Jack Trotta	Committeeman
Dorothy J. Hendrickson	Township Clerk, Assessment Search Officer
June Madden	Chief Financial Officer
Danielle Doyle-Peacock	Tax Collector, Tax Search Officer
Kelly Creighton	Deputy Tax Collector
Damian Murray, Esq.	Magistrate (from 11/01/11)
Daniel F. Sahin, Esq.	Magistrate (to 10/05/11)
Steven Millette	Court Administrator (to 12/09/11)
Christine Ward	Deputy Court Administrator

Forgery, Theft and Public Employee Dishonesty coverage in the amount of \$50,000 was provided by the Ocean County Municipal Joint Insurance Fund. Additional coverage in the amount of \$950,000 was provided by the Municipal Excess Liability Joint Insurance Fund.

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-4

SCHEDULE OF CASH - TREASURER

Balance December 31, 2010		\$ 2,028,317.94
Increased by Receipts:		
Miscellaneous Revenue not Anticipated	\$ 63,126.89	
Collector	16,511,067.16	
Homestead Rebate	168,647.28	
Revenue Accounts Receivable	791,628.83	
Deferred Revenue	5,099.00	
Due State of New Jersey	90,643.67	
Payroll Liabilities	1,644,488.42	
Reimburse Fund Balance Tax Appeal Notes Issued	208,000.00	
Interfund - Federal and State Grant Fund	199,066.35	
		<u>19,681,767.60</u>
		21,710,085.54
Decreased by Disbursements:		
2011 Budget Appropriations	2,575,092.42	
Special District Taxes Payable	1,349,191.00	
2010 Appropriation Reserves	66,030.78	
Outside Liens	223,821.28	
Due State of New Jersey	10,649.00	
Payroll Liabilities	1,644,355.76	
Prepaid Taxes	298.29	
Tax Overpayments	4,184.06	
Local District School Taxes Payable	10,833,380.50	
County Taxes Payable	3,258,693.90	
Reserve for Revaluation	408.22	
Prior Year Revenue Refund	5,579.04	
Due from Police Association	816.49	
Change Fund	50.00	
Interfund - Federal and State Grant Fund	343,146.34	
		<u>20,315,697.08</u>
Balance December 31, 2011		\$ <u><u>1,394,388.46</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-5

SCHEDULE OF CASH - COLLECTOR

Balance December 31, 2010		\$ 353,415.38
Increased by Receipts:		
Taxes Receivable	\$ 16,131,268.11	
Tax Title Liens Redeemed	308.96	
Special Charges Receivable	4,754.90	
Interest and Costs on Taxes	31,426.27	
Outside Liens	213,620.20	
Tax Overpayments	763.42	
Prepaid Taxes	105,267.29	
Miscellaneous Revenue Not Anticipated	6,548.32	
		<u>16,493,957.47</u>
		<u>16,847,372.85</u>
Decreased by Disbursements:		
Turnovers to Treasurer		<u>16,511,067.16</u>
Balance December 31, 2011		<u>\$ 336,305.69</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-6

SCHEDULE OF CHANGE FUND

Balance December 31, 2010	\$	550.00
Increased by:		
Receipts		<u>50.00</u>
Balance December 31, 2011	\$	<u><u>600.00</u></u>
<u>Analysis of Balance</u>		
Township Clerk	\$	50.00
Tax Collector		100.00
Police Department		50.00
Municipal Court		300.00
Construction Department		<u>100.00</u>
	\$	<u><u>600.00</u></u>

SCHEDULE OF FORECLOSED PROPERTY

Exhibit A-7

Balance December 31, 2010	\$	36,400.00
Increased by:		
Transfers from Taxes Receivable	\$	2,566.60
Transfers from Tax Title Liens		<u>9,147.51</u>
		<u>11,714.11</u>
		48,114.11
Add: Adjustment to Assessed Valuation		<u>148,785.89</u>
Balance December 31, 2011	\$	<u><u>196,900.00</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-8

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2010	2011 Levy	2011	Collected	2010	Net Amount Due from State of New Jersey	Transfer to Property Acquired for Taxes	Transfer to Tax Title Liens	Transfer to Special Charges	Cancelled	Balance Dec. 31, 2011
2011	\$ -0-	\$ 16,832,284.48	\$ 16,299,915.39	\$ 115,994.28	\$ 80,687.67	\$ 2,566.60	\$ 11,619.23	\$ 1,236.10	\$ 320,265.21	\$ -0-	

Analysis of 2011 Property Tax Levy

Tax Yield:
 General Purpose Tax \$ 15,631,003.99
 Special District Taxes 1,177,697.63
 Added and Omitted Taxes 23,582.86

\$ 16,832,284.48

Tax Levy:

Local District School Tax (Abstract)

County Taxes:

County Tax (Abstract)

County Library Tax (Abstract)

County Health Tax (Abstract)

County Open Space Preservation (Abstract)

Due County Added and Omitted Taxes

Total County Taxes

Special District Taxes (Fire and Open Space)

Local Tax for Municipal Purposes Levied

Add: Additional Tax Levied

\$ 10,806,988.00

\$ 2,695,521.66
 312,509.12
 116,925.73
 115,074.42
 4,561.86

3,244,592.79
 1,349,191.00
 1,402,434.70
 29,077.99

\$ 16,832,284.48

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-9

SCHEDULE OF TAX TITLE LIENS

Balance December 31, 2010		\$ 15,051.01
Increased by:		
Transfers from Taxes Receivable	\$ 11,619.23	
Interest and Costs Accrued by Sale of December 21, 2011	<u>928.91</u>	<u>12,548.14</u>
		<u>27,599.15</u>
Decreased by:		
Collection		<u>308.96</u>
		<u>27,290.19</u>
Transfers to Property Acquired for Taxes		<u>9,147.51</u>
Balance December 31, 2011		\$ <u><u>18,142.68</u></u>

SCHEDULE OF SPECIAL CHARGES RECEIVABLE

Exhibit A-10

Balance December 31, 2010		\$ 3,578.80
Increased by:		
Transfers from Taxes Receivable		<u>1,236.10</u>
		<u>4,814.90</u>
Decreased by:		
Receipts		<u>4,754.90</u>
Balance December 31, 2011		\$ <u><u>60.00</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-11

