

**TOWNSHIP OF JACKSON**  
**AUDIT REPORT FOR THE YEAR**  
**ENDED DECEMBER 31, 2011**



**TOWNSHIP OF JACKSON  
COUNTY OF OCEAN**

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**TOWNSHIP OF JACKSON  
COUNTY OF OCEAN**

**PART I**

**INDEPENDENT AUDITOR'S REPORTS  
FINANCIAL STATEMENTS AND  
SUPPLEMENTARY DATA  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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Certified Public Accountants & Consultants

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members  
of the Township Council  
Township of Jackson  
County of Ocean  
Jackson, New Jersey 08527

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of Jackson, State of New Jersey as of December 31, 2011 and 2010 the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, and the related comparative statement of revenues--regulatory basis, statement of expenditures--regulatory basis and comparative statement of general fixed assets group of accounts for the year ended December 31, 2011. These financial statements are the responsibility of the Township of Jackson's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 opinion.

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matters, as 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 of Jackson, State of New Jersey, as of December 31 2011 and 2010, the changes in its financial position, or where applicable, its cash flows for the year then ended. Further, the Township of Jackson, State of New Jersey 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.

Furthermore, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds of the Township of Jackson, State of New Jersey, as of December 31, 2011, and the results of its operations and changes in fund balance of such funds--regulatory basis for the years then ended, and the revenues--regulatory basis, expenditures--regulatory basis of the various funds and general fixed assets, for the year ended December 31, 2011 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2012, on our consideration of the Township of Jackson, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Jackson's basic financial statements as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Rodney R. Haines  
Certified Public Accountant  
Registered Municipal Accountant  
CR 498

Medford, New Jersey  
May 31, 2012



Certified Public Accountants & Consultants

**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**

The Honorable Mayor and Members  
of the Township Council  
Township of Jackson  
County of Ocean  
Jackson, New Jersey 08527

We have audited the financial statements of the Township of Jackson, County of Ocean, State of New Jersey, as of and for the year ended December 31, 2011, and have issued our report thereon dated May 31, 2012. Our report rendered a qualified opinion and disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control Over Financial Reporting**

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

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

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Jackson'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 of Local Government Services, Department of Community Affairs, State of New Jersey.

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Rodney R. Haines  
Certified Public Accountant  
Registered Municipal Accountant  
CR 498

Medford, New Jersey  
May 31, 2012

**FINANCIAL STATEMENTS**



**TOWNSHIP OF JACKSON  
CURRENT FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Regular Fund:			
Cash -Treasurer	A-4	\$17,876,813	17,997,150
Cash - Change Fund	A	675	675
Due from State of New Jersey:			
Senior Citizen & Veteran Deductions	A-5	16,565	11,114
		<hr/>	<hr/>
Total Regular Fund		17,894,053	18,008,939
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-6	1,998,331	1,959,150
Tax Title Liens Receivable	A-7	1,613,503	1,449,327
Property Acquired for Taxes at Assessed Valuation	A-8	6,438,900	6,438,900
Revenue Accounts Receivable	A-9	30,652	27,999
Interfunds Receivable	A-24	1,349	3,261
		<hr/>	<hr/>
Total Receivables & Other Assets With Full Reserves		10,082,735	9,878,637
Deferred Charges:			
Special Emergency 40A:4-55	A-25	70,130	100,000
		<hr/>	<hr/>
Total Deferred Charges		70,130	100,000
		<hr/>	<hr/>
Total Regular Fund, Receivables & Other Assets With Full Reserves		28,046,918	27,987,576
State & Federal Grants:			
Grants Receivable	A-27	533,251	541,011
Due from Current Fund	A-26	335,458	224,721
		<hr/>	<hr/>
Total State & Federal Grants		868,709	765,732
		<hr/>	<hr/>
Total Assets		<u>\$28,915,627</u>	<u>28,753,308</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON  
CURRENT FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2011	2010
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-10	\$1,474,705	1,252,547
Reserves for Encumbrances	A-12	942,987	895,406
Accounts Payable	A-11	222,730	435,340
Tax Anticipation Note Payable	A	11,100,000	11,200,000
Prepaid Taxes	A-13	819,594	497,879
Tax Overpayments	A-14	71,979	137,980
County Taxes Payable	A-15	99,287	153,451
Due State of New Jersey - Construction Fees	A-18	16,144	16,124
Due State of New Jersey - Marriage License Fees	A-19	1,225	1,125
Reserve for Revaluation Program	A-20	5,743	5,743
Reserve for Master Plan	A	30,521	38,705
Reserve for Garden State Trust Fund	A	56,291	56,291
Reserve for Codification of Ordinances	A	14,091	
Reserve for State Board of Taxation Appeals	A-22	421,223	421,223
Reserve for Skate Park	A-23	2,118	2,118
Interfund Payable	A-24	335,458	224,721
		<hr/>	
Total Liabilities		15,614,096	15,338,653
		<hr/>	
Reserve for Receivables & Other Assets	A	10,082,735	9,878,637
Fund Balance	A-1	2,350,087	2,770,286
		<hr/>	
Total Regular Funds		28,046,918	27,987,576
		<hr/>	
Federal & State Grants:			
Reserves for Encumbrances	A-30	57,991	17,640
Appropriated Reserves	A-28	743,741	731,690
Unappropriated Reserves	A-29	66,977	16,402
		<hr/>	
Total State & Federal Grants		868,709	765,732
		<hr/>	
Total Liabilities, Reserves & Fund Balance		\$28,915,627	28,753,308
		<hr/> <hr/>	

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**  
**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

	2011	2010
Revenue & Other Income Realized:		
Fund Balance Utilized	\$2,400,000	3,800,000
Miscellaneous Revenue Anticipated	6,382,387	8,821,705
Receipts From Delinquent Taxes	1,262,234	1,737,098
Receipts From Current Taxes	134,754,435	126,963,411
Nonbudget Revenue	821,041	613,582
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	897,318	1,151,972
Cancelled Accounts Payable	353,695	1,237
Prior Year Interfunds Liquidated	1,912	4,955
Cancel Grant Appropriations		22,317
	<hr/>	<hr/>
Total Revenue & Other Income Realized	146,873,022	143,116,277
	<hr/>	<hr/>
Expenditures:		
Operations Within "CAPS":		
Salaries and Wages	15,682,658	16,627,330
Other Expenses	11,345,582	11,320,818
Deferred Charges & Statutory Expenditures Within "CAPS"	4,614,374	3,734,980
Operations Excluded from "CAPS":		
Salaries and Wages	166,135	187,798
Other Expenses	468,312	1,290,078
Municipal Debt Service Excluded From "CAPS"	3,876,052	3,818,602
Deferred Charges - Municipal - Excluded From "CAPS"	50,000	250,473
Judgements		10,000
Local District School Taxes	78,661,566	73,569,074
Fire District Taxes	5,106,091	5,043,372
County Taxes	23,482,779	23,154,574
Amount Due County for Added & Omitted Taxes	99,287	153,451
Municipal Open Space Taxes	1,355,061	1,361,215
Prior Year Senior Citizen Deductions Disallowed	5,252	7,301
Refund of Prior Year Revenue	203	79
Cancel Grant Receivable		7,333
	<hr/>	<hr/>
Total Expenditures	144,913,352	140,536,478
	<hr/>	<hr/>
Excess in Revenue	1,959,670	2,579,799
Expenditures Included Above which are by Statute		
Deferred Charges to budgets of Succeeding Years	20,130	
	<hr/>	<hr/>
Statutory Excess to Fund Balance	1,979,800	2,579,799
Fund Balance January 1	A	2,770,286
		<hr/>
Total		4,750,087
Decreased by: Utilized as Revenue	A-2	2,400,000
		<hr/>
Balance December 31	A	\$2,350,087
		<hr/> <hr/>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	ANTICIPATED BUDGET	ADDED PER N.J.S.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$2,400,000		2,400,000	
Miscellaneous Revenue:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	40,000		40,250	250
Other	23,000		27,028	4,028
Fees & Permits	118,000		173,681	55,681
Fines & Costs:				
Municipal Court	427,000		403,258	(23,742)
Interest & Cost on Taxes	400,000		407,366	7,366
Interest on Investments & Deposits	270,000		210,625	(59,375)
Tax Search Fees	50		60	10
Housing & Commercial CCO's	90,000		86,620	(3,380)
Consolidated Municipal Property Tax Relief Aid	336,189		336,189	
Energy Receipts Taxes	3,015,960		3,015,960	
Garden State Trust	56,290		56,290	
Uniform Construction Code Fees	1,225,000		1,007,271	(217,729)
Clean Communities Program	87,126		87,126	
Recycling Tonnage Grant	69,207		69,207	
Municipal Alliance on Alcoholism & Drug Abuse	26,539		26,539	
Safe & Secure Communities Program	19,086		19,086	
Body Armor Replacement Grant-State	7,123		7,123	
Cops in Shops/College Fall Initiative	3,200		3,200	
Cops in Shop/Summer Shore Initiative		1,600	1,600	
Drunk Driving Enforcement Fund	9,279		9,279	
NJ Office of Emergency Management - Sign Board Grant		17,000	17,000	
Handicapped Recreation Opportunities Grant		15,000	15,000	
Drive Sober/Pull Over Year-End Crackdown		5,000	5,000	
Ocean County Office of Senior Services Information Assistance	17,700		17,700	
Ocean County Office of Senior Services Information Assistance - Donation	10		10	
Cablevision Franchise Fee	192,542		192,542	
Police Uniform Reimbursement/Giveback	48,190		47,377	(813)
Capital Fund Balance	100,000		100,000	
<b>Total</b>	<b>6,581,491</b>	<b>38,600</b>	<b>6,382,387</b>	<b>(237,704)</b>
Receipts from Delinquent Taxes	1,900,000		1,262,234	(637,766)
Amount to be Raised by Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	27,842,738		28,577,701	734,963
Budget Totals	38,724,229	38,600	38,622,322	
Nonbudget Revenues			821,041	821,041
<b>Total</b>	<b>\$38,724,229</b>	<b>38,600</b>	<b>39,443,363</b>	<b>680,534</b>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**ANALYSIS OF REALIZED REVENUES**

Allocation of Current Tax Collections:	
Revenue From Collections	\$134,754,435
Net Revenue From Collections	134,754,435
Allocated to School, County, Municipal Open Space & Special Districts	108,704,784
Balance for Support of Municipal Budget Appropriations	26,049,651
Increased by Appropriation for Uncollected Taxes	2,528,050
Amount for Support of Municipal Budget Appropriations	\$28,577,701
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$1,230,230
Tax Title Lien Collections	32,004
Total	\$1,262,234
Miscellaneous Revenue:	
Construction Code Official:	
Plumbing Fees & Permits	\$177,082
Electrical Fees & Permits	228,189
Building Inspector Fees & Permits	486,377
Fire Inspection Fees & Permits	102,778
Commercial Inspections	4,742
Elevator Inspection Fees	8,103
Total Construction Code Official	\$1,007,271
Other Fees & Permits:	
Public Works	\$34,615
Forester	3,590
Police Department	13,385
Zoning Board	14,123
Planning Board	92,365
Vital Statistics	15,603
Total Other Fees & Permits	\$173,681

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF REVENUES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**ANALYSIS OF NONBUDGET REVENUE**

Miscellaneous Revenue Not Anticipated:

