TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

YEARS ENDED DECEMBER 31, 2010 AND 2009

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION

with

INDEPENDENT AUDITOR'S REPORTS

and

COMMENTS AND RECOMMENDATIONS

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COUNTY OF MONMOUTH, NEW JERSEY

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COUNTY OF MONMOUTH, NEW JERSEY

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Comments and Recommendations

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

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Council
Township of Hazlet, New Jersey

We have audited the accompanying regulatory-basis financial statements of the Township of Hazlet, County of Monmouth, New Jersey ("Township") as of December 31, 2010, and for the year ended December 31, 2010, which collectively comprise the Township's basic financial statements listed as financial statement exhibits in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Township for the year ended December 31, 2009 were audited by other auditors whose report dated October 15, 2010 expressed an adverse opinion in accordance with generally accepted accounting principles in the United States of America and unqualified on a regulatory basis.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The Township did not update its General Fixed Assets files as of December 31, 2010, and was unable to provide evidence to support the amounts reported on the Statement of General Fixed Assets – Regulatory Accounting Basis as of December 31, 2010. The amount that should have been reported as General Fixed Assets using the guidelines prescribed by the Division could not be reasonably determined.

As described in Note 1, the Township prepares its financial statements using accounting practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed or permitted by the Division, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. In addition, the financial statements of the Length of Service Award Program ("LOSAP") have not been audited, and we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the Township's financial statements. The LOSAP financial activities are included in the Township's Trust Fund, and represent 9.47% and 6.07% of the assets and liabilities of the Township's Trust Funds as of December 31, 2010 and December 31, 2009, respectively.

In our opinion, because of the effects of the Township's preparing its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2010, or the changes in its financial position, or, where applicable, its cash flows for the year then ended. Further, the Township has not presented a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

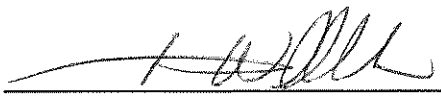
The Township's financial statements do not contain certain information required by GASB 45 for Other Post-Retirement Benefits. In our opinion, disclosure of that information is required to conform with accounting principles generally accepted in the United States of America.

Also in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP and General Fixed Assets financial statements been audited, the regulatory-basis financial statements referred to above present fairly, in all material respects, the financial position, on a regulatory accounting basis, of the various funds of the Township as of December 31, 2010, and the results of operations and changes in fund balance - regulatory basis of such funds for the year then ended and the Statements of Revenues - Regulatory Basis and the Statement of Expenditures - Regulatory Basis of the various funds for the year ended December 31, 2010 on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated June 2, 2011 on our consideration of the Township's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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



Robert W. Allison
Registered Municipal Accountant
(#483)

June 2, 2011

FINANCIAL STATEMENTS

CURRENT FUND

EXHIBITS

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

Assets	Reference	2010	2009
Current Fund:			
Cash	1-A	$ 4,457,304.82	$ 3,563,434.62
Cash - Change Fund	A	350.00	350.00
Due From State of New Jersey - Chap. 20 P.L. 1971	6-A		4,886.30
		4,457,654.82	3,568,670.92
Receivables With Full Reserves:			
Delinquent Property Taxes Receivable	2-A	534,598.95	573,498.65
Tax Title Liens Receivable	3-A	82,285.28	78,341.09
Property Acquired for Taxes	4-A	371,500.00	724,000.00
Revenue Accounts Receivable	5-A	18,188.54	14,417.38
Interfunds Receivable	7-A	73,720.27	1,147,747.01
Local District School Taxes Receivable	17-A	4.50	
Other Accounts Receivable	8-A	7,106.46	2,941.26
		1,087,404.00	2,540,945.39
Deferred Charges:			
Special Emergency Authorization	9-A	200,000.00	300,000.00
		5,745,058.82	6,409,616.31
Federal and State Grant Fund:			
Grants Receivable	10-A	67,789.78	62,983.78
Interfund - Current Fund	23-A	166,112.70	144,591.71
		233,902.48	207,575.49
Total Assets		$ 5,978,961.30	$ 6,617,191.80