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>Balance Dec. 31, 2010</u>	<u>Accrued in 2011</u>	<u>Collected by Treasurer</u>	<u>Collector</u>	<u>Balance Dec. 31, 2011</u>
Licenses	\$	\$ 10,300.00	\$	\$	\$
Alcoholic Beverages		5,936.00			
Other		90,071.00			
Fees and Permits					
Fines and Costs					
Municipal Court	7,698.02	76,103.07	78,933.18		4,867.91
Interest and Costs on Taxes		31,426.27		31,426.27	
Interest on Investments and Deposits		18,883.68			
Cable Television Franchise Fee		23,852.97			
Consolidated Municipal Property Tax Relief Act		13,787.00			
Energy Receipts Tax (P.L. 1997, Ch. 162 and 167)		433,436.00			
Garden State Trust Fund		5,099.00			
Rental/Smoke Detector Inspections		17,875.00			
Uniform Construction Code Fees		89,554.00			
Plumsted Board of Education		20,000.00			
Court Settlement		9,000.00			
	<u>\$ 7,698.02</u>	<u>\$ 845,323.99</u>	<u>\$ 816,727.83</u>	<u>\$ 31,426.27</u>	<u>\$ 4,867.91</u>
Receipts					
Deferred Revenue Realized		791,628.83			
		<u>25,099.00</u>			
		<u>\$ 816,727.83</u>			

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-12

SCHEDULE OF DEFERRED REVENUE

	Total (Memo Only)	Garden State Trust Fund	Board of Education Interlocal
Balance December 31, 2010	\$ <u>25,099.00</u>	\$ <u>5,099.00</u>	\$ <u>20,000.00</u>
Increased by:			
Receipts	<u>5,099.00</u>	<u>5,099.00</u>	
Total Increases and Balances	<u>30,198.00</u>	<u>10,198.00</u>	<u>20,000.00</u>
Decreased by:			
2011 Budget Appropriations	<u>25,099.00</u>	<u>5,099.00</u>	<u>20,000.00</u>
Balance December 31, 2011	\$ <u><u>5,099.00</u></u>	\$ <u><u>5,099.00</u></u>	\$ <u><u> </u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF DEFERRED CHARGES

SPECIAL EMERGENCY AUTHORIZATIONS (N.J.S. 40A:4-53)

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2010</u>	<u>Reduced in 2011</u>	<u>Balance Dec. 31, 2011</u>
9/05/2007	Re-examination of Master Plan	\$ 37,000.00	\$ 7,400.00	\$ 14,800.00	\$ 7,400.00	\$ 7,400.00

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-14

SCHEDULE OF APPROPRIATION RESERVES

Sheet 1 of 5

OPERATIONS WITHIN CAPS

	<u>Balance Dec. 31, 2010</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Shared Services	\$ 926.61	\$ 926.61	\$ 926.61	\$
Other Expenses				
Business Administrator's Office	233.54	233.54		233.54
Salaries and Wages				
Other Expenses	1,409.22	1,409.22	254.50	1,154.72
Mayor and Township Committee				
Other Expenses	60.00	60.00		60.00
Municipal Clerk				
Salaries and Wages	2,240.77	2,240.77		2,240.77
Other Expenses	12,027.51	12,027.51	3,257.84	8,769.67
Assessment Search Officer				
Salaries and Wages	127.25	127.25		127.25
Financial Administration				
Salaries and Wages	12,788.27	788.27		788.27
Other Expenses	3,212.66	3,212.66	227.79	2,984.87
Assessment of Taxes				
Salaries and Wages	19.38	19.38		19.38
Other Expenses	2,258.24	2,258.24	1,619.50	638.74
Collection of Taxes				
Salaries and Wages	677.86	750.57		750.57
Other Expenses	2,380.28	2,380.28	385.77	1,994.51
Tax Search Officer				
Salaries and Wages	72.71			
Legal Services and Costs				
Other Expenses	13,533.90	11,733.90	838.42	10,895.48
Engineering Services and Costs				
Other Expenses	4,086.78	4,086.78		4,086.78

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-14

SCHEDULE OF APPROPRIATION RESERVES

Sheet 2 of 5

	<u>Balance Dec. 31, 2010</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Plumsted Township Main Street Program				
Salaries and Wages	\$ 217.45	\$ 217.45		\$ 217.45
Other Expenses	1,352.56	1,352.56	242.90	1,109.66
Senior Outreach Services				
Other Expenses	478.05	478.05	102.73	375.32
Municipal Land Use Law (N.J.S. 40:55D-1 et seq.)				
Planning Board				
Salaries and Wages	1,673.72	1,673.72		1,673.72
Other Expenses	4,294.90	4,294.90	792.98	3,501.92
Zoning Officer				
Salaries and Wages	.60	.60		.60
Mobile Home Inspector				
Salaries and Wages	2.68	2.68		2.68
Rental Inspections				
Salaries and Wages	4,350.00	350.00		350.00
Code Enforcement				
Salaries and Wages	1,775.00	1,775.00		1,775.00
Insurance				
Workers Compensation	265.00	265.00		265.00
Employee Group Health Insurance	4,549.65	4,549.65		4,549.65
Vision Program	975.04	975.04		975.04
Dental Program	453.16	453.16		453.16
Opt-Out Program	2,000.00	2,000.00	2,000.00	
Other Insurance	2,646.00	2,646.00		2,646.00
Police				
Salaries and Wages	3,783.10	3,783.10		3,783.10
Other Expenses	3,760.02	3,760.02	3,244.15	515.87
Other Expenses - Vehicle Purchase				

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-14

SCHEDULE OF APPROPRIATION RESERVES

Sheet 3 of 5

	<u>Balance Dec. 31, 2010</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Emergency Management Services	\$.70	\$.70		\$.70
Salaries and Wages	4,924.54	4,924.54	525.00	4,399.54
Other Expenses				
Municipal Court				
Salaries and Wages	4,040.32	4,040.32		4,040.32
Other Expenses	4,058.03	4,058.03	128.90	3,929.13
Public Defender				
Other Expenses	500.00	500.00		500.00
Road Repairs and Maintenance				
Other Expenses	16,280.14	34,080.14	33,638.84	441.30
Trash Removal				
Other Expenses	19,067.56	19,067.56	2,875.82	16,191.74
Recycling (Ch. 102, P.L. 1987)				
Salaries and Wages	6,347.84	6,347.84		6,347.84
Other Expenses	5,765.90	5,765.90	100.00	5,665.90
Sanitary Landfill				
Other Expenses	1,000.00	1,000.00		1,000.00
Public Buildings and Grounds				
Salaries and Wages	17,557.75	17,557.75	3,442.20	14,115.55
Other Expenses	5,081.57	5,081.57	976.47	4,105.10
Board of Health				
Soil/Water Testing	500.00	500.00		500.00
Environmental Commission				
Other Expenses	986.15	986.15	225.00	761.15
Administration of Public Assistance				
Relocation Costs	360.00	360.00		360.00
Federally Mandated Hepatitis Immunization				
Other Expenses	500.00	500.00		500.00