Tower Rental	\$75,544
Shared Services - Animal Control	6,586
Gas & Fuel Reimbursements	101,610
Insurance Reimbursements	20,802
JIF Dividend	10,013
Resolution Fees	3,600
Municipal Clerk - Miscellaneous	7,016
FEMA Reimbursement	332,614
Library Water	2,500
Little League Field Rental/Lease	5,000
Tax Collector Fees	5,044
Telephone Revenue	23,234
Outside Employment Surcharge	129,120
Administrative Fee - Senior Citizen's & Veteran's	10,986
TAN Premium	44,511
Miscellaneous	21,787
Police Alarm Fines	5,925
Planning & Zoning Surcharge	9,781
Motor Vehicle Inspection Fines	5,368
	<hr/>
Total Nonbudget Revenue	<u><u>\$821,041</u></u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
<b>General Government:</b>					
Administrative Executive:					
Salaries and Wages	\$161,283	165,629	165,440	189	
Other Expenses	89,205	73,205	37,260	35,945	
Township Council:					
Salaries and Wages	43,882	43,882	42,867	1,015	
Other Expenses	1,450	1,450	435	1,015	
Mayor:					
Salaries and Wages	100	100		100	
Other Expenses	6,150	6,150	5,426	724	
Human Services:					
Salaries and Wages	98,874	102,993	101,332	1,661	
Other Expenses	8,490	8,490	6,057	2,433	
Municipal Clerk:					
Salaries and Wages	196,574	205,680	199,069	6,611	
Other Expenses	40,075	40,075	32,959	7,116	
Codification of Ordinances					
		20,130	20,130		
Election:					
Salaries and Wages	5,400	5,400	2,909	2,491	
Other Expenses	49,000	49,000	23,498	25,502	
Financial Administration:					
Salaries and Wages	325,255	339,839	321,801	18,038	
Other Expenses	41,156	41,156	31,034	10,122	
Audit Services:					
Other Expenses	40,000	40,000	40,000		
Information Technology/Computerized					
Data Processing:					
Salaries and Wages	46,683	50,247	49,902	345	
Other Expenses	17,500	17,500	9,958	7,542	
Collection of Taxes:					
Salaries and Wages	247,557	257,417	254,527	2,890	
Other Expenses	35,270	35,270	25,611	9,659	
Assessment of Taxes:					
Salaries and Wages	278,396	278,396	275,098	3,298	
Other Expenses	16,213	16,213	16,058	155	
Purchasing:					
Salaries and Wages	50,328	51,243	46,256	4,987	
Other Expenses	19,810	16,810	6,885	9,925	
Legal Services & Costs:					
Other Expenses	460,000	508,000	501,102	6,898	
Engineering Services & Costs:					
Salaries and Wages	151,032	157,999	157,252	747	
Other Expenses	138,700	138,700	138,366	334	
Historical Commission:					
Other Expenses	250	250		250	

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

OPERATIONS - Within "CAPS"	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
Community Alliance-Alcoholism & Drugs:					
Salaries and Wages	1,140	1,140	285	855	
Other Expenses	100	100		100	
Mayor's Community Advisory Board:					
Other Expenses	50	50		50	
Economic Development Advisory Board:					
Other Expenses	1,000	1,000		1,000	
<b>Land Use Administration:</b>					
Planning/Zoning Boards:					
Salaries and Wages	206,812	211,997	206,930	5,067	
Other Expenses	57,500	56,500	37,205	19,295	
Maintenance of Tax Maps:					
Other Expenses	14,500	14,500	5,803	8,697	
<b>Code Enforcement - Other:</b>					
Rent Leveling Board:					
Salaries and Wages	3,145	3,145	1,699	1,446	
Other Expenses	27,600	27,600	20,563	7,037	
Code Enforcement - Other:					
Salaries and Wages	179,786	175,282	151,715	23,567	
Other Expenses	4,650	4,650	3,287	1,363	
Housing & Inspection Code:					
Salaries and Wages	67,624	68,967	62,987	5,980	
Other Expenses	6,700	6,700	4,021	2,679	
Commercial Building Standards:					
Salaries and Wages	8,000	6,000	4,125	1,875	
Other Expenses	750	750	196	554	
<b>Insurance:</b>					
General Liability	487,692	487,692	482,672	5,020	
Workers Compensation	656,526	656,526	656,526		
Employee Group Health	3,828,956	3,817,956	3,647,196	170,760	
Health Benefit Waiver	17,280	17,280	16,040	1,240	
Unemployment Trust Fund	197,102	197,102	197,102		
<b>Public Safety Functions:</b>					
Police Department:					
Salaries and Wages	9,254,584	9,253,856	9,115,673	138,183	
Other Expenses	452,428	452,428	427,188	25,240	
Police Dispatch/911:					
Salaries and Wages	389,518	395,459	394,741	718	
Emergency Management:					
Salaries and Wages	7,346	7,346	7,106	240	
Other Expenses	19,400	19,400	19,129	271	
Aid to Volunteer Ambulance:					
Other Expenses	15,000	15,000	15,000		

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
OPERATIONS - Within "CAPS"					
Municipal Prosecutor:					
Other Expenses	42,000	42,000	40,000	2,000	
Juvenile Conference Committee:					
Salaries and Wages	1,275	1,275	843	432	
Other Expenses	25	25		25	
<b>Public Works Functions:</b>					
Streets & Roads Maintenance:					
Salaries and Wages	1,210,330	1,218,245	1,102,838	115,407	
Other Expenses	212,175	215,675	200,615	15,060	
Snow Removal:					
Other Expenses	606,500	606,500	506,874	99,626	
Shade Tree Commission:					
Salaries and Wages	1,250	1,250	1,088	162	
Other Expenses	9,850	9,850	3,094	6,756	
Solid Waste Collection:					
Salaries and Wages	143,553	143,942	140,810	3,132	
Other Expenses	575,400	577,900	577,797	103	
Buildings & Grounds:					
Salaries and Wages	733,123	741,786	725,795	15,991	
Other Expenses	163,950	178,950	171,823	7,127	
Vehicle Maintenance:					
Salaries and Wages	230,934	236,756	229,937	6,819	
Other Expenses	267,038	279,038	270,007	9,031	
Community Services Act:					
Other Expenses	200,000	200,000	200,000		
<b>Health &amp; Human Services Functions:</b>					
Public Health Services:					
Salaries and Wages	14,000	14,000	9,870	4,130	
Other Expenses	1,000	1,000	1,000		
Environmental Health Services-					
Environmental Commission:					
Salaries and Wages	1,300	1,300	1,179	121	
Other Expenses	480	480	30	450	
Animal Control Services:					
Salaries and Wages	125,188	128,188	128,121	67	
Other Expenses	49,650	46,650	40,703	5,947	
Going Green Committee:					
Other Expenses	200	200		200	
<b>Parks &amp; Recreation Functions:</b>					
Recreation Services & Programs:					
Salaries and Wages	190,522	179,310	166,401	12,909	
Other Expenses	11,950	11,950	6,945	5,005	

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
OPERATIONS - Within "CAPS"					
Office for the Golden Age:					
Salaries and Wages	215,623	210,633	190,818	19,815	
Other Expenses	20,120	20,120	19,221	899	
Handicapped Committee:					
Salaries and Wages	12,924	13,024	12,989	35	
Other Expenses	1,945	1,845	435	1,410	
Park Maintenance:					
Other Expenses	1,000	1,000	966	34	
<b>Municipal Court Functions:</b>					
Municipal Court:					
Salaries and Wages	322,595	328,010	317,015	10,995	
Other Expenses	17,050	17,050	12,269	4,781	
Public Defender:					
Other Expenses	12,000	12,000		12,000	
<b>Other Common Operating Functions:</b>					
Salary & Wage Adjustment:					
Salaries and Wages	125,000	8,833		8,833	
Postage & Photocopy:					
Other Expenses	74,000	74,000	55,453	18,547	
Accumulated Leave Compensation-Sick Trust:					
Other Expenses	174,091	174,091	174,091		
<b>Utility Expenses &amp; Bulk Purchases:</b>					
Electricity	610,000	610,000	609,081	919	
Street Lighting	330,000	330,000	315,822	14,178	
Telecommunication Costs	82,000	79,000	59,875	19,125	
Natural Gas	132,000	132,000	95,729	36,271	
Heating Oil	3,500	4,500	3,499	1,001	
Sewerage Processing & Disposal	2,000	2,000		2,000	
Fuel & Petroleum Products	450,000	515,000	512,519	2,481	
Water	5,000	5,000	4,019	981	
<b>Landfill/Solid Waste:</b>					
Landfill/Solid Waste Disposal Costs:					
Other Expenses	365,000	290,000	213,420	76,580	
Legler Landfill - Postclosure Monitoring:					
Other Expenses	55,000	55,000	43,621	11,379	
<b>Uniform Construction Code-Appropriations Offset by Dedicated Revenues(NJAC5:23-4.17):</b>					
Construction Code Department:					
Salaries and Wages	661,622	674,089	673,705	384	
Other Expenses	65,125	65,125	54,148	10,977	

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED CANCELLED
OPERATIONS - Within "CAPS"				
Total Operations Including Contingent Within "CAPS"	27,003,110	27,028,240	25,882,886	1,145,354
Detail:				
Salaries and Wages	15,712,558	15,682,658	15,263,123	419,535
Other Expenses	11,290,552	11,345,582	10,619,763	725,819
<b>Deferred Charges &amp; Statutory Expenditures</b>				
<b>Municipal Within "CAPS":</b>				
Deferred Charges - Prior Year Bills:				
APP	342	342	342	
Henry Mancini	1,170	1,170	1,170	
Statutory Expenditures:				
Public Employees' Retirement System	824,322	824,322	824,322	
Social Security System (O.A.S.I.)	1,350,209	1,345,209	1,190,130	155,079
Police & Firemen's Retirement System	2,442,131	2,442,131	2,442,131	
Defined Contribution Retirement Program	1,200	1,200	795	405
Total Deferred Charges & Statutory Expenditures Within "CAPS"	4,619,374	4,614,374	4,458,890	155,484
Total General Appropriations for Municipal Purposes Within "CAPS"	31,622,484	31,642,614	30,341,776	1,300,838
<b>Operations Excluded from "CAPS":</b>				
Service Contracts:				
Sewer & Water Purposes - MUA	5,000	5,000	1,960	3,040
Implementation of 911 Emergency:				
Salaries & Wages	129,839	129,839	129,839	
Relocation Assistance:				
Other Expenses	2,500	2,500		2,500
Employee Group Health	159,577	159,577		159,577
LOSAP	20,000	20,000	20,000	
Recycling Tonnage Tax	10,000	10,000	8,250	1,750
Supplemental Fire Services Programs:				
Fire District Tax Obligations	13,026	13,026	13,026	
<b>Public &amp; Private Programs Offset by Revenues:</b>				
Clean Communities Program	87,126	87,126	87,126	
OC Office of Senior Services-Information Assistance:				
Salaries and Wages	17,210	17,210	17,210	
Other Expenses	500	500	500	

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
OPERATIONS - Excluded from "CAPS"					
Safe & Secure Communities Program	19,086	19,086	19,086		
Municipal Alliance on Alcohol & Drug Abuse:					
County Grant	26,539	26,539	26,539		
Local Matching Funds	6,635	6,635	6,635		
Drunk Driving Enforcement Fund	9,279	9,279	9,279		
State of New Jersey Body Armor Grant	7,123	7,123	7,123		
Matching Funds for Grants	10,000	10,000	3,000	7,000	
COPS in Shops Fall Initiative	3,200	3,200	3,200		
COPS in Shops Summer Shore Initiative		1,600	1,600		
Handicapped Recreation Opportunities Grant		15,000	15,000		
NJ Office of Emergency Management - Sign Board		17,000	17,000		
Drive Sober/Pull Over Year-End Crackdown		5,000	5,000		
Recycling Tonnage Grant	69,207	69,207	69,207		
<b>Total Operations Excluded from "CAPS"</b>	<b>595,847</b>	<b>634,447</b>	<b>460,580</b>	<b>173,867</b>	
Detail:					
Salaries and Wages	166,135	166,135	166,135		
Other Expenses	429,712	468,312	294,445	173,867	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	50,000	50,000	50,000		
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	2,805,000	2,805,000	2,805,000		
Interest on Bonds	909,518	909,518	909,518		
Interest on Notes	163,330	163,330	111,534		51,796
Deferred Charges-Municipal - Excluded from "CAPS":					
Special Emergency Authorization - 5 Years	50,000	50,000	50,000		
<b>Total Capital Improvements &amp; Municipal Debt Service Excluded from "CAPS"</b>	<b>3,977,848</b>	<b>3,977,848</b>	<b>3,926,052</b>		<b>51,796</b>
<b>Total General Appropriations Excluded from "CAPS"</b>	<b>4,573,695</b>	<b>4,612,295</b>	<b>4,386,632</b>	<b>173,867</b>	<b>51,796</b>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	APPROPRIATIONS		EXPENDED		
OPERATIONS	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELLED
Subtotal General Appropriations	36,196,179	36,254,909	34,728,408	1,474,705	51,796
Reserve For Uncollected Taxes	2,528,050	2,528,050	2,528,050		
<b>Total General Appropriations</b>	<b><u>\$38,724,229</u></b>	<b><u>38,782,959</u></b>	<b><u>37,256,458</u></b>	<b><u>1,474,705</u></b>	<b><u>51,796</u></b>
Budget		\$38,724,229			
Added by N.J.S. 40A:4-87		38,600			
Added by Special Emergency		<u>20,130</u>			
<b>Total</b>		<b><u>\$38,782,959</u></b>			
Reserve for Uncollected Taxes			\$2,528,050		
Reserve for Encumbrances			942,987		
Appropriated Reserves for Federal & State Grants			287,505		
Deferred Charges - Special Emergency			50,000		
Special Emergency - Codification of Ordinances			20,130		
Refunds			(304,319)		
Disbursements			<u>33,732,105</u>		
<b>Total</b>			<b><u>\$37,256,458</u></b>		