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-14

SCHEDULE OF APPROPRIATION RESERVES

Sheet 4 of 5

	<u>Balance Dec. 31, 2010</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Recreation Department	\$ 9,704.68	\$ 9,704.68	\$ 5,130.00	\$ 4,574.68
Other Expenses				
Celebration of Public Event, Anniversary or Holiday				
Other Expenses	1,589.21	1,589.21	1,193.64	395.57
Council for the Arts				
Other Expenses	516.00	516.00	21.55	494.45
Public Employee Awards (N.J.S. 40A:5-31)				
Salaries and Wages	2,750.00	2,750.00	1,913.39	836.61
Other Expenses	500.00	500.00		500.00
Uniform Construction Code - Appropriations Offset by Increased Fee Revenues (N.J.A.C. 5:23-4.17)				
Salaries and Wages	4,051.55	4,051.55		4,051.55
Utilities				
Street Lighting	4,630.64	4,630.64		4,630.64
Natural Gas	3,554.05	3,554.05		3,554.05
Electricity	9,314.88	9,314.88		9,314.88
Telephone	2,022.23	2,022.23		2,022.23
Water	2,030.53	2,030.53		2,030.53
Fuel Oil	3,034.71	3,034.71	294.88	2,739.83
Gasoline	5,762.95	5,762.95		5,762.95
Contingent	1,000.00	1,000.00		1,000.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	27,159.94	27,159.94		27,159.94
Unemployment Compensation/Disability Insurance (N.J.S. 43:21-3 et seq.)	3,595.36	3,595.36		3,595.36
Total General Appropriations for Municipal Purposes within Caps	<u>256,819.14</u>	<u>256,819.14</u>	<u>64,358.88</u>	<u>192,460.26</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-14

SCHEDULE OF APPROPRIATION RESERVES

Sheet 5 of 5

OPERATIONS EXCLUDED FROM CAPS

	<u>Balance Dec. 31, 2010</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Recycling Tax	\$ 521.66	\$ 521.66	\$ 54.90	\$ 466.76
Other Expenses	4,437.96	4,437.96	1,617.00	2,820.96
Uniform Construction Code - Appropriations Offset by Increased Fee Revenues (N.J.A.C. 5:23-4.17)	2,000.00	2,000.00		2,000.00
Other Expenses	<u>6,959.62</u>	<u>6,959.62</u>	<u>1,671.90</u>	<u>5,287.72</u>
Local Matching Funds for Grants				
Total Appropriations excluded from Caps	\$ <u>263,778.76</u>	\$ <u>263,778.76</u>	\$ <u>66,030.78</u>	\$ <u>197,747.98</u>
Appropriation Reserves - December 31, 2011	\$ 229,563.75			
Reserve for Encumbrances	<u>34,215.01</u>			
	\$ <u>263,778.76</u>			

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-15

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	Total (Memo Only)	Current Fund	Federal and State Grant Fund
Balance December 31, 2010	\$ <u>123,791.46</u>	\$ <u>34,215.01</u>	\$ <u>89,576.45</u>
Increased by:			
Transferred from:			
2011 Budget Appropriations	48,774.01	48,774.01	
Appropriated Reserves (Net)	<u>12,071.41</u>		<u>12,071.41</u>
Total Increases	<u>60,845.42</u>	<u>48,774.01</u>	<u>12,071.41</u>
Total Increases and Balances	<u>184,636.88</u>	<u>82,989.02</u>	<u>101,647.86</u>
Decreased by:			
Transferred to:			
2010 Appropriation Reserves	<u>34,215.01</u>	<u>34,215.01</u>	
Balance December 31, 2011	\$ <u>150,421.87</u>	\$ <u>48,774.01</u>	\$ <u>101,647.86</u>

SCHEDULE OF OUTSIDE LIENS

Exhibit A-16

Balance December 31, 2010	\$ 10,201.08
Increased by:	
Receipts	<u>213,620.20</u>
Decreased by:	
Disbursements	<u>223,821.28</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-17

SCHEDULE OF DUE STATE OF NEW JERSEY

	<u>Total</u>	<u>Chapter 20, P.L. 1971</u>	<u>Marriage License Fees</u>	<u>Death Certificates/ Permits</u>	<u>DCA Training Fees</u>
Balance December 31, 2010 - (Due From)/Due To	\$ 10,098.26	\$ 7,955.26	\$ 225.00	\$	\$ 1,918.00
Increased by:					
Receipts	90,643.67	81,937.67	925.00	10.00	7,771.00
Deductions Disallowed by Collector	4,312.33	4,312.33			
Total Increases	<u>94,956.00</u>	<u>86,250.00</u>	<u>925.00</u>	<u>10.00</u>	<u>7,771.00</u>
Total Increases and Balances	<u>105,054.26</u>	<u>94,205.26</u>	<u>1,150.00</u>	<u>10.00</u>	<u>9,689.00</u>
Decreased by:					
Deductions per Duplicate	83,750.00	83,750.00			
Deductions Allowed by Collector	1,250.00	1,250.00			
Disbursements	10,649.00		950.00	10.00	9,689.00
Balance Cancelled	6,705.26	6,705.26			
Total Decreases	<u>102,354.26</u>	<u>91,705.26</u>	<u>950.00</u>	<u>10.00</u>	<u>9,689.00</u>
Balance December 31, 2011 - (Due From)/Due To	\$ 2,700.00	\$ 2,500.00	\$ 200.00	\$	\$

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-18

SCHEDULE OF PAYROLL LIABILITIES

Balance December 31, 2010	\$ 10,380.91
Increased by:	
Receipts	<u>1,644,488.42</u>
	1,654,869.33
Decreased by:	
Disbursements	<u>1,644,355.76</u>
Balance December 31, 2011	\$ <u><u>10,513.57</u></u>

SCHEDULE OF TAX OVERPAYMENTS

Exhibit A-19

Balance December 31, 2010	\$ 4,184.06
Increased by:	
Receipts	<u>763.42</u>
	4,947.48
Decreased by:	
Refunds	<u>4,184.06</u>
Balance December 31, 2011	\$ <u><u>763.42</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-20

SCHEDULE OF PREPAID TAXES

Balance December 31, 2010		\$	115,994.28
Increased by:			
Receipts			<u>105,267.29</u>
			221,261.57
Decreased by:			
Applied to 2011 Taxes	\$	115,994.28	
Refunds		<u>298.29</u>	
			<u>116,292.57</u>
Balance December 31, 2011		\$	<u><u>104,969.00</u></u>

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

Exhibit A-21

Balance December 31, 2010:			
School Tax Payable	\$	1,017,368.88	
School Tax Deferred		<u>4,412,517.86</u>	
			\$ 5,429,886.74
Increased by:			
Levy School Year July 1, 2011 - June 30, 2012			<u>10,806,988.00</u>
			16,236,874.74
Decreased by:			
Payments			<u>10,833,380.50</u>
Balance December 31, 2011:			
School Tax Payable		971,976.38	
School Tax Deferred		<u>4,431,517.86</u>	
			\$ <u><u>5,403,494.24</u></u>
2011 Liability for Local District School Tax:			
Tax Paid			\$ 10,833,380.50
Tax Payable December 31, 2011			<u>971,976.38</u>
			11,805,356.88
Less: Tax Payable December 31, 2010			<u>1,017,368.88</u>
Amount Charged to 2011 Operations			\$ <u><u>10,787,988.00</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-22