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

**TOWNSHIP OF JACKSON  
TRUST FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Animal Control Trust Fund:			
Cash	B-1	\$61,964	41,362
Total Animal Control Trust Fund		<u>61,964</u>	<u>41,362</u>
Open Space Trust Fund:			
Cash	B-1	2,280,762	1,685,746
Total Open Space Trust Fund		<u>2,280,762</u>	<u>1,685,746</u>
Trust Other Funds:			
Cash	B-1	11,600,451	11,516,397
Due from County of Ocean - Community Development Block Grant	B-3	441,091	182,120
Total Trust Other Funds		<u>12,041,542</u>	<u>11,698,517</u>
Length of Service Awards Program (LOSAP)			
Funds Held by Trustee	B-9	69,195	69,195
Total Assets		<u>\$14,453,463</u>	<u>13,494,820</u>
<b>LIABILITIES &amp; RESERVES</b>			
Animal Control Trust Fund:			
Due to State of New Jersey	B-2	\$40	71
Reserve for Animal Control Expenditures	B-5	61,924	41,291
Total Animal Control Trust Fund		<u>61,964</u>	<u>41,362</u>
Open Space Trust Fund:			
Reserve for Open Space	B-8	2,280,762	1,685,746
Total Open Space Trust Fund		<u>2,280,762</u>	<u>1,685,746</u>
Trust Other Funds:			
Various Reserves	B-7	11,792,012	11,623,609
Interfund - Current Fund	B-4	1,349	3,261
Reserve for Community Development Block Grant Expenditures	B-6	248,181	71,647
Total Trust Other Funds		<u>12,041,542</u>	<u>11,698,517</u>
Length of Service Awards Program (LOSAP - Unaudited)			
Funds Held by Trustee	B-10	69,195	69,195
Total Liabilities & Reserves		<u>\$14,453,463</u>	<u>13,494,820</u>

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

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Cash & Cash Equivalents	C-2	\$3,532,983	5,419,701
State Grants Receivable - Department of Transportation	C-4	371,250	121,250
Ocean County Shared Services Agreement Receivable	C-5	215,135	215,135
Deferred Charges to Future Taxation:			
Funded	C-6	29,200,000	32,490,000
Unfunded	C-7	4,785,392	3,453,079
		<hr/>	<hr/>
Total Assets		<u>\$38,104,760</u>	<u>41,699,165</u>
<b>LIABILITIES, RESERVES &amp; FUND BALANCE</b>			
General Serial Bond	C-8	\$29,200,000	32,490,000
Improvement Authorizations:			
Funded	C-9	1,761,420	3,134,617
Unfunded	C-9	3,614,256	2,826,605
Reserve for Encumbrances	C-10	1,194,087	1,162,946
Capital Improvement Fund	C-11	110,538	60,538
Reserve for Debt Service - Open Space Bonds	C-12	1,853,771	1,853,771
Reserve for Fire Damage - Annex Building	C-13	10,589	10,589
Fund Balance	C-1	360,099	160,099
		<hr/>	<hr/>
Total Liabilities, Reserves & Fund Balance		<u>\$38,104,760</u>	<u>41,699,165</u>

There were bonds and notes authorized but not issued on December 31, 2011 of \$4,785,392. (Exhibit C-14)

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

EXHIBIT D

**TOWNSHIP OF JACKSON  
PUBLIC ASSISTANCE FUND  
COMPARATIVE STATEMENT OF ASSETS  
AND LIABILITIES - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

ASSETS	REFERENCE	2011	2010
Cash & Cash Equivalents	D-1	\$29,552	29,312
Total Assets		\$29,552	29,312
<b>RESERVES</b>			
Reserve for Public Assistance	D-2	\$29,552	29,312
Total Reserves		\$29,552	29,312

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

TOWNSHIP OF JACKSON  
 GENERAL FIXED ASSETS ACCOUNT GROUP  
 COMPARATIVE STATEMENT OF FIXED ASSETS AND  
 FUND BALANCE - REGULATORY BASIS  
 DECEMBER 31, 2011 AND 2010

ASSETS	2011	2010
Land	\$54,993,800	54,993,800
Building & Building Improvements	47,522,404	47,522,404
Machinery & Equipment	10,902,673	11,047,720
	<u>113,418,877</u>	<u>113,563,924</u>
Total	<u>\$113,418,877</u>	<u>113,563,924</u>
FUND BALANCE		
Investment in Fixed Assets	<u>\$113,418,877</u>	<u>113,563,924</u>

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

**TOWNSHIP OF JACKSON  
PAYROLL FUND  
COMPARATIVE STATEMENT OF ASSETS  
AND LIABILITIES - REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010**

ASSETS	2011	2010
Cash	<u>\$6,276</u>	<u>133,998</u>
Total Assets	<u>\$6,276</u>	<u>133,998</u>
LIABILITIES		
Payroll Deductions Payable	<u>\$6,276</u>	<u>133,998</u>
Total Assets	<u>\$6,276</u>	<u>133,998</u>

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

**TOWNSHIP OF JACKSON  
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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## TOWNSHIP OF JACKSON

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

#### **Note 1. Summary of Significant Accounting Policies**

##### **A. Description of the Financial Reporting Entity**

This report includes the financial statements of the Township of Jackson (the "Township"), within the County of Ocean, in the State of New Jersey and reflects the activities of the municipality which is under the control of the Mayor and Township Council. The financial statements of the Board of Education, First Aid Organization and Fire Districts are reported separately since their activities are administered by separate boards.

The Township's governing body is also responsible for appointing the board members of the Jackson Municipal Utilities Authority but the Township's accountability for this organization does not extend beyond making the appointments.

##### **B. Description of Funds**

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

**Current Fund** - resources and expenditures for governmental operation of a general nature, including federal and state grant funds.

**Trust Fund** - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created, including dog license revenue and expenditures and sundry deposits held for satisfactory completion of specific work.

**General Capital Fund** - receipt and disbursement of funds for the acquisition of capital facilities, other than those acquired in the Current Fund.

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

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant policies in New Jersey follow.

A modified accrual basis of accounting is followed, with minor exceptions:

## TOWNSHIP OF JACKSON

### NOTES TO FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2011

#### Note 1. Summary of Significant Accounting Policies (continued):

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

###### Revenues

Revenues are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the Federal Government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the Municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

###### Expenditures

Expenditures are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created on December 31st of each year and recorded as Liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

###### Foreclosed Property

Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

###### Interfunds

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

###### Insurance

Costs of insurance for all funds are recorded as expenditures at the time of payment. Insurance costs chargeable to future periods are not carried as prepayments.

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 1. Summary of Significant Accounting Policies (continued):**

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

**Inventories of Supplies**

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

**General Fixed Assets**

Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. No depreciation has been recorded. Fixed Assets acquired through grants in and/or contributed capital has not been accounted for separately.

**Compensated Absences**

Expenditures relating to obligations for unused vested accumulated vacation, sick pay and compensation time are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

**Property Taxes**

Property taxes are an enforceable lien on property as of January 1. Taxes are levied annually and are payable in quarterly installments on February 1, May 1, August 1 and November 1 of each year.

**Investments**

Investments are stated at actual cost.

**Budgets**

The Township is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 1. Summary of Significant Accounting Policies (continued):**

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

1. Prior to February 10th of the budget year the Township introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held 28 days after introduction, after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

**Note 2. Bonds and Notes Authorized But Not Issued**

At December 31, 2011 the Township has authorized but not issued bonds and notes as follows:

General Capital Fund - Bonds and Notes	<u>\$4,785,392</u>
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**Note 3. Current Fund Balance Appropriated**

Fund Balance at December 31, 2011 which was appropriated and included as anticipated revenue in their respective funds for the year ending December 31, 2011 were as follows:

	Balance December 31, 2011	Utilized 2012 Budget
Current Fund	<u>\$2,350,087</u>	<u>\$1,900,000</u>

**Note 4. Deferred Charges to be Raised in Succeeding Budgets**

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 sheets of the various funds:

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 4. Deferred Charges to be Raised in Succeeding Budgets (continued):**

	BALANCE DECEMBER 31, 2011	2012 BUDGET APPROPRIATION	CANCELLED	BALANCE TO SUCCEEDING BUDGETS
Current Fund:				
Special Emergency Authorizations	<u>\$70,130</u>	<u>\$54,026</u>	<u>\$-0-</u>	<u>\$16,104</u>

**Note 5. Cash and Cash Equivalents**

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2011, and reported at fair value are as follows:

Type	Carrying Value
<b>Deposits:</b>	
Demand Deposits	<u>\$33,108,714</u>
Total Deposits	<u>\$33,108,714</u>

**Reconciliation of Statement of Assets, Liabilities, Reserves and Fund Balance:**

Current	\$17,877,488
Dog Trust	61,964
Other Trust	11,600,451
General Capital	3,532,983
Public Assistance	29,552
Payroll	<u>6,276</u>
Total Reconciliation of Statement of Assets, Liabilities, Reserves and Fund Balance	<u>\$33,108,714</u>

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The Districts does not have a deposit policy for custodial credit risk. As of December 31, 2011, the District's bank balance of \$36,065,890 was insured and collateralized as follows:

Insured	\$ 478,121
Collateralized in the District's Name Under GUDPA (See Note 6)	<u>35,587,769</u>
Total	<u>\$36,065,890</u>

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 6. Governmental Unit Deposit Protection Act (GUDPA)**

The Township has deposited cash in 2011 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 6. Governmental Unit Deposit Protection Act (GUDPA) (continued):**

Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The municipality should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

**Note 7. Pension**

**A. Plan Description**

The Township of Jackson contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. 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, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

**B. Funding Policy**

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey administrative code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

Plan members are required to contribute 6.5%, effective October 1, 2011, of their annual covered salary for P.E.R.S, 10%, effective October 1, 2011, of their annual covered salary for P.F.R.S.

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 7. Pension (continued):**

and the Township is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the Township are established and may be amended by the plan's Board of Trustees.

The Township's contributions to P.E.R.S. for the years ending December 31, 2011, 2010 and 2009 were \$824,322, \$652,562 and \$604,218, respectively, equal to the required contributions for each year, and to P.F.R.S. for the years ending December 31, 2011, 2010 and 2009 were \$2,442,131, \$1,824,930 and \$1,686,033, respectively, equal to the required contributions for each year.

**C. Post-Employment Benefits**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 requires the PERS to fund post-retirement medical benefits for those employees covered by the State Plan, who retire after reaching age 60 and accumulating 25 years of credited services. The cost of these benefits is actuarially determined and funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of the post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in 1996, which increased the medical reserve by one-half of 1% of payroll.

**Note 8. Property Taxes**

Property taxes are an enforceable lien on the assessed property. Taxes are due on a quarterly basis on February 1, May 1, August 1 and November 1. All unpaid taxes become delinquent 8 days after the above due dates. The Township bills and collects its own property taxes as well as the taxes levied by the other taxing bodies within the municipality. Property tax revenues are recognized when collected. A reserve for uncollected taxes is established in the current operating budget to the extent that their collectability is improbable.

**Note 9. Interfunds, Receivables and Payables**

The composition of interfund balances as of December 31, 2011 is as follows:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 1,349	\$ 335,458
Federal & State Grant Fund	335,458	
Trust Other Fund	<u>          </u>	<u>1,349</u>
<b>Total</b>	<b><u>\$336,807</u></b>	<b><u>\$336,807</u></b>

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 10. Risk Management**

The Township of Jackson is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The Township is a member of the Ocean County Municipal Joint Insurance Fund (JIF). This public entity risk pool is both an insured and self-administered group of 29 municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The JIF will be self-sustaining through member premiums. The JIF participates in the Municipal Excess Liability Insurance Program.

**Note 11. General Long-Term Debt**

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments with the statutory period of usefulness. Bonds issued by the Township are general obligations 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 terms 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.