SCHEDULE OF COUNTY TAXES PAYABLE

Balance December 31, 2010		\$	18,662.97
Increased by:			
2011 Levy	\$ 3,240,030.93		
Added Taxes	<u>4,561.86</u>		
			<u>3,244,592.79</u>
			<u>3,263,255.76</u>
Decreased by:			
Payments			<u>3,258,693.90</u>
Balance December 31, 2011		\$	<u><u>4,561.86</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-23

SCHEDULE OF RESERVE FOR REVALUATION

Balance December 31, 2010		\$	408.22
Decreased by:			
Disbursements		\$	<u><u>408.22</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

FEDERAL AND STATE GRANT FUND

Exhibit A-24

SCHEDULE OF INTERFUND - CURRENT FUND

Balance December 31, 2010 - Due From/(Due To)			\$ 170,539.78
Increased by:			
Grant Fund Receivables Deposited in Current Fund	\$ 199,066.35		
Grant Fund Receivables Cancelled	<u>11,547.87</u>		
		\$ 210,614.22	
2011 Budget Appropriations		<u>146,111.62</u>	
Total Increases			<u>356,725.84</u>
Total Increases and Balances			<u>527,265.62</u>
Decreased by:			
Grant Fund Expenditures Paid by Current Fund:			
Appropriated Reserves		343,146.34	
2011 Anticipated Revenues		132,512.62	
Appropriated Reserves Cancelled		<u>11,547.87</u>	
Total Decreases			<u>487,206.83</u>
Balance December 31, 2011 - Due From/(Due To)			\$ <u><u>40,058.79</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

FEDERAL AND STATE GRANT FUND

Exhibit A-25

SCHEDULE OF GRANTS RECEIVABLE

Purpose	Balance Dec. 31, 2010	2011 Budget Revenue Realized	Received	Cancelled	Balance Dec. 31, 2011
	\$	\$	\$	\$	\$
Alcohol Education/Rehabilitation Program		1,456.24	1,456.24		
Body Armor Grant		1,607.70	1,607.70		
Bulletproof Vest Partnership Grant	3,196.38				3,196.38
Clean Communities Program		14,143.85	14,143.85		
Community Development Block Grant - Volunteer Park	50,000.00		7,500.00		42,500.00
Cops in Shops	1,853.54				1,853.54
Drunk Driving Enforcement Fund		4,783.97	4,783.97		
FY 11 966 Reimbursement Program	4,538.00		4,538.00		
Municipal Alliance on Alcoholism and Drug Abuse		15,740.00	2,613.59		13,126.41
Municipal Alliance on Alcoholism and Drug Abuse	14,942.14		14,942.14		
NJ DEP - Green Acres Program Recreation					
Complex Improvements	100,000.00		100,000.00		
NJ Transportation Trust Fund Authority Act - Helen Street	15,590.15			11,547.87	4,042.28
NJ Transportation Trust Fund Authority Act - Helen Street and Locust Lane		57,000.00			57,000.00
Ocean County Senior Citizen Grant	10,000.00		10,000.00		
Ocean County Tourism Grant	700.00		700.00		1,000.00
Recycling Revenue Sharing		9,760.83	9,760.83		
Recycling Tonnage Grant		4,784.03	4,784.03		
Safe and Secure Communities Program	30,019.20		22,236.00		30,019.20
Smart Growth Planning Program					
2010 Municipal Aid Program - Applegate Lane	26,415.15				26,415.15
	<u>\$ 257,254.56</u>	<u>\$ 132,512.62</u>	<u>\$ 199,066.35</u>	<u>\$ 11,547.87</u>	<u>\$ 179,152.96</u>
Interfund - Current Fund			<u>\$ 199,066.35</u>		

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

FEDERAL AND STATE GRANT FUND

Exhibit A-26

Sheet 1 of 2

SCHEDULE OF APPROPRIATED RESERVES

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>2011 Budget</u> <u>Appropriations</u>	<u>Paid or</u> <u>Charged</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
	\$	\$	\$	\$	\$
Alcohol Education/Rehabilitation Program	5,951.30	1,456.24	911.52		6,496.02
Area Plan Grant - Plumsted Senior Center	10,000.00		10,000.00		
Body Armor Replacement Fund	947.92		947.92		
Body Armor Replacement Fund	1,446.16		352.08		1,094.08
Body Armor Replacement Fund - 2011	3,515.76	1,607.70	989.08		618.62
Bulletproof Vest Partnership Grant	3,078.39		2,805.92		709.84
Clean Communities Program	537.06	14,143.85	3,915.29		13,306.95
Community Development Block Grant - Senior Meeting Room	42,500.00		42,500.00		537.06
Community Development Block Grant - Volunteer Park	1,853.54		984.72		868.82
Cops in Shops	500.00				500.00
Council for the Arts					
Domestic Violence Response Team Subgrant:					
Grant Portion	49.18		49.18		
Drunk Driving Enforcement Fund	6,056.76		2,815.69		3,241.07
Drunk Driving Enforcement Fund		4,783.97			4,783.97
Lombardi Canine Unit	2,390.67				2,390.67
Municipal Alliance on Alcoholism and Drug Abuse:					
Grant Portion		15,740.00	15,733.19		6.81
Matching Portion		4,900.00	4,165.02		734.98
Neighborhood Preservation Program:					
Matching Portion			1,740.48		
New Jersey Transportation Trust Fund - Helen Street	6,286.87		(5,261.00)	11,547.87	
New Jersey Transportation Trust Fund - Helen Street and Locust Lane		57,000.00	7,100.00		49,900.00
Ocean County Tourism Grant:					
Grant Portion		1,000.00	1,000.00		
Matching Portion		1,000.00	1,000.00		
Recycling Mini-Grant:					
Matching Portion	72.78		72.78		
Recycling Revenue Sharing	50.17	9,760.83	50.17		9,760.83
Recycling Tonnage Grant	31,297.95	4,784.03	26,399.48		9,682.50
Safe and Secure Communities Program:					
Grant Portion		22,236.00	22,236.00		
Matching Portion		5,559.00	5,559.00		

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

FEDERAL AND STATE GRANT FUND

Exhibit A-26

Sheet 2 of 2

SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2010	2011 Budget Appropriations	Paid or Charged	Cancelled	Balance Dec. 31, 2011
<u>Grant</u>					
Smart Growth Planning Program	\$ 206,354.49		\$ 202,579.15		\$ 3,775.34
Special Improvement District	1,355.02		1,355.02		
Supplemental Fire Services Program	246.52	2,140.00	2,140.00		246.52
Supplemental Fire Services Program			3,077.06		8,909.81
2010 Municipal Aid Program - Applegate Lane	<u>11,986.87</u>				
	\$ 338,217.89	\$ 146,111.62	\$ 355,217.75	\$ 11,547.87	\$ 117,563.89
Reserve for Encumbrances (Net)			\$ 12,071.41		
Interfund - Current Fund		146,111.62	343,146.34		
		\$ 146,111.62	\$ 355,217.75		

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

TRUST FUND

Exhibit B-1

SCHEDULE OF CASH

	Dog License Fund	Trust Other Fund
Balance December 31, 2010	\$ <u>4,506.57</u>	\$ <u>369,896.67</u>
Increased by Receipts:		
Due State of New Jersey	1,750.20	
Reserve for Animal Control Trust Fund Expenditures	14,219.80	
Miscellaneous Reserves		488,387.62
Total Receipts	<u>15,970.00</u>	<u>488,387.62</u>
Total Receipts and Balances	<u>20,476.57</u>	<u>858,284.29</u>
Decreased by Disbursements:		
Due State of New Jersey	1,750.20	
Reserve for Animal Control Trust Fund Expenditures	12,740.16	
Miscellaneous Reserves		401,179.81
Total Disbursements	<u>14,490.36</u>	<u>401,179.81</u>
Balance December 31, 2011	\$ <u><u>5,986.21</u></u>	\$ <u><u>457,104.48</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

TRUST FUND

Exhibit B-2

SCHEDULE OF DUE STATE OF NEW JERSEY

ANIMAL CONTROL TRUST FUND

Increased by:		
Receipts - State Registration Fees		\$ 1,750.20
Decreased by:		
Disbursements - State Registration Fees		\$ <u>1,750.20</u>

SCHEDULE OF RESERVE FOR ANIMAL CONTROL

TRUST FUND EXPENDITURES

Exhibit B-3

Balance December 31, 2010		\$ 4,426.57
Increased by:		
Dog License Fees Collected	\$ 10,317.80	
Kennel License	50.00	
Budget Appropriation	3,000.00	
Restitution	850.00	
Overpayment	<u>2.00</u>	
		<u>14,219.80</u>
Decreased by:		<u>18,646.37</u>
Expenditures under R.S. 4:19-15.11		<u>12,844.16</u>
Balance December 31, 2011		\$ <u>5,802.21</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2010	\$ <u>10,878.80</u>
2009	<u>10,373.60</u>
	\$ <u>21,252.40</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

TRUST FUND

Exhibit B-4

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	Dog License Fund	Trust Other Fund
Balance December 31, 2010	\$ <u>80.00</u>	\$ <u>30,711.00</u>
Increased by:		
2011 Encumbrances	<u>184.00</u>	<u>8,263.00</u>
	264.00	38,974.00
Decreased by:		
Cancelled	<u>80.00</u>	<u>30,711.00</u>
Balance December 31, 2011	\$ <u><u>184.00</u></u>	\$ <u><u>8,263.00</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

TRUST FUND

Exhibit B-5

SCHEDULE OF MISCELLANEOUS RESERVES

	<u>Balance Dec. 31, 2010</u>	<u>Increased by Revenues</u>	<u>Decreased by Expenditures</u>	<u>Balance Dec. 31, 2011</u>
Tax Sale Premiums	\$ 5,300.00		\$ 3,400.00	\$ 103,800.00
Performance Bonds	144,646.74	674.32	4,355.00	140,966.06
Planning Board Escrow	122,153.55	50,555.39	38,112.38	134,596.56
Curb and Sidewalk Deposits	27,918.83	18,800.00	36,000.00	10,718.83
Lot Grading	5,644.00	45.50	995.50	4,694.00
Recreation Improvement Contributions	4,000.00	8,495.00	6,995.00	5,500.00
Soil Removal	2,777.75			2,777.75
Parking Offense Adjudication Act	69.00	8.00		77.00
Law Enforcement Trust	851.87	1,987.64	1,980.00	859.51
Public Defender	2,793.62	2,326.26	3,005.71	2,114.17
Green Technology	1,600.00			1,600.00
Municipal Open Space	5,710.35	216,428.50	197,567.55	24,571.30
Council on the Arts	3,574.36		487.96	3,086.40
Outside Employment of Off Duty Municipal Police	825.00	101,030.00	96,699.59	5,155.41
September 11, 2001 World Trade Center	1,067.85			1,067.85
Senior Outreach Program				
Land Use Education	1,162.00	300.00		1,462.00
Main Street Program	7,744.97	14,567.20	17,914.62	4,397.55
Municipal Alliance on Alcoholism and Drug Abuse	1,345.78	1,980.81	1,929.50	1,397.09
	\$ 339,185.67	\$ 519,098.62	\$ 409,442.81	\$ 448,841.48
Receipts				
Disbursements		\$ 488,387.62	\$ 401,179.81	
Reserve for Encumbrances		30,711.00	8,263.00	
	\$ 519,098.62		\$ 409,442.81	

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-2

SCHEDULE OF GENERAL CAPITAL CASH

Balance December 31, 2010		\$ 631,191.85
Increased by Receipts:		
Fund Balance	\$ 21.00	
Interfund - Current Fund	10,000.00	
Deferred Charges to Future Taxation Unfunded	<u>40,000.00</u>	
		<u>50,021.00</u>
Decreased by Disbursements:		<u>681,212.85</u>
Improvement Authorizations	148,016.35	
Capital Improvement Fund	4,000.00	
Miscellaneous Reserves	<u>42,164.29</u>	
		<u>194,180.64</u>
Balance December 31, 2011		\$ <u><u>487,032.21</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-3

ANALYSIS OF CASH

Fund Balance	Balance Dec. 31, 2010	Receipts		Disbursements		Transfers		Balance Dec. 31, 2011
		Miscellaneous	Miscellaneous	Improvement Authorizations	Miscellaneous	To	From	
Interfund - Current Fund	\$ 405.28	\$ 21.00	\$ 10,000.00			\$ 208,000.00	\$ 218,000.00	\$ 426.28
Reserve for Payment of Bond Anticipation Notes								
Miscellaneous Reserves	62,331.19				42,164.29			54,430.41
Capital Improvement Fund	6,731.39				4,000.00		6,751.49	2,731.39
Reserve for Encumbrances	293,829.85						293,829.85	120,987.28
Improvement Authorizations:								
Ordinance								
Number								
91-11	1,478.75					92,762.58	93,036.98	1,204.35
99-16/99-18								
02-02								
08-11	(208,190.48)		40,000.00					(168,190.48)
09-07	2,625.74			6,833.81		5,937.50	13,468.00	(11,738.57)
11-08	471,980.13			141,182.54		154,114.77	7,730.81	477,181.55
						218,000.00	208,000.00	10,000.00
	\$ 631,191.85	\$ 50,021.00		\$ 148,016.35	\$ 46,164.29	\$ 840,817.13	\$ 840,817.13	\$ 487,032.21