As of December 31, 2011, the Township's Long-Term Debt is as follows:

**General Serial Bonds:**

\$7,931,000 2003 Bonds due in annual installments of ranging from \$600,000 to \$931,000 through 2014 at interests ranging from 3.00% to 3.50%	\$ 2,731,000
\$5,918,000 2003 Open Space Bonds due in annual installments of \$400,000 to \$500,000 through 2020 at interests rates ranging from 3.00% to 4.00%.	3,318,000
\$16,102,000 2008 Bonds due in annual installments ranging from \$100,000 to \$2,132,000 through 2020 at interests rates ranging from 3.50% to 4.125%.	15,802,000
\$3,739,000 2008 Open Space Bonds due in annual installments of \$75,000 to \$334,000 through 2028 at interest rates ranging from 3.50% to 4.75%.	3,504,000
\$8,010,000 2009 Refunding Bonds due in annual installments ranging from \$760,000 to \$1,905,000 through 2016 at interest rates ranging from 2.00% to 4.00%.	<u>3,845,000</u>
Total	<u>\$29,200,000</u>

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 11. General Long-Term Debt (continued):**

Schedule of Annual Debt Service for Principal and Interest for the next five (5) years and five-year increments thereafter for Bonded Debt issued and outstanding:

Year	Principal	Interest	Total
2012	\$ 3,323,000	\$1,100,233	\$ 4,423,233
2013	3,385,000	984,914	4,369,914
2014	3,501,000	860,914	4,361,914
2015	3,300,000	730,766	4,030,766
2016	3,395,000	727,948	4,122,948
2017-2021	10,237,000	1,514,618	11,751,618
2022-2026	1,405,000	355,594	1,760,594
2027-2028	<u>654,000</u>	<u>46,930</u>	<u>700,930</u>
<b>Total</b>	<b><u>\$29,200,000</u></b>	<b><u>\$6,321,917</u></b>	<b><u>\$35,521,917</u></b>

During the year ended December 31, 2011, the following changes occurred in issued Bonds, Loans and Notes:

	<b>Balance December 31, 2010</b>	<b>Issued</b>	<b>Retired</b>	<b>Balance December 31, 2011</b>	<b>Due Within One Year</b>
General Capital Fund:					
Serial Bonds	\$32,490,000	\$ -	\$3,290,000	\$29,200,000	\$3,323,000
<b>Total</b>	<b><u>\$32,490,000</u></b>	<b><u>\$ -</u></b>	<b><u>\$3,290,000</u></b>	<b><u>\$29,200,000</u></b>	<b><u>\$3,323,000</u></b>

**Refunding Bonds and Deferred Bonds Outstanding**

The Township, during 2009, issued \$8,010,000 in General Obligation Bonds, Series, 2009 (the "Refunding Bonds"). The Bonds were issued in accordance with the Township's refunding plan. The Refunding Plan calls for the current refunding and redemption of the Township's Series 1996 Bonds on June 11, 2009 (the "1996 Redemption Date") at par and for advance refunding the Township's Series 2001 Bonds and redeeming the Series 2001 bonds on December 31, 2010 (the 2001 "Redemption Date" and together with the 1996 Redemption Date, the "Redemption Dates") at par, the earliest dates set for optional redemption of the Refunded Bonds, plus accrued interest to the Redemption Dates.

The proceeds of the Refunding Bonds were applied to the purchase of direct noncallable obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America ( State and Local Government Securities) the ("Government Obligations") with any investments earnings thereon, together with any cash remaining after the purchase of the Government

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 11. General Long-Term Debt (continued):**

Obligations, will be sufficient to make payments when due of principal of, interest on and redemption premium, if any, payable with respect to the Refunded Bonds. The Government Obligations (together with any cash remaining in after the purchase of the Government Obligations) are required to be held in an escrow fund by the escrow agent for the Refunded Bonds pursuant to the terms of an escrow deposit agreement.

The Refunding Plan calls for the escrow agent, pursuant to the escrow deposit agreement, to pay, from the escrow fund, when due, interest on and principal of the Refunded Bonds and in accordance with the terms of the Refunded Bonds to call the Refunded Bonds for early redemption on their respective Redemption Dates.

The 1996 Bonds were refunded in their entirety by the 2009 Bonds.

At December 31, 2009, \$760,000 of the Series 2001 Bonds outstanding is considered defeased.

The escrow assets and the liability for the Refunded Bonds are not included in the Township's financial statements.

Debt Service payments were reduced by \$272,691.22 as a result of the refunding.

The net present value benefit of the transactions was \$263,945.62.

**Borrowing Power**

New Jersey Statutes limit the debt of a municipality to 3.50% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2011 was .3646%. The Township's remaining borrowing power is 3.1354%.

The summary of municipal debt for the last three years and the calculation of statutory net debt are presented in the Supplementary Data section of this report.

**Note 12. Short-Term Debt**

**Bond Anticipation Notes**

The Township issues Bond Anticipation Notes to temporarily fund various capital projects prior to the issuing 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 not later than the tenth anniversary of the date of the original note.

On December 31, 2011 and 2010 the Township had no Bond Anticipation Notes outstanding.

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 13. Length of Service Award Program (“LOSAP”)**

The Township has established a Volunteer Length of Service Award Plan (“LOSAP”) (“Plan”) to ensure retention of the Township’s volunteer First Aid Squad members. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a “Length of Service Award Plan under Section 457(e)11 of the Internal Revenue Code”.

**Annual Contributions** – The annual contribution to be made by the Township for each active volunteer member was \$1,248 for the year ended December 31, 2009.

**Appropriations** – Appropriations for the purpose of funding the Township’s LOSAP shall be included as a separate line item in the Township’s budget.

**Periodic Increases** – Notwithstanding the provisions above, the annual contribution to be made by the Township for each active volunteer member shall be subject to periodic increases based upon the “Consumer Price Index Factor” pursuant to subsection f. of section 3 of P.L. 1997, c.388 (*N.J.S.A.40A:14-185*).

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

**Determination as to Eligibility** – The Jackson Township First Aid Squad shall provide to the Township Chief Financial Officer, acting as the Plan Administrator of the LOSAP Plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan as of January 1, 2005 and those who are eligible to participate as of each January 1 thereafter. The Plan Administrator shall forward the provisions of *N.J.A.C.5:30-14.10*. The decision of the Township Council as to such active member’s eligibility shall be binding upon the Plan Administrator, Participants, beneficiaries and any and all other persons having an interest hereunder, subject to appropriate judicial review.

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

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

**Termination of Service** – Any participant who terminates service as an active volunteer member shall cease to participate hereunder. A former participant may resume participation immediately upon returning to the service of the Jackson Township First Aid Squad as an active volunteer member. Any

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 13. Length of Service Award Program (“LOSAP”) (continued):**

active volunteer member who terminates service with the Jackson Township First Aid Squad, subsequently returns to service and again becomes a participant shall be treated as a new participant for purposes of eligibility unless said participant was fully vested prior to his or her termination from service.

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

**Note 14. Fixed Assets**

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2011:

	<b>Balance December 31, 2010</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2011</b>
Land	\$ 54,993,800			\$ 54,993,800
Buildings & Improvements	47,522,404			47,522,404
Machinery & Equipment	11,047,720	\$278,581	\$423,628	10,902,673
<b>Total</b>	<u>\$113,563,924</u>	<u>\$278,581</u>	<u>\$423,628</u>	<u>\$113,418,877</u>

All additions are recorded at cost.

**Note 15. Deferred Compensation Salary Account**

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors.

## TOWNSHIP OF JACKSON

### NOTES TO FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2011

#### Note 16. Contingencies

##### A. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation would approximate \$2,760,906 at December 31, 2011. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

##### B. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (*N.J.S.A.43:21-3 et. seq.*). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The reserve for unemployment compensation insurance at December 31, 2011 was \$320,265.

##### C. Litigation

The Township is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, Township Officials, based upon the opinion of the Township's Counsel, presently believe that the outcome of each such proceeding or claim which is pending or know to be threatened, or all of them combined, will not have a material adverse effect on the Township's financial position 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 or other obligations.

##### D. Federal and State Grants

The Township receives financial assistance from the U.S. Government and the State of New Jersey in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require payment to the grantor agency. As of December 31, 2011 the Township estimates that no material liabilities will result from such audits.

**TOWNSHIP OF JACKSON**

**NOTES TO FINANCIAL STATEMENTS (continued):  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Note 17. Tax Anticipation Note Payable**

The Township issued tax anticipation notes in the amount of \$11,100,000 dated March 30, 2011 at an interest rate of 1.50%. The Township received a premium of \$44,511 resulting in a net interest cost of .900%. The notes mature on February 16, 2012.



**SUPPLEMENTAL EXHIBITS**



**CURRENT FUND**



**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF CASH AND CASH EQUIVALENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$17,997,150
Increased by Receipts:		
Nonbudget Revenues	\$821,041	
Taxes Receivable	134,980,180	
Tax Overpayments	123,829	
Prepaid Overpayments	201,786	
Tax Title Liens	32,004	
Tax Anticipation Note	11,100,000	
Revenue Accounts Receivable	6,048,227	
Prepaid Taxes	562,864	
Garden State Trust Fund	56,290	
State of New Jersey (Ch.29, P.L.1971)	549,297	
Interfunds	339,466	
Void Prior Year Disbursement	12,500	
Due to State of New Jersey - Construction Fees	52,193	
Due to State of New Jersey - Marriage Licenses	5,925	
	<hr/>	
Total Receipts		<u>154,885,602</u>
Subtotal		<u>172,882,752</u>
Decreased by Disbursements:		
2011 Appropriations	33,427,786	
2010 Reserved Appropriations	1,114,978	
Accounts Payable	7,072	
Tax Anticipation Note	11,200,000	
Tax Overpayments	189,830	
County Taxes Payable	23,636,230	
Local School District Tax	78,661,566	
Special District Taxes	5,106,091	
Reserve for Master Plan	8,184	
Reserve for Codification of Ordinances	6,039	
Due to State of New Jersey - Construction Fees	52,173	
Due to State of New Jersey - Marriage Licenses	5,825	
Due to Municipal Open Space Trust Fund	1,355,061	
Interfunds	235,104	
	<hr/>	
Total Disbursements		<u>155,005,939</u>
Balance December 31, 2011		<u><u>\$17,876,813</u></u>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF DUE FROM STATE - P.L. 1971, C.20  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$11,114
Increased by:		
Deductions per Tax Duplicate:		
Senior Citizens's	\$76,500	
Veteran's	467,500	
Deductions Allowed by Tax Collector:		
2011 Senior Citizen Deductions	8,750	
2011 Veteran Deductions	13,500	566,250
Subtotal		577,364
Decreased by:		
Received from State of New Jersey	549,297	
Deductions Disallowed by Tax Collector:		
2011 Senior Citizen's & Veteran's	6,250	
Prior Years Senior Citizen's & Veteran's	5,252	560,799
Balance December 31, 2011		<u><u>\$16,565</u></u>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
FOR THE YEAR ENDED DECEMBER 31, 2011**

YEAR	BALANCE	2011	ADDED	COLLECTED		DUE FROM	CANCELED	TRANSFERRED	BALANCE
	DECEMBER 31, 2010			LEVY	TAXES				2010
2006	\$1,347								1,347
2007	5,512						248		5,264
2008	11,374						6,025		5,349
2009	64,549				(106,252)	655	143,076	2,705	24,365
2010	1,876,368				1,341,734	(5,907)	490,987	10,099	39,455
Total	1,959,150				1,235,482	(5,252)	640,336	12,804	75,780
2011		136,508,359	676,891	449,737	133,744,698	560,000	330,587	177,677	1,922,551
Total	\$1,959,150	136,508,359	676,891	449,737	134,980,180	554,748	970,923	190,481	1,998,331

**ANALYSIS OF 2011 PROPERTY TAX LEVY**

General Purpose	\$131,402,268
Special District Tax	5,106,091
Added Taxes (54:4-63.1 et seq)	<u>676,891</u>
Total	<u>\$137,185,250</u>
<b>TAX LEVY:</b>	
Local School Tax	\$78,661,566
County Taxes (Abstract)	\$23,482,779
County Added & Omitted Taxes	99,287
Special District Taxes	5,106,091
Municipal Open Space	1,355,061
Local Tax for Municipal Purposes	27,842,738
Add: Additional Taxes Levied	<u>637,728</u>
Total	<u>\$137,185,250</u>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$1,449,327
Increased by:		
Transfer from Taxes Receivable	\$190,481	
Interest & Costs on Taxes	5,699	196,180
	<hr/>	
Subtotal		1,645,507
Decreased by:		
Collections		32,004
		<hr/>
Balance December 31, 2011		<u><u>\$1,613,503</u></u>

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 & 2011	<u><u>\$6,438,900</u></u>
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**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	ACCRUED IN 2011	COLLECTED	BALANCE DECEMBER 31, 2011
Clerk:				
Alcoholic Beverage Licenses		40,250	40,250	
Other Licenses		27,028	27,028	
Fees & Permits		173,681	173,681	
Municipal Court:				
Fines & Costs	\$27,999	405,911	403,258	30,652
Tax Collector:				
Tax Search Fees		60	60	
Interest & Costs on Taxes		407,366	407,366	
Interest on Investments & Deposits		210,625	210,625	
Housing and Commercial CCO's		86,620	86,620	
Consolidated Municipal Property				
Tax Relief		336,189	336,189	
Energy Receipts Tax		3,015,960	3,015,960	
Garden State Trust Fund		56,290	56,290	
Uniform Construction Code Fees		1,007,271	1,007,271	
Capital Fund Balance		100,000	100,000	
Police Uniform Reimbursement/Giveback		47,377	47,377	
Cablevision Franchise Fee		192,542	192,542	
Total	\$27,999	6,107,170	6,104,517	30,652
			\$6,048,227	
			56,290	
			\$6,104,517	

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF 2010 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<b>General Government:</b>					
Administrative Executive:					
Other Expenses	\$9,625	5,742	22,367	21,518	849
Human Services:					
Other Expenses	6,111	138	5,249	585	4,664
Township Council:					
Other Expenses	3,008	275	3,283	275	3,008
Election:					
Other Expenses	3,089		1,089		1,089
Municipal Clerk:					
Salaries and Wages	479		479	459	20
Other Expenses	3,220	11,087	14,307	11,466	2,841
Mayor Office:					
Salaries and Wages	5,787		3,787		3,787
Other Expenses	1,548	1,330	2,878	1,330	1,548
Financial Administration:					
Other Expenses	16,601	2,154	18,755	8,563	10,192
Audit Services:					
Other Expenses		40,000	40,000	40,000	
Data Processing:					
Other Expenses	16,024	572	9,596	380	9,216
Collection of Taxes:					
Other Expenses	2,087	7,502	9,589	7,522	2,067
Assessment of Taxes:					
Salaries and Wages	16,536		8,536	(590)	9,126
Other Expenses	1,078	3,917	4,995	3,917	1,078
Purchasing:					
Other Expenses	806	1,191	1,997	1,156	841
Legal Services & Costs:					
Other Expenses	66,453		51,453	16,474	34,979
Engineering Services & Costs:					
Other Expenses	8,242	37,607	45,849	41,861	3,988
Community Alliance-Alcoholism & Drugs:					
Other Expenses	82	18	100	93	7
Housing & Inspection Code:					
Other Expenses	326	78	404	78	326
Planning/Zoning Boards:					
Salaries and Wages	1,488		1,488	125	1,363
Other Expenses	33,156	299	21,455	11,050	10,405
Maintenance of Tax Maps:					
Other Expenses	1,576		1,576	797	779
Rent Leveling Board:					
Salaries and Wages	175		175	16	159
Other Expenses	9,400		9,400	2,437	6,963

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF 2010 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Code Enforcement - Other:					
Salaries and Wages	11,633		8,633		8,633
Other Expenses	1,018	594	1,612	591	1,021
Insurance:					
General Liability	21,759	5,000	26,759	5,500	21,259
Employee Group Health	77,912	561	78,473	1,163	77,310
Police Department:					
Salaries and Wages	110,619		75,619	26,939	48,680
Other Expenses	25,066	58,311	83,377	45,025	38,352
Police Dispatch/911:					
Salaries and Wages	23,166		23,166	5,748	17,418
Emergency Management:					
Salaries and Wages	420		420	180	240
Other Expenses	1,240	12,940	14,180	2,076	12,104
Aid to Volunteer Ambulance:					
Other Expenses		15,000	15,000	15,000	
Municipal Prosecutor:					
Other Expenses	5,333		5,333	3,333	2,000
Juvenile Conference Committee:					
Salaries and Wages	207		232	228	4
Other Expenses	25				
Streets & Roads Maintenance:					
Salaries and Wages	54,786		54,786	38,273	16,513
Other Expenses	23,343	39,341	62,684	43,655	19,029
Snow Removal:					
Other Expenses	150,719	45,051	305,770	288,408	17,362
Solid Waste Collection:					
Salaries and Wages	10,381		9,381		9,381
Other Expenses	13,588		14,588	14,228	360
Buildings & Grounds:					
Salaries and Wages	29,437		29,437	126	29,311
Other Expenses	33,995	40,958	74,953	29,248	45,705
Shade Tree Commission:					
Salaries and Wages	17		42	31	11
Other Expenses	12,253		12,228	3,506	8,722
Vehicle Maintenance:					
Salaries and Wages	5,209		5,209	1,618	3,591
Other Expenses	22,740	33,108	55,848	24,593	31,255
Community Services Act:					
Other Expenses		225,000	225,000	211,804	13,196
Public Health Services:					
Salaries and Wages	2,262		2,262	805	1,457
Other Expenses	216	186	402	186	216
Environmental Health Services-					
Environmental Commission:					
Salaries and Wages	251		251	105	146
Animal Control Services:					
Salaries and Wages	8,569		8,569	3,507	5,062
Other Expenses	1,693	4,330	6,023	2,373	3,650

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF 2010 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<b>Recreation Services &amp; Programs:</b>					
Salaries and Wages	18,812		10,812		10,812
Other Expenses	15,609	3,806	19,415	1,942	17,473
<b>Office for the Golden Age:</b>					
Salaries and Wages	12,378		6,378	2,434	3,944
Other Expenses	9,876	4,531	14,407	4,088	10,319
<b>Commission for Disabled:</b>					
Salaries and Wages	7,967		7,967	1,127	6,840
<b>Postage &amp; Photocopy:</b>					
Other Expenses	2,570	2,808	5,378	2,788	2,590
<b>Utility Expenses &amp; Bulk Purchases:</b>					
Electricity	7,512	52,072	79,584	67,949	11,635
Street Lighting	5,209	52,000	57,209	49,040	8,169
Telecommunication Costs	19,944	8,169	23,113	6,203	16,910
Water	3,164		3,164	681	2,483
Natural Gas	34,864	16,000	45,864	11,948	33,916
Heating Oil	2,500		2,500	1,638	862
Fuel & Petroleum Products	10,230	96,829	102,059	81,689	20,370
<b>Landfill/Solid Waste Disposal Costs:</b>					
Other Expenses	42,896	22,463	60,359	32,656	27,703
<b>Legler Landfill - Postclosure Monitoring:</b>					
Other Expenses	8,158		8,158	575	7,583
<b>Municipal Court:</b>					
Salaries and Wages	19,417		11,417	1,816	9,601
Other Expenses	812	3,967	4,779	3,780	999
<b>Uniform Construction Code:</b>					
<b>Construction Code Department:</b>					
Salaries and Wages	16,057		16,057	629	15,428
Other Expenses	2,945	13,216	16,161	14,125	2,036
<b>Statutory Expenditures:</b>					
Social Security System (O.A.S.I.)	80,750		70,750	4,988	65,762
Defined Contribution Retirement Program	541		541	74	467
<b>Operations Excluded from "CAPS":</b>					
<b>Service Contracts:</b>					
Sewer & Water Purposes - MUA	1,520		1,520	704	816
Recycling Tax		5,255	5,255		5,255
LOSAP		22,000	22,000	22,000	
All Others	74,062		74,062		74,062
<b>Total General Appropriations</b>	<b>\$1,252,547</b>	<b>895,406</b>	<b>2,147,953</b>	<b>1,250,635</b>	<b>897,318</b>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF ACCOUNTS PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$435,340
Increased by:		
Prior Year Disbursement Voided	\$12,500	
Appropriation Reserves Charged	135,657	148,157
		<hr/>
Subtotal		583,497
Decreased by:		
Cash Disbursed	7,072	
Cancelled	353,695	360,767
		<hr/>
Balance December 31, 2011		<u><u>\$222,730</u></u>

**SCHEDULE OF RESERVE FOR ENCUMBRANCES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$895,406
Increased by:		
2011 Budget Appropriations		942,987
		<hr/>
Subtotal		1,838,393
Decreased by:		
Transfer to Appropriation Reserves		895,406
		<hr/>
Balance December 31, 2011		<u><u>\$942,987</u></u>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF PREPAID TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$497,879
Increased by:		
2012 Tax Collections	\$562,864	
Overpayments	201,786	764,650
		<hr/>
Subtotal		1,262,529
Decreased by:		
Applied to Taxes Receivable		442,935
		<hr/>
Balance December 31, 2011		<u><u>\$819,594</u></u>

**SCHEDULE OF TAX OVERPAYMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$137,980
Increased by:		
Overpayments Created		123,829
		<hr/>
Subtotal		261,809
Decreased by:		
Refunds		189,830
		<hr/>
Balance December 31, 2011		<u><u>\$71,979</u></u>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF COUNTY TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$153,451
Increased by:		
County Tax	\$19,536,200	
County Library Tax	2,264,797	
County Health Tax	847,624	
County Open Space Preservation Tax	834,158	
Due County for Added & Omitted Taxes	99,287	23,582,066
Subtotal		23,735,517
Decreased by:		
Payments		23,636,230
Balance December 31, 2011		\$99,287

**SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$ -
Increased by:		
Levy - Calendar Year 2011		78,661,566
Subtotal		78,661,566
Decreased by:		
Disbursed		78,661,566
Balance December 31, 2011		-

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$ -
Increased by:		
Fire Districts Levy:		
Whitesville Fire District #1	\$449,500	
Cassville Fire District #2	1,024,022	
Hulses Corner Fire District #3	2,265,625	
Jackson Mills Fire District #4	1,366,944	5,106,091
Subtotal		5,106,091
Decreased by:		
Disbursed		5,106,091
Balance December 31, 2011		<u>\$ -</u>

## EXHIBIT A-18

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - CONSTRUCTION FEES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$16,124
Increased by:		
Collections		52,193
Subtotal		68,317
Decreased by:		
Disbursed		52,173
Balance December 31, 2011		<u>\$16,144</u>

## EXHIBIT A-19

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE LICENSE FEES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$1,125
Increased by:		
Collections		5,925
Subtotal		7,050
Decreased by:		
Disbursed		5,825
Balance December 31, 2011		<u>\$1,225</u>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF RESERVE FOR REVALUATION PROGRAM  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 & 2011	<u><u>\$5,743</u></u>
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**SCHEDULE OF DUE TO MUNICIPAL OPEN SPACE TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$ -
Increased by:	
Open Space Tax	\$1,349,365
Added & Omitted Taxes	<u>5,696</u>
Subtotal	<u>1,355,061</u>
Decreased by:	
Cash Disbursed	<u>1,355,061</u>
Balance December 31, 2011	<u><u>-</u></u>

EXHIBIT A-22

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF RESERVE FOR STATE BOARD OF TAXATION APPEALS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 & 2011

\$421,223

EXHIBIT A-23

**SCHEDULE OF RESERVE FOR SKATE PARK  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 & 2011

\$2,118

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF INTERFUNDS - OTHER FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	FEDERAL & STATE GRANT FUND	TRUST OTHER	TOTAL
Balance December 31, 2010			
Interfunds Receivable (Interfunds Payable)	(\$224,721)	3,261	3,261 (224,721)
Subtotal	<u>(224,721)</u>	3,261	<u>(221,460)</u>
Increased by:			
Anticipated Revenue	277,869	1,349	279,218
Disbursements	235,104		235,104
Subtotal	<u>512,973</u>	1,349	<u>514,322</u>
Decreased by:			
Collections:			
Grants Receivable	108,470		108,470
Unappropriated Funds	227,735		227,735
Interfunds Liquidated		3,261	3,261
Grant Appropriations	287,505		287,505
Subtotal	<u>623,710</u>	3,261	<u>626,971</u>
Balance December 31, 2011			
Interfunds Receivable (Interfunds Payable)	<u>(\$335,458)</u>	1,349	<u>1,349 (335,458)</u>