Improvement Description
 Acquisition/Construction of Municipal Complex
 Acquisition and Improvements to Certain Property
 Acquisition and Development of Lands for Open
 Space, Natural Lands, Recreation, Historic and
 Farmland Preservation and Other Related Expenses
 Various Capital Improvements
 Preliminary Expenses in Connection with the
 Redevelopment Plans
 Payments of Amounts Owed to Others for Taxes
 Levied

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-4

SCHEDULE OF FEDERAL AND STATE

GRANTS AND AID RECEIVABLE

Balance December 31, 2010 and 2011

\$ 300,000.00

SCHEDULE OF DEFERRED CHARGES TO

FUTURE TAXATION - FUNDED

Exhibit C-5

Balance December 31, 2010

\$ 210,542.68

Decreased by:

Green Trust Loans Paid by
Open Space Trust Fund

16,973.99

Balance December 31, 2011

\$ 193,568.69

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-6

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Date	Improvement Description	Analysis of Balance							
			Balance Dec. 31, 2010	2011 Authorizations	Decreases	Balance Dec. 31, 2011	Bond Anticipation Notes	Refunding Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
02-02	1/28/2002	Acquisition and Development of Lands for Open Space, Natural Lands, Recreation, Historic and Farmland Preservation and Other Related Expenses	\$ 870,127.09	\$	\$ 40,000.00	\$ 830,127.09	\$	\$	\$ 168,190.48	\$ 661,936.61
08-11	8/06/2008	Various Capital Improvements	909,636.00		143,437.00	766,199.00	271,563.00		11,738.57	482,897.43
09-07	4/01/2009	Preliminary Expenses in Connection with the Redevelopment Plans	750,000.00			750,000.00	750,000.00			
11-08	11/23/2011	Payments of Amounts Owing to Others for Taxes Levied		240,000.00		240,000.00		218,000.00		22,000.00
			<u>\$ 2,529,763.09</u>	<u>\$ 240,000.00</u>	<u>\$ 183,437.00</u>	<u>\$ 2,586,326.09</u>	<u>\$ 1,021,563.00</u>	<u>\$ 218,000.00</u>	<u>\$ 179,929.05</u>	<u>\$ 1,166,834.04</u>
										<u>\$ 1,654,015.59</u>

Improvement Authorizations - Unfunded
Less: Unexpended Proceeds of Bond Anticipation Notes:

Ordinance Number	Improvement Description	Amount
08-11	Various Improvements	477,181.55
09-07	Preliminary Expenses in Connection with the Redevelopment Plans	10,000.00
11-08	Payments of Amounts Owing to Others for Taxes Levied	1,166,834.04
		<u>\$ 1,654,015.59</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-7

SCHEDULE OF RESERVE FOR FEDERAL AND STATE

GRANTS AND AID RECEIVABLE

Balance December 31, 2010 and 2011

\$ 300,000.00

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-8

SCHEDULE OF BOND ANTICIPATION NOTES

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Original Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2011</u>
Various Capital Improvements Preliminary Expenses in Connection with the Redevelopment Plans	\$ 444,925.00	9/30/2008	9/28/2012	1.50%	\$ 415,000.00	\$ 143,437.00	\$ 271,563.00
	750,000.00	1/26/2010	1/25/2012	3.30%	750,000.00		750,000.00
					<u>\$ 1,165,000.00</u>	<u>\$ 143,437.00</u>	<u>\$ 1,021,563.00</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-9

SCHEDULE OF REFUNDING BOND ANTICIPATION NOTES

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Original Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Increased</u>	<u>Balance Dec. 31, 2011</u>
Payments of Amounts Owing to Others for Taxes Levied	\$ 218,000.00	12/29/2011	12/28/2012	3.00%	\$ 218,000.00	\$ 218,000.00

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-10

SCHEDULE OF GREEN TRUST LOANS PAYABLE

Sheet 1 of 4

	Balance Dec. 31, 2010	Decreased	Balance Dec. 31, 2011
Recreation Complex Improvement Municipal Park	\$ <u>100,000.00</u>	\$ <u>2,109.16</u>	\$ <u>97,890.84</u>
Recreation Park Development 2	44,216.96	5,945.92	38,271.04
Oakford Lake Park Development	<u>66,325.72</u>	<u>8,918.91</u>	<u>57,406.81</u>
	\$ <u><u>210,542.68</u></u>	\$ <u><u>16,973.99</u></u>	\$ <u><u>193,568.69</u></u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-10

SCHEDULE OF GREEN TRUST LOANS PAYABLE

Sheet 2 of 4

MATURITY SCHEDULE - PLUMSTED TOWNSHIP

RECREATION COMPLEX IMPROVEMENT

\$100,000 GREEN TRUST

Due	Loan Balance	Principal	Interest	Payment
4/25/2012	\$ 95,760.59	\$ 2,130.25	\$ 978.91	\$ 3,109.16
10/25/2012	93,609.04	2,151.55	957.61	3,109.16
4/25/2013	91,435.97	2,173.07	936.09	3,109.16
10/25/2013	89,241.17	2,194.80	914.36	3,109.16
4/25/2014	87,024.42	2,216.75	892.41	3,109.16
10/25/2014	84,785.50	2,238.92	870.24	3,109.16
4/25/2015	82,524.20	2,261.30	847.86	3,109.16
10/25/2015	80,240.28	2,283.92	825.24	3,109.16
4/25/2016	77,933.52	2,306.76	802.40	3,109.16
10/25/2016	75,603.70	2,329.82	779.34	3,109.16
4/25/2017	73,250.58	2,353.12	756.04	3,109.16
10/25/2017	70,873.93	2,376.65	732.51	3,109.16
4/25/2018	68,473.51	2,400.42	708.74	3,109.16
10/25/2018	66,049.09	2,424.42	684.74	3,109.16
4/25/2019	63,600.42	2,448.67	660.49	3,109.16
10/25/2019	61,127.26	2,473.16	636.00	3,109.16
4/25/2020	58,629.37	2,497.89	611.27	3,109.16
10/25/2020	56,106.50	2,522.87	586.29	3,109.16
4/25/2021	53,558.41	2,548.09	561.07	3,109.16
10/25/2021	50,984.83	2,573.58	535.58	3,109.16
4/25/2022	48,385.52	2,599.31	509.85	3,109.16
10/25/2022	45,760.22	2,625.30	483.86	3,109.16
4/25/2023	43,108.66	2,651.56	457.60	3,109.16
10/25/2023	40,430.59	2,678.07	431.09	3,109.16
4/25/2024	37,725.74	2,704.85	404.31	3,109.16
10/25/2024	34,993.84	2,731.90	377.26	3,109.16
4/25/2025	32,234.62	2,759.22	349.94	3,109.16
10/25/2025	29,447.81	2,786.81	322.35	3,109.16
4/25/2026	26,633.13	2,814.68	294.48	3,109.16
10/25/2026	23,790.30	2,842.83	266.33	3,109.16
4/25/2027	20,919.04	2,871.26	237.90	3,109.16
10/25/2027	18,019.07	2,899.97	209.19	3,109.16
4/25/2028	15,090.10	2,928.97	180.19	3,109.16
10/25/2028	12,131.84	2,958.26	150.90	3,109.16
4/25/2029	9,144.00	2,987.84	121.32	3,109.16
10/25/2029	6,126.28	3,017.72	91.44	3,109.16
4/25/2030	3,078.38	3,047.90	61.26	3,109.16
10/25/2030	-0-	3,078.38	30.78	3,109.16
Total		\$ 97,890.84	\$ 20,257.24	\$ 118,148.08