**ANALYSIS OF NET DEBIT TO OPERATIONS**

Interfund Accounts Receivable:		
Balance December 31, 2011		\$1,349
Balance December 31, 2010		<u>3,261</u>
Net Debit to Operations		<u><u>\$1,912</u></u>

**TOWNSHIP OF JACKSON  
CURRENT FUND  
SCHEDULE OF DEFERRED CHARGES N.J.S. 40A:4-55  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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DATE AUTHORIZED	PURPOSE	NET AMOUNT AUTHORIZED	1/5 OF NET AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2010	REDUCED IN 2011 BUDGET	AUTHORIZED PER RESOLUTION	BALANCE DECEMBER 31, 2011
2011	Codification of Ordinances	\$20,130	\$4,026			20,130	20,130
2007	Revaluation of Real Property	250,000	50,000	\$100,000	50,000		50,000
			Total	\$100,000	50,000	20,130	70,130

**TOWNSHIP OF JACKSON  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF DUE FROM CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$224,721
Increased by:		
Deposited in Current Fund:		
Unappropriated Reserves	\$227,735	
Grants Receivable	108,470	
2011 Budget Appropriations	287,505	623,710
Subtotal		848,431
Decreased by:		
Disbursed by Current Fund:		
Appropriated Reserves	235,104	
2011 Anticipated Revenue	277,869	512,973
Balance December 31, 2011		<u><u>\$335,458</u></u>

**TOWNSHIP OF JACKSON  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	2011 ANTICIPATED REVENUE	CASH RECEIVED	TRANSFERRED FROM UNAPPROPRIATED RESERVE	CANCELLED	BALANCE DECEMBER 31, 2011
State Grants:						
COPS in Shops - Fall College Initiative 2011		3,200	3,200			
COPS in Shops - Summer Shore Initiative 2011		1,600				1,600
Green Communities 2008	\$3,000		3,000			
Variable Message Sign Board Grant 2011		17,000				17,000
Drive Sober or Get Pulled Over 2011		5,000				5,000
SC Information Assistance 2011		17,710	13,285	4,425		
ARRA - EECBG	464,500					464,500
Byrne Justice Assistance Grant	20,850		20,850			
Clean Communities 2011		87,126		87,126		
Recycling Tonnage 2011		69,207		69,207		
Drunk Driving Enforcement Fund 2011		9,279		9,279		
NJ Body Armor Replacement Grant 2011		7,123		7,123		
Municipal Alliance Alcohol & Drug Alliance 2009	192					192
Municipal Alliance Alcohol & Drug Alliance 2010	14,835		12,943			1,892
Municipal Alliance Alcohol & Drug Alliance 2011		26,539	5,786			20,753
NJDEP - Community Forestry Management Plan	7,000					7,000
NJ Handicapped Recreational Opportunities 2011		15,000	9,229			5,771
NJ Handicapped Recreational Opportunities 2010	9,030		9,030			
Safe & Secure Neighborhood 2010	21,604		21,604			
Safe & Secure Neighborhood 2011		19,086	9,543			9,543
<b>Total</b>	<b>\$541,011</b>	<b>277,870</b>	<b>108,470</b>	<b>177,160</b>	<b>-</b>	<b>533,251</b>

**TOWNSHIP OF JACKSON  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	TRANSFERRED FROM 2011 BUDGET	PRIOR YEAR ENCUMBRANCES	EXPENDED	RESERVE FOR ENCUMBRANCES	REFUND	BALANCE DECEMBER 31, 2011
Handicapped Recreation Opportunities - 2010	\$2,561		2,033	4,594			
Handicapped Recreation Opportunities - 2011		18,000		15,815	393		1,792
ARRA EECGB	464,500						464,500
Byrne Justice Assistance Grant			2,663	2,663			
Recycling Tonnage Grant - 2006	3						3
Recycling Tonnage Grant - 2007	33						33
Recycling Tonnage Grant - 2008	7,869						7,869
Recycling Tonnage Grant - 2009	35,530						35,530
Recycling Tonnage Grant - 2010	84,675			40,000			44,675
Recycling Tonnage Grant - 2011		69,207					69,207
Body Armor Replacement Grant - 2007	6,885				6,885		
Body Armor Replacement Grant - 2008	9,422				9,422		
Body Armor Replacement Grant - 2009	8,613				8,613		
Body Armor Replacement Grant - 2010	2,600				820		1,780
Body Armor Replacement Grant - 2011		7,123					7,123
Drunk Driving Enforcement Fund -2009	12,995		1,130	4,385			9,740
Drunk Driving Enforcement Fund -2011		9,279					9,279
Alcohol Education & Rehabilitation - 2005			207	207			
Alcohol Education & Rehabilitation - 2006	497		526	928			95
Alcohol Education & Rehabilitation - 2008	1,353						1,353
Alcohol Education & Rehabilitation - 2009	2,302						2,302
Alcohol Education & Rehabilitation - 2010	3,094						3,094
Municipal Alliance - 2010	5,904		10,702	13,527			3,079
Municipal Alliance - 2011		33,174		17,794	6,460		8,920
Safe & Secure Communities Program 2010	7,201			7,201			
Safe & Secure Communities Program 2011		19,086		14,315			4,771
Clean Communities Program - 1999	1,022						1,022
Clean Communities Program - 2009	6						6
Clean Communities Program - 2010	61,879		380	62,057	200		2
Clean Communities Program - 2011		87,126		27,678	851		58,597
Green Communities	2,269						2,269

**TOWNSHIP OF JACKSON  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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	BALANCE DECEMBER 31, 2010	TRANSFERRED FROM 2011 BUDGET	PRIOR YEAR ENCUMBRANCES	EXPENDED	RESERVE FOR ENCUMBRANCES	REFUND	BALANCE DECEMBER 31, 2011
COPS in Shops - Summer Shore Initiative 20		1,600		1,600			
COPS in Shops - Fall College Initiative 2011		3,200		3,200			
Ocean County Office of Senior Services - Information Systems Grant		17,710		17,340	347		23
Recycling Mini Grant	2,907						2,907
Drive Sober or Get Pulled Over Y/E Crackdown - 2011		5,000		1,800			3,200
Variable Message Sign Board Grant 2011		17,000			17,000		
Stormwater Management	372						372
State Forestry Services - Community Forestry Management Plan Grant	7,198				7,000		198
<b>Total</b>	<b>\$731,690</b>	<b>287,505</b>	<b>17,641</b>	<b>235,104</b>	<b>57,991</b>	<b>-</b>	<b>743,741</b>

**TOWNSHIP OF JACKSON  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS - UNAPPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	BALANCE DECEMBER 31, 2010	RECEIVED 2011	ANTICIPATED AS REVENUE	BALANCE DECEMBER 31, 2011
Municipal Court Alcohol Education & Rehabilitation		1,187		1,187
NJ Body Armor	\$7,123	7,231	7,123	7,231
Clean Communities		87,126	87,126	
NJLM Education Foundation Small Growth Going Green		1,000		1,000
Drunk Driving Enforcement Fund	9,279	8,528	9,279	8,528
OCDOF Senior Citizen Information Grant		4,425	4,425	
Recycling Tonnage		118,238	69,207	49,031
Total	\$16,402	227,735	177,160	66,977

**SCHEDULE OF RESERVE FOR ENCUMBRANCES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$17,640
Increased by:	
Charged to Appropriation Reserves	57,991
Subtotal	75,631
Decreased by:	
Applied to Appropriated Reserves	17,640
Balance December 31, 2011	\$57,991



**TRUST FUND**



**TOWNSHIP OF JACKSON  
TRUST FUND  
SCHEDULE OF CASH - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2011**

	ANIMAL CONTROL TRUST FUND	OPEN SPACE TRUST FUND	TRUST OTHER FUND
Balance December 31, 2010	\$41,362	\$1,685,746	11,516,397
Increased by Receipts:			
Reserve for Animal Control Trust Fund			
Expenditures	\$48,749		
Interfund Due Current			10,304
Various Reserves			4,724,516
Due from Ocean County Community			
Development Block Grant			67,229
Reserve for Open Space		1,368,853	
Due to State of New Jersey	8,995		
Total Receipts	<u>57,744</u>	<u>1,368,853</u>	<u>4,802,049</u>
Total	<u>99,106</u>	<u>3,054,599</u>	<u>16,318,446</u>
Decreased by Disbursements:			
Due to State of New Jersey	9,026		
Animal Control Trust Fund Expenditures			
(R.S.4:19015.11)	28,116		
Interfund - Current Fund			12,216
Community Development Block Grant			149,666
Various Reserves			4,556,113
Reserve for Open Space		773,837	
Total Disbursements	<u>37,142</u>	<u>773,837</u>	<u>4,717,995</u>
Balance December 31, 2011	<u><u>\$61,964</u></u>	<u><u>2,280,762</u></u>	<u><u>11,600,451</u></u>

**TOWNSHIP OF JACKSON  
ANIMAL CONTROL TRUST FUND  
SCHEDULE OF DUE TO STATE OF NEW JERSEY  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$71
Increased by:	
Cash Receipts	8,995
	<hr/>
Subtotal	9,066
Decreased by:	
Cash Disbursements	9,026
	<hr/>
Balance December 31, 2011	<u><u>\$40</u></u>

**SCHEDULE OF DUE FROM COUNTY OF OCEAN COMMUNITY DEVELOPMENT BLOCK GRANT  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$182,120
Increased by:	
Grant Awards	326,200
	<hr/>
Subtotal	508,320
Decreased by:	
Cash Receipts	67,229
	<hr/>
Balance December 31, 2011	<u><u>\$441,091</u></u>

**DETAIL OF BALANCE**

CT-695-03	\$233
CT-705-04	547
CT-814-07	35,000
CT-889-09	89,061
CT-908-10	165,050
CT-931-11	151,200
	<hr/>
Total	<u><u>\$441,091</u></u>

**TOWNSHIP OF JACKSON  
TRUST OTHER FUND  
SCHEDULE OF INTERFUND - CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$3,261
Increased by:	
Cash Receipts	10,304
Subtotal	13,565
Decreased by:	
Cash Disbursements	12,216
Balance December 31, 2011	\$1,349

**ANIMAL CONTROL TRUST FUND  
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$41,291
Increased by:	
2011 Dog License Fees Collected	48,749
Subtotal	90,040
Decreased by:	
Expenditures Under R.S.4:19-15:11 - Cash	28,116
Balance December 31, 2011	\$61,924

**LICENSE FEES COLLECTED**

YEAR	AMOUNT
2011	\$48,857
2010	38,130
Total	\$86,987

**TOWNSHIP OF JACKSON  
TRUST OTHER FUND  
SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$71,647
Increased by:	
Community Development Block Grants	<u>326,200</u>
Subtotal	397,847
Decreased by:	
Cash Disbursed	<u>149,666</u>
Balance December 31, 2011	<u><u>\$248,181</u></u>

TOWNSHIP OF JACKSON  
TRUST OTHER FUND  
SCHEDULE OF VARIOUS RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2011

	BALANCE DECEMBER 31, 2010	INCREASES	DECREASES	BALANCE DECEMBER 31, 2011
Reserve for:				
Municipal Alliance	\$164	550		714
Developer Escrow	5,594,381	914,856	1,304,836	5,204,401
Recreation Trust	261,786	652,004	627,383	286,407
Handicapped Commission	18,865	5,585	6,160	18,290
Tax Title Liens Premiums/ Redemptions	410,841	1,571,473	1,453,560	528,754
Unemployment Trust	192,059	220,368	92,162	320,265
Parking Offense Adjudication Act	1,538	38		1,576
Recycling Trust	235,799	146,979	18,363	364,415
Harmony Trust	474			474
Special Law Enforcement Fund	95,940	41,945	12,824	125,061
Public Defender Fees	16,606	23,262	28,602	11,266
Industrial Commission	1			1
Tree Escrow	761,135	23,968	79,693	705,410
Sick Leave Trust Fund	9,841	174,811	100,485	84,167
Off Duty Police	90,438	687,450	660,367	117,521
Youth Advisory	241			241
Management of Feral Cats	3,353	1,229	2,708	1,874
Snow Removal	349	100,000		100,349
C.O.A.H.	3,147,657	150,685	168,246	3,130,096
Clean Communities Donation		1,425	500	925
Developers Contribution Curbs & Sidewalks	42,950	1,700		44,650
Detention Basin	739,191	6,188	224	745,155
Total	<u>\$11,623,609</u>	<u>4,724,516</u>	<u>4,556,113</u>	<u>11,792,012</u>

**TOWNSHIP OF JACKSON  
OPEN SPACE TRUST FUND  
SCHEDULE OF RESERVE FOR OPEN SPACE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$1,685,746
Increased by:		
Open Space Tax levy	\$1,349,365	
Open Space Added/Omitted Levy	5,696	
Interest Earned	13,792	1,368,853
		<hr/>
Subtotal		3,054,599
Decreased by:		
Payment of Bond Principal	485,000	
Interest on Bonds	288,837	773,837
		<hr/>
Balance December 31, 2011		<u><u>\$2,280,762</u></u>

EXHIBIT B-9

**TOWNSHIP OF JACKSON  
LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")  
SCHEDULE OF FUNDS HELD BY TRUSTEE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 & 2011

\$69,195

EXHIBIT B-10

**SCHEDULE OF RESERVE FOR LENGTH OF SERVICE AWARD PROGRAM  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 & 2011

\$69,195



**GENERAL CAPITAL FUND**



**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$160,099
Increased by:	
Funded Improvement Authorizations Cancelled	<u>300,000</u>
Subtotal	460,099
Decreased by:	
Anticipated as 2011 Budget Revenue	<u>100,000</u>
Balance December 31, 2011	<u><u>\$360,099</u></u>

**SCHEDULE OF CASH AND CASH EQUIVALENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$5,419,701
Increased by:	
Capital Improvement Fund	<u>50,000</u>
Subtotal	5,469,701
Decreased by:	
Improvement Authorizations	\$984,788
Encumbrances Payable	851,930
Anticipated as Current Fund Revenue	<u>100,000</u>
	1,936,718
Balance December 31, 2011	<u><u>\$3,532,983</u></u>

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

		BALANCE DECEMBER 31, 2011
Capital Improvement Fund		\$110,538
Reserve for Encumbrances		1,194,087
Capital Fund Balance		360,099
Reserve for Debt Service - Open Space Bonds		1,853,771
Reserve for Building Department Facilities		10,589
Grants Receivable		(586,385)
Improvement Authorizations:		
Ordinance Number:	DESCRIPTION	
13-03	Improvements to Recreational Facilities	9,662
27-04(ii)	Various Improvements to Justice Complex	90,275
10-06(i)	Construction of Public Works Storage Building	2,620
09-07(i)	Municipal Park Facilities (Recreation Fields)	131,272
09-07(ii)	Construction of Public Works Storage Building	1,764
09-07(iv)/28-07	Acquisition of Security, Telecommunications & GPS Equipment	125,998
09-07(vi)	Improvements to Library & Municipal Facilities	209,047
17-07	Acquisition of Real Property & the Development & Implementation of the Township's Affordable Housing Plan	1,668
29-08(ii)	Telephone/Data System Upgrade	266,342
29-08(iv)	Hydraulic System Transfer Station	331,693
19-09(i)	Various Roadway Improvements	(873,530)
19-09(ii)	Public Water Service Installation	(9,961)
19-09(iii)	Acquisition of Office Equipment	(6,541)
19-09(iv)	Implementation of Recycling Center	1,634
19-09(v)	Acquisition of Equipment for Police Department	(29,376)
143R-10	Brewer's Bridge/OC Shared Services Agreement	215,135
25-10	Road & Drainage Improvements	108,056
25-10	Municipal Capital Improvements	10,461
25-10	Township Recycling Center	1,494
25-10	Technology Upgrades	2,571
Total		\$3,532,983

EXHIBIT C-4

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
SCHEDULE OF DUE FROM STATE OF N.J. DEPARTMENT OF TRANSPORTATION  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$121,250
Increased by:	
Grant Award - 2011 DOT Grant - Patterson Road	250,000
	<hr/>
Balance December 31, 2011	<u>\$371,250</u>

EXHIBIT C-5

**SCHEDULE OF DUE FROM COUNTY FOR SHARED SERVICES AGREEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 & 2011	<u>\$215,135</u>
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EXHIBIT C-6

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$32,490,000
Decreased by:	
Budget Appropriation to Pay Bonds	\$2,805,000
Paid by Open Space Trust Fund	485,000
	<hr/>
Balance December 31, 2011	<u>\$29,200,000</u>

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE		ANALYSIS OF BALANCE DECEMBER 31, 2011			
		DECEMBER 31, 2010	2011 AUTHORIZATIONS	DECREASED 2011	BALANCE DECEMBER 31, 2011	UNEXPENDED IMPROVEMENT EXPENDITURES	AUTHORIZATIONS
19-09(i)	Various Roadway Improvements	\$874,000			874,000	873,530	470
19-09(ii)	Public Water Service Installation	93,575			93,575	9,961	83,614
19-09(iii)	Acquisition of Office Equipment	48,925			48,925	6,541	42,384
19-09(iv)	Implementation of Recycling Center	33,250			33,250		33,250
19-09(v)	Acquisition of Equipment for Police Department	83,600			83,600	29,376	54,224
19-09(vi)	Acquisition of Equipment for Public Works	136,178			136,178	95,523	40,655
19-09(vii)	Acquisition of Passenger Bus for Senior Center	61,750			61,750	54,314	7,436
25-10	Municipal Capital Improvements	199,500			199,500		199,500
25-10	Township Recycling Center	28,500			28,500		28,500
25-10	Technology Upgrades	49,010			49,010		49,010
25-10	Police Department Equipment	342,950			342,950	17,246	325,704
25-10	Department of Public Works Equipment	1,501,841			1,501,841	84,645	1,417,196
40-11	Storm Water Basin		1,332,313		1,332,313		1,332,313
<b>Total</b>		<b>\$3,453,079</b>	<b>1,332,313</b>	<b>-</b>	<b>4,785,392</b>	<b>1,171,136</b>	<b>3,614,256</b>

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

IMPROVEMENT DESCRIPTION	ORIGINAL AMOUNT OF ISSUE	ORIGINAL DATE OF ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE	ISSUED	PAID	BALANCE
			DECEMBER 31, 2011	DECEMBER 31, 2010	DECEMBER 31, 2011					
70 General Improvements	\$7,931,000	12/01/2003	12/01/2012	\$900,000	3.125%	\$3,531,000		800,000	2,731,000	
			12/01/2013	900,000	3.35%					
			12/01/2014	931,000	3.50%					
Open Space Bonds	5,918,000	12/01/2003	12/01/2012	443,000	3.125%	3,718,000		400,000	3,318,000	
			12/01/2013	450,000	3.35%					
			12/01/2014	450,000	3.50%					
			12/01/2015	475,000	3.60%					
			12/01/2016-18	500,000	4.00%					
General Improvements	16,102,000	12/01/2008	12/01/2012	1,125,000	3.50%	15,902,000		100,000	15,802,000	
			12/01/2013	1,180,000	3.75%					
			12/01/2014	1,250,000	3.75%					
			12/01/2015	1,945,000	3.75%					
			12/01/2016-17	2,025,000	3.75%					
			12/01/2018	2,085,000	4.00%					
			12/01/2019	2,035,000	4.00%					
12/01/2020	2,132,000	4.125%								

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

IMPROVEMENT DESCRIPTION	ORIGINAL AMOUNT OF ISSUE	ORIGINAL DATE OF ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2011			INTEREST RATE	BALANCE DECEMBER 31, 2010	ISSUED	PAID	BALANCE DECEMBER 31, 2011
			PAYMENT DATE	PAYMENT AMOUNT						
Open Space Bonds	3,739,000	12/01/2008	12/01/2012	80,000		3,589,000		85,000	3,504,000	
			12/01/2013	90,000						
			12/01/2014	110,000						
			12/01/2015	105,000						
			12/01/2016	100,000						
			12/01/2017	125,000						
			12/01/2018	130,000						
			12/01/2019	225,000						
			12/01/2020	235,000						
			12/01/2021	245,000						
			12/01/2022	255,000						
			12/01/2023	270,000						
			12/01/2024	280,000						
			12/01/2025	295,000						
			12/01/2026	305,000						
			12/01/2027	320,000						
12/01/2028	334,000									
Refunding Bonds	8,010,000	04/30/2009	12/01/2012	775,000		5,750,000		1,905,000	3,845,000	
			12/01/2013	765,000						
			12/01/2014	760,000						
			12/01/2015	775,000						
			12/01/2016	770,000						
Total						<u>\$32,490,000</u>		<u>3,290,000</u>	<u>29,200,000</u>	

TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2011

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE - DECEMBER 31, 2010		2011 AUTHORIZATIONS	PAID OR RESERVE FOR ENCUMBRANCES	PR. YR. ENCUMBRANCE AUTHORIZATION		BALANCE - DECEMBER 31, 2011	
		UNFUNDED	FUNDED			CANCELLED	CANCELLED	UNFUNDED	FUNDED
13-03	Improvements to Recreational Facilities		\$9,662						9,662
27-04(ii)	Various Improvements to the Justice Complex		80,432			9,843			90,275
10-06(i)	Construction of Public Works Storage Building		2,620						2,620
09-07(i)	Municipal Park Facilities (Recreation Fields)		222,779			8,493	100,000		131,272
09-07(ii)	Various Road Improvements		19,250		19,250				
09-07(iii)	Construction of Public Works Storage Building		1,755			9			1,764
09-07(iv)/ 28-07A	Acquisition of Security, Telecommunications & GPS Equipment		125,998						125,998
09-07(vi)	Improvements to Library & Municipal Facilities		605,592		3,512	193,033	200,000		209,047
17-07	Acquisition of Real Property & the Development & Implementation of the Township's Affordable House Plan		18,128		16,460				1,668
29-08(i)	Various Road Improvements		114,104		104,935	9,169			
29-08(ii)	Telephone/Data System Upgrade		266,342						266,342
29-08(iii)	Capital Equipment for Department of Public Works		133,773		86,773	47,000			

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**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2010		2011 AUTHORIZATIONS	PAID OR RESERVE FOR ENCUMBRANCES	PRIOR YEAR ENCUMBRANCE CANCELLED	AUTHORIZATION CANCELLED	BALANCE DECEMBER 31, 2011		
		UNFUNDED	FUNDED					UNFUNDED	FUNDED	
29-08(iv)	Hydraulic System Transfer Station		331,693						331,693	
19-09(i)	Various Road Improvements	293,404			357,998	65,064		470		
19-09(ii)	Public Water Service Installation		83,614					83,614		
19-09(iii)	Acquisition of Office Equipment	42,384						42,384		
19-09(iv)	Implementation of Recycling Center	33,250	1,634					33,250	1,634	
19-09(v)	Acquisition of Equipment for Police Department	54,224						54,224		
19-09(vi)	Acquisition of Equipment for Public Works	136,178	7,052		74,031	28,544		40,655		
10-09(vii)	Acquisition of Passenger Bus for Senior Center	61,750	3,134		57,448			7,436		
143R-10	Brewers Bridge/OC Shared Services Agreement		215,135						215,135	
25-10	Road & Drainage Improvements		864,271		597,963	156,524			109,784	
25-10	Municipal Capital Improvements	199,500	10,461					199,500	10,461	
25-10	Township Recycling Center	28,500	1,494					28,500	1,494	
25-10	Technology Upgrades	49,010	2,571					49,010	2,571	
25-10	Police Department Equipment	342,950	17,984			35,230		325,704		
25-10	DPW Equipment	1,501,841	78,753		24,416	138,982		1,417,196		
403R-10	DOT Municipal Aid 2011 - Patterson Road			250,000					250,000	
40-11	Storm Water Basin			1,332,313					1,332,313	
Total		\$2,826,605	3,134,617	1,582,313	984,788	966,480	83,409	300,000	3,614,256	1,761,420

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EXHIBIT C-10

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$1,162,946
Increased by:		
Charged to Improvement Authorizations		<u>966,480</u>
Subtotal		2,129,426
Decreased by:		
Expenditures	\$851,930	
Prior Year Encumbrance Canceled	<u>83,409</u>	<u>935,339</u>
Balance December 31, 2011		<u><u>\$1,194,087</u></u>

EXHIBIT C-11

**SCHEDULE OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010		\$60,538
Increased by:		
2011 Budget Appropriation		<u>50,000</u>
Balance December 31, 2011		<u><u>\$110,538</u></u>

EXHIBIT C-12

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR DEBT SERVICE - OPEN SPACE BONDS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010 & 2011