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-10

SCHEDULE OF GREEN TRUST LOANS PAYABLE

Sheet 3 of 4

MATURITY SCHEDULE - PLUMSTED TOWNSHIP RECREATION PARK

\$99,999 GREEN TRUST

<u>Due</u>	<u>Loan Balance</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
2/19/2012	\$ 35,253.43	\$ 3,017.63	\$ 382.71	\$ 3,400.34
8/19/2012	32,205.62	3,047.80	352.53	3,400.33
2/19/2013	29,127.34	3,078.28	322.06	3,400.34
8/19/2013	26,018.28	3,109.06	291.27	3,400.33
2/19/2014	22,878.13	3,140.15	260.18	3,400.33
8/19/2014	19,706.57	3,171.56	228.78	3,400.34
2/19/2015	16,503.30	3,203.27	197.07	3,400.34
8/19/2015	13,268.00	3,235.30	165.03	3,400.33
2/19/2016	10,000.34	3,267.66	132.68	3,400.34
8/19/2016	6,700.01	3,300.33	100.00	3,400.33
2/19/2017	3,366.67	3,333.34	67.00	3,400.34
8/19/2017	-0-	3,366.67	33.67	3,400.34
		<u>38,271.05</u>	<u>2,532.98</u>	<u>40,804.03</u>
Rounding		(.01)	.01	
Total		<u>\$ 38,271.04</u>	<u>\$ 2,532.99</u>	<u>\$ 40,804.03</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-10

SCHEDULE OF GREEN TRUST LOANS PAYABLE

Sheet 4 of 4

MATURITY SCHEDULE - PLUMSTED TOWNSHIP

OAKFORD LAKE PARK DEVELOPMENT

\$149,999 GREEN TRUST

<u>Due</u>	<u>Loan Balance</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
2/19/2012	\$ 52,880.36	\$ 4,526.46	\$ 574.07	\$ 5,100.53
8/19/2012	48,308.64	4,571.72	528.80	5,100.52
2/19/2013	43,691.20	4,617.44	483.09	5,100.53
8/19/2013	39,027.58	4,663.61	436.91	5,100.52
2/19/2014	34,317.33	4,710.25	390.28	5,100.53
8/19/2014	29,559.98	4,757.35	343.17	5,100.52
2/19/2015	24,755.05	4,804.93	295.60	5,100.53
8/19/2015	19,902.08	4,852.98	247.55	5,100.53
2/19/2016	15,000.57	4,901.51	199.02	5,100.53
8/19/2016	10,050.05	4,950.52	150.01	5,100.53
2/19/2017	5,050.03	5,000.03	100.50	5,100.53
8/19/2017	-0-	5,050.03	50.50	5,100.53
		<u>57,406.83</u>	<u>3,799.50</u>	<u>61,206.33</u>
Rounding		<u>(.02)</u>	<u>.02</u>	
Total		<u>\$ 57,406.81</u>	<u>\$ 3,799.52</u>	<u>\$ 61,206.33</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-12

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2010	\$ 6,731.39
Decreased by:	
Direct Charges Made for Preliminary Expenses Police Septic Design	<u>4,000.00</u>
Balance December 31, 2011	<u>\$ 2,731.39</u>

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-13

SCHEDULE OF MISCELLANEOUS RESERVES

<u>Description</u>	<u>Balance</u> Dec. 31, 2010	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> Dec. 31, 2011
Curbs and Sidewalks	\$ 43,194.67	\$ 20,000.00	\$ 21,422.91	\$ 41,771.76
Recreation Facility	.89	343.00	343.00	.89
Acquisition of Public Works Equipment	23.26			23.26
Various Road Improvements	13,608.62	18,432.50	24,656.62	7,384.50
Natural Lands Trust	250.00			250.00
Oak Lake Park Dam	253.75		253.75	
Acquisition of and Improvements to Parking Lots		2,239.50	2,239.50	
Emergency Management Van	5,000.00			5,000.00
	<u>\$ 62,331.19</u>	<u>\$ 41,015.00</u>	<u>\$ 48,915.78</u>	<u>\$ 54,430.41</u>
Disbursements			\$ 42,164.29	
Reserve for Encumbrances		<u>41,015.00</u>	<u>6,751.49</u>	
		<u>\$ 41,015.00</u>	<u>\$ 48,915.78</u>	

TOWNSHIP OF PLUMSTED - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-14

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

<u>Purpose</u>	<u>Date of Ordinance</u>	<u>Amount</u>	<u>Balance Dec. 31, 2011</u>
Acquisition and Development of Lands for Open Space, Natural Lands, Recreation, Historic and Farmland Preservation and Other Related Expenses	1/28/2002	\$ 1,187,500.00	\$ 530,127.09
Various Capital Improvements	8/06/2008	939,561.00	494,636.00
Payments of Amounts Owing to Others for Taxes Levied	11/23/2011	240,000.00	22,000.00
			<u>\$ 1,046,763.09</u>

TOWNSHIP OF PLUMSTED

COUNTY OF OCEAN

PART III

REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

AND ON COMPLIANCE AND OTHER MATTERS

YEAR ENDED DECEMBER 31, 2011

William E. Antonides and Company
CERTIFIED PUBLIC ACCOUNTANTS

WILLIAM E. ANTONIDES, C.P.A., R.M.A., P.S.A.
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

AND ON COMPLIANCE AND OTHER MATTERS BASED ON

AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN

ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members
of the Township Committee
Township of Plumsted
County of Ocean
New Egypt, New Jersey

We have audited the financial statements of the Township of Plumsted (the "Township"), as of and for the year ended December 31, 2011, and have issued our report thereon dated June 25, 2012. Our report disclosed that, as described in Note 1 to the regulatory basis financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 accordance with audit requirements prescribed by the Division.

Internal Control Over Financial Reporting

Management of the Township is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions 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.