\$1,853,771

EXHIBIT C-13

**SCHEDULE OF RESERVE FOR FIRE DAMAGE - ANNEX BUILDING  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2011 & 2010

\$10,589

**TOWNSHIP OF JACKSON  
GENERAL CAPITAL FUND  
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
AT DECEMBER 31, 2011**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE		DEFERRED CHARGES FUNDED	BALANCE DECEMBER 31, 2011
		DECEMBER 31 2010	2011 AUTHORIZATIONS		
19-09(i)	Various Roadway Improvements	\$874,000			874,000
19-09(ii)	Public Water Service Installation	93,575			93,575
19-00(iii)	Acquisition of Office Equipment	48,925			48,925
19-09(iv)	Implementation of Recycling Center	33,250			33,250
19-09(v)	Acquisition of Equipment for Police Department	83,600			83,600
19-09(vi)	Acquisition of Equipment for Public Works	136,178			136,178
19-09(vii)	Acquisition of Passenger Bus for Senior Center	61,750			61,750
25-10	Municipal Capital Improvements	199,500			199,500
25-10	Township Recycling Center	28,500			28,500
25-10	Technology Upgrades	49,010			49,010
25-10	Police Department Equipment	342,950			342,950
25-10	Department of Public Works Equipment	1,501,841			1,501,841
40-11	Storm Water Basin		1,332,313		1,332,313
	Total	\$3,453,079	1,332,313	-	4,785,392



**PUBLIC ASSISTANCE FUND**

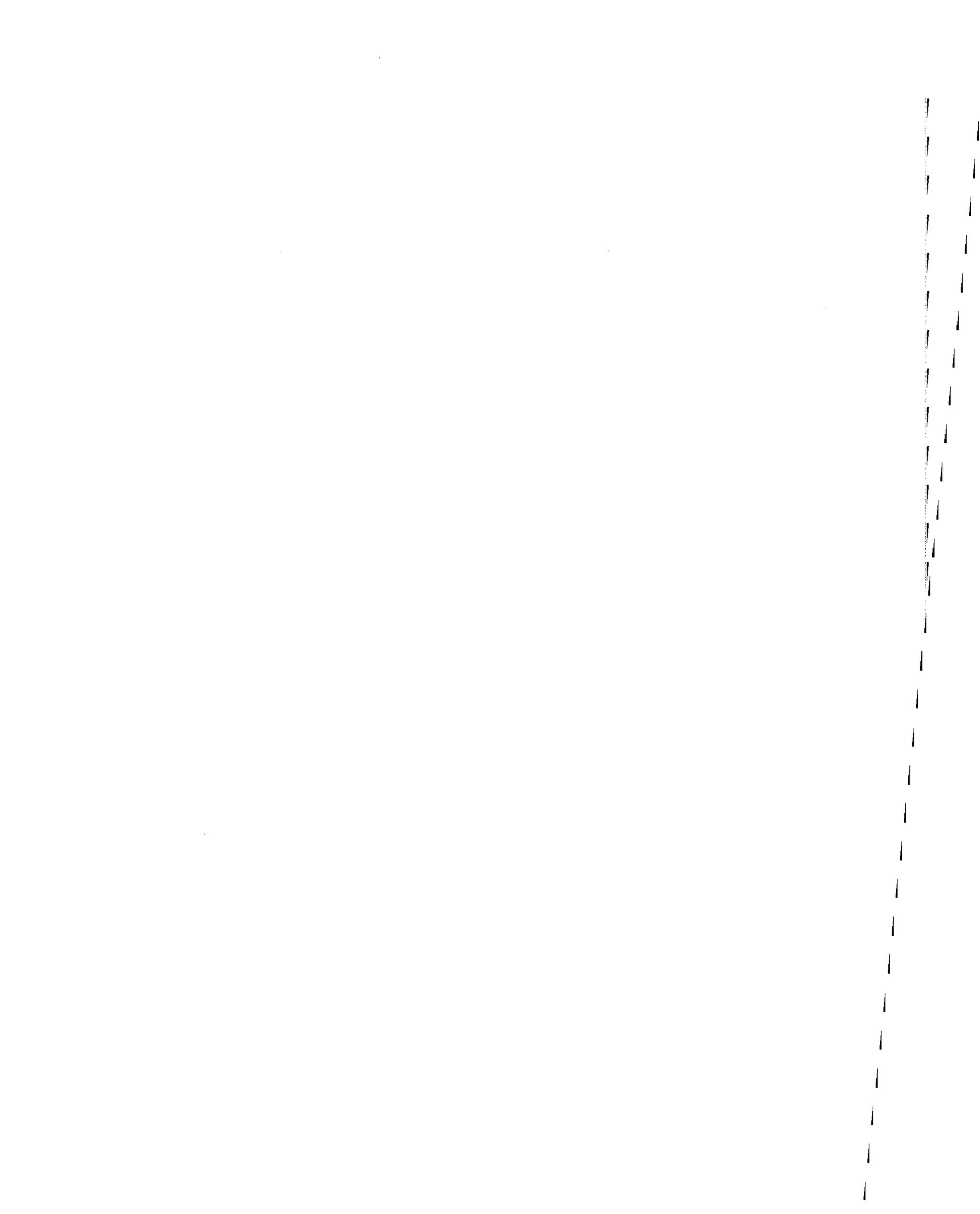


EXHIBIT D-1

**TOWNSHIP OF JACKSON  
PUBLIC ASSISTANCE FUND  
SCHEDULE OF CASH  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$29,312
Increased by:	
Interest Earned	<u>240</u>
Balance December 31, 2011	<u><u>\$29,552</u></u>

EXHIBIT D-2

**SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance December 31, 2010	\$29,312
Increased by:	
Interest Earned	<u>240</u>
Balance December 31, 2011	<u><u>\$29,552</u></u>



**GENERAL FIXED ASSETS**



**TOWNSHIP OF JACKSON  
GENERAL FIXED ASSETS GROUP  
SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS  
DECEMBER 31, 2011**

GENERAL FIXED ASSETS	BALANCE DECEMBER 31, 2010	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2011
Land	\$54,993,800			54,993,800
Building & Building Improvements	47,522,404			47,522,404
Machinery & Equipment	11,047,720	278,581	423,628	10,902,673
Total	<u>\$113,563,924</u>	<u>278,581</u>	<u>423,628</u>	<u>113,418,877</u>



**SUPPLEMENTARY DATA**



**Summary of Municipal Debt  
(Excluding Current Debt)**

	YEAR 2011	YEAR 2010	YEAR 2009
Issued - General - Bonds & Notes	\$29,200,000	32,490,000	35,690,000
Bonds & Notes Authorized Not Issued	4,785,392	3,453,079	1,331,751
	<hr/>		
Net Bonds & Notes Issued	\$33,985,392	35,943,079	37,021,751
	<hr/> <hr/>		

**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 .3646%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$99,390,973	99,390,973	
General Debt	33,985,392	8,675,771	25,309,621
	<hr/>		
Total	\$133,376,365	108,066,744	25,309,621
	<hr/> <hr/>		

Net Debt, \$25,309,621 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended \$6,941,977,121 equals .3646%.

Equalized Valuation Basis:

2011	\$6,800,491,534
2010	6,913,834,225
2009	7,111,605,604
	<hr/>

Average

\$6,941,977,121

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**Borrowing Power Under 40A:2-6:**

3-1/2% of Equalized Valuation Bases (Municipal)  
Net Debt

\$242,969,199  
25,309,621

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Remaining Borrowing Power

\$217,659,578

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**Comparative Statement of Operations and  
Change in Fund Balance - Current Fund**

	YEAR 2011		YEAR 2010	
	AMOUNT	PERCENT	AMOUNT	PERCENT
<b>Revenue and Other Income Realized</b>				
Fund Balance Utilized	\$2,400,000	1.63%	3,800,000	2.66%
Miscellaneous - From Other Than Local Property Tax Levies	8,456,353	5.76%	10,615,768	7.42%
Collection of Delinquent Taxes & Tax Title Liens	1,262,234	0.86%	1,737,098	1.21%
Collection of Current Tax Levy	134,754,435	91.75%	126,963,411	88.71%
<b>Total Income</b>	<b>146,873,022</b>	<b>100.00%</b>	<b>143,116,277</b>	<b>100.00%</b>
<b>Expenditures</b>				
Budget Expenditures - Municipal Purposes	36,208,568	24.99%	37,254,792	26.51%
County Taxes	23,582,066	16.27%	23,308,025	16.59%
Local School Taxes	78,661,566	54.28%	73,569,074	52.35%
Fire District Taxes	5,106,091	3.52%	5,043,372	3.59%
Municipal Open Space Tax	1,355,061	0.94%	1,361,215	0.97%
<b>Total Expenditures</b>	<b>144,913,352</b>	<b>100.00%</b>	<b>140,536,478</b>	<b>100.00%</b>
Excess in Revenue	1,959,670		2,579,799	
Expenditures Included Above which are are by Statute Deferred Charges to budgets of Succeeding Years	20,130			
Statutory Excess to Fund Balance	1,979,800		2,579,799	
Fund Balance January 1	2,770,286		3,990,487	
<b>Total</b>	<b>4,750,087</b>		<b>6,570,286</b>	
Less:				
Utilization as Anticipated Revenue	2,400,000		3,800,000	
<b>Fund Balance December 31</b>	<b>\$2,350,087</b>		<b>2,770,286</b>	



### Comparative Schedule of Fund Balances

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amount utilized in the subsequent years' budgets.

<b>Current Fund:</b>	<b>Balance December 31</b>	<b>Utilized in Budget of Succeeding Year</b>	<b>Percentage of Fund Balance Used</b>
2011	\$2,350,087	1,900,000	80.85%
2010	2,770,286	2,400,000	86.63%
2009	3,990,487	3,800,000	95.23%
2008	6,119,009	4,850,000	79.26%
2007	8,010,270	5,900,000	73.66%
2006	7,183,127	5,100,000	71.00%

## OFFICIALS IN OFFICE AND SURETY BONDS

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

NAME	TITLE
Michael Reina	Mayor
Kenneth Bressi	Council President
Ann M. Updegrave	Council Vice President
Michael J. Kafton	Councilman
Scott Martin	Councilman
Bobbie Rivere	Councilwoman
Joey Torres	Administrator
Sharon Pinkava	Chief Financial Officer
Ann Marie Eden	Township Clerk/Search Officer
Daniel Sahin	Magistrate
Erin DiCristina	Court Administrator
Gilmore & Monahan	Attorney

There were Employee's Blanket Performance Bonds in the amount of \$50,000 for the Township employees and court personnel carried by the Ocean County Joint Insurance Fund and \$950,000 carried by the Municipal Excess Liability Joint Insurance Fund.



**TOWNSHIP OF JACKSON  
COUNTY OF OCEAN**

**PART II**

**COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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Certified Public Accountants & Consultants

The Honorable Mayor and Members of the  
Township Council  
Township of Jackson  
Jackson, New Jersey 08527

We have audited the financial statements of the Township of Jackson in the County of Ocean for the year ended December 31, 2011. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments and Recommendations* for the year then ended.

### GENERAL COMMENTS

#### **Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4)**

*N.J.S.A.40A:11-4* - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$17,500 except by contract or agreement. The Township employs a qualified purchasing agent.

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

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

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.

#### **Contracts and Agreements Requiring Solicitation of Quotations**

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$3,900 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

**Collection of Interest on Delinquent Taxes**

The statute provides the method for authorizing interest and the maximum rate 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:

“**BE IT RESOLVED** by the Township Council of the Township of Jackson, County of Ocean, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made eight (8) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

**BE IT FURTHER RESOLVED**, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

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 delinquent taxes at December 31, 2011 included 2011, 2010, 2010, 2009, 2008, 2007 and 2006 real estate taxes.

The last tax sale was held on September 28, 2011 and was complete.

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

YEAR	NUMBER OF LIENS
2012	125
2011	119
2010	99

**Deductions from Taxes**

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

**Examination of Bills**

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a partial payment or estimate.

## **Municipal Court**

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the municipal court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

## **Payroll**

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of Township employees, also, the examination ascertained that the accumulated withholdings were distributed to the proper agencies.

## **Follow-Up of Prior Year Findings**

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was taken on all prior year findings.

## **Acknowledgment**

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Rodney R. Haines  
Certified Public Accountant  
Registered Municipal Accountant  
CR 498

Medford, New Jersey  
May 31, 2012