Internal Control Over Financial Reporting (Continued)

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

Our consideration of internal control over financial reporting was for the limited purposes 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* and audit requirements as prescribed by the Division. We noted certain matters that we reported in the comments and recommendations section of this report. The Township's response to the finding identified in our audit is described in the accompanying Schedule of Finding and Response. We did not audit the Township's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management, the Township Committee, others within the entity, the Division, and federal and/or state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

William E. Antonides and Company
Independent Auditors

June 25, 2012

SCHEDULE OF FINDING AND RESPONSE

2011-01 **Criteria** - In accordance with N.J.A.C. 5:30-5.2, "All local units shall maintain an encumbrance accounting system for all funds".

Condition - The encumbrance accounting system was not maintained.

Cause - All funds were not encumbered prior to the receipt of invoices from vendors.

Effect - Charges were not recorded against amounts appropriated at the time the goods were ordered so that the funds allocated for such purposes were reserved and could not be used for other charges within that line item.

Recommendation - That internal control procedures be instituted in order to ensure that the encumbrance accounting system is maintained.

Management's Response - Internal control procedures will be structured so that funds are encumbered at the time goods are ordered.

TOWNSHIP OF PLUMSTED

COUNTY OF OCEAN

PART IV

GENERAL COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2011

An audit of the financial accounts and transactions of the Township of Plumsted, in the County of Ocean, for the year ended December 31, 2011 has recently been completed. The results of the audit are herewith set forth.

SCOPE OF AUDIT

The audit covered the financial transactions of the Chief Financial Officer, Tax Collector, 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. These details were necessarily covered by the internal review and control before approval of such claims by the governing body.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Township Departments as shown on the Statement of Revenues and Schedule of Revenue Accounts Receivable are presented as recorded in the Township records.

All material items of revenue and receipts were established and verified as to source and amount where practical.

GENERAL COMMENTS

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

N.J.S. 40A:11-4a states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law." The amount set forth pursuant to the above statute was \$17,500 for municipalities without a qualified purchasing agent (QPA) and \$36,000 with a qualified purchasing agent. In 2011 it was noted that the Division of Local Government Services adopted a temporary rule that permits municipalities to increase their bid threshold to \$26,000 for a person meeting certain eligibility requirements for the future anticipated QPA certification exam. The Township's bid threshold was \$36,000 for the year under audit.

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

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

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The compliance review of expenditures did not reveal any individual payments or contracts in excess of the statutory limit other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-4.

Contracts or Agreements not Required to be Advertised per N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states "For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount... the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable."

We conducted a compliance review of the procedures and policies for securing quotations for purchases referred to above which indicated that the procedures were implemented to ensure statutory compliance and that quotes had been solicited as required by the statute.

Our review of expenditures did not reveal any compliance exceptions pertaining bids and/or quotes.

Collection of Interest on Delinquent Taxes

N.J.S. 54:4-67, as amended, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 4, 2011 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Township Committee of the Township of Plumsted, County of Ocean, State of New Jersey as follows:

1. The Tax collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes or unpaid assessments becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date, subject to any abatement or discount for the late payment of taxes as provided by law; and, if a delinquency is or unpaid assessments in excess of \$10,000.00 and remains in arrears beyond December 31st of the tax year, an additional penalty of 6% shall be charged against the delinquency.

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 20, 2011 and was complete except for those properties in bankruptcy.

Inspection of tax sale certificates on file revealed that all 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>
2011	11
2010	5
2009	3

Verification of Delinquent Taxes and Other Charges

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

<u>Type</u>	<u>Number Mailed</u>
Payment of 2011 Taxes	25

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

Miscellaneous

All sums of outstanding checks, reflected in cash reconciliations herein, are in agreement with the records of the Chief Financial Officer, as well as with independent lists made part of this audit.

A report summarizing collections of Dog License Fees and remittances of State Registration Fees has been prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

A statutory report on the operations of the Municipal Court has been prepared and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk.

Individual payments to the Local School District Tax by the municipality were confirmed as received by the Secretary of the Board of Education for the year 2011.

In our verification of expenditures, no attempt was made to establish proof of rendition, character or extent of services nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Miscellaneous (Continued)

The propriety of deductions from individual employee salaries for pensions, withholding tax, social security and other purposes was not verified as part of this examination. Remittances to authorized agencies, however, were ascertained.

A summary of synopsis of this report was prepared for publication and filed with the Township Clerk.

FOLLOW-UP OF PRIOR YEAR FINDINGS

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. All prior year findings were addressed in 2011.

FINDINGS/RECOMMENDATIONS

Municipal Court

2011-02 **Criteria** - In accordance with the Administrative Office of the Courts, all tickets assigned over six months should be recalled.

Condition - There were twenty-seven tickets assigned to officers that were not issued within six months.

Cause - The Municipal Court did not review and recall tickets that were older than six months.

Effect - Tickets were not properly controlled in accordance with the Administrative Office of the Courts criteria.

Recommendation - That all tickets older than six months be recalled.

Construction Code

2011-03 **Criteria** - Construction Code fees are required to be charged in accordance with Ordinance No. 2009-11 adopted by the Township.

Conditions - Fees charged for fuel oil piping were not charged in compliance with the adopted fee ordinance. The Township did not adopt an ordinance for solar installation fees.

Cause - The correct fee amounts were not input into the Construction Code computer program for fuel oil piping and the Township did not adopt an ordinance for solar installation fees.

Effect - Fees charged for fuel oil piping and solar installations were not authorized by the Township.

Recommendation - That the fees per the computer system be agreed to the ordinances adopted by the Township and adjusted accordingly.

FINDINGS/RECOMMENDATIONS

Foreclosed Property Register

2011-04 **Criteria** - A register for property acquired for taxes must be installed and maintained in each municipality which possesses any such property.

Condition - A foreclosed property register was not maintained.

Cause - Records were not reviewed on an annual basis to ensure that the total amount of foreclosed property reported on the balance sheet agreed to the properties and values listed in the foreclosed property register.

Effect - A detail of the foreclosed property values was not maintained by the Township.

Recommendation - That the foreclosed property register be installed and maintained.

General Capital Fund (Cash Deficit)

2011-05 **Criteria** - Capital Ordinances older than five years old should have enough cash to fund the specific project.

Condition - The Analysis of General Capital Fund Cash includes a cash deficit for Ordinance 02-02 which is over five years old.

Cause - Expenditures for the ordinance were in excess of the cash funding for the project.

Effect - A cash deficit exists in the General Capital Fund for Ordinance 02-02.

Recommendation - That adequate cash funding be obtained either through the issuance of debt or the raising of said deficit in the budget to provide for capital expenditures.

ACKNOWLEDGMENT

We desire to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the audit.

The foregoing comments and resultant recommendations are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments or recommendations, or should you desire assistance in implementing our recommendations, please contact us at your earliest opportunity.

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