Liabilities, Reserves and Fund Balance	Reference	2010	2009
Current Fund:			
Appropriation Reserves	A-3,11-A	$ 1,075,173.99	$ 1,043,482.60
Interfunds Payable	7-A	166,112.70	316,215.18
Prepaid Taxes	14-A	163,546.52	224,046.88
Tax Overpayments	13-A	295,594.00	286,797.73
County Taxes Payable	16-A	10,833.41	8,150.58
Local District School Taxes Payable	17-A		14,859.75
Due To State of New Jersey :			
Various	19-A	2,373.00	3,159.00
Chap. 20 P.L. 1971	6-A	8,482.19	
Accounts Payable	18-A	29,375.00	10,586.37
Various Reserves	20-A	385,409.66	71,533.16
Special Emergency Note Payable	21-A	200,000.00	300,000.00
Reserve for:			
Encumbrances	12-A	240,419.50	210,802.45
Tax Appeals	22-A	12,139.55	12,139.55
		2,589,459.52	2,501,773.25
Reserve for Receivables and Other Assets	A	1,087,404.00	2,540,945.39
Fund Balance	A-1	2,068,195.30	1,366,897.67
		3,155,599.30	3,907,843.06
		5,745,058.82	6,409,616.31
Federal and State Grant Fund:			
Appropriated Reserves	25-A	152,832.65	98,641.83
Unappropriated Reserves	26-A	70,431.07	74,496.97
Encumbrances Payable	24-A	10,638.76	34,436.69
		233,902.48	207,575.49
Total Liabilities, Reserves and Fund Balance		$ 5,978,961.30	$ 6,617,191.80

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

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

Years ended December 31, 2010 and 2009

	Reference	2010	2009
Revenue and Other Income Realized:			
Surplus Utilized	A-2	$ 1,300,000.00	$ 1,975,000.00
Miscellaneous Revenue Anticipated	A-2	4,618,596.93	4,509,567.54
Receipts From Delinquent Taxes	A-2	567,400.74	527,258.77
Receipts From Current Taxes	A-2	53,945,151.51	51,690,486.94
Non-Budget Revenue	A-2	376,655.86	332,209.98
Other Credit To Income:			
Unexpended Balance of Appropriation Reserves	11-A	646,606.55	605,385.73
Prior Year Interfunds Returned	A	472,747.01	
Tax Overpayments Cancelled	A-1		255.29
Cancellation of Accounts Payable	18-A	10,586.37	23,456.37
Cancel Outstanding Checks	1-A	741.02	
Adjustment To Due To State - P.L. 1971	A-1		8,186.50
Other Accounts Receivable Liquidated	8-A	24,340.54	26,961.95
Total Revenue		61,962,826.53	59,698,769.07
Expenditures:			
Budget Appropriations Within Caps:			
Operations:			
Salaries and Wages	A-3	7,784,864.72	7,867,750.00
Other Expenses	A-3	5,595,662.29	5,348,073.00
Deferred Charges and Statutory Expenditures	A-3	1,970,264.31	1,919,648.00
Budget Appropriations Excluded From Caps:			
Operations:			
Salaries and Wages	A-3	110,000.00	94,500.00
Other Expenses	A-3	389,755.91	168,555.98
Capital Improvements	A-3	125,000.00	125,000.00
Municipal Debt Service	A-3	1,852,294.67	1,670,079.96
Deferred Charges	A-3	100,000.00	528,000.00
County Taxes	16-A	7,124,950.97	6,862,203.14
Amount Due County for Added & Omitted Taxes	16-A	10,833.41	8,150.58
Local District School Taxes	17-A	32,895,363.50	31,715,226.00
Special Fire District Taxes	15-A	1,552,337.00	1,572,274.00
Municipal Open Space Tax Payable	7-A	238,414.83	239,089.02
Municipal Open Space Tax Payable - Added/Omitted	7-A	353.64	260.60
Other Accounts Receivable Advanced	8-A	28,505.74	22,129.82
Prior Year Senior Citizen Deduction Disallowed	6-A	4,250.00	1,734.40
Set up Reserve for School Receivable	17-A	4.50	
Refund Prior Years' Tax Revenue	1-A	101,657.78	239,201.35
Interfunds Advanced	7-A	73,720.27	1,075,668.64
Establish Reserve For Tax Appeals	A-1		12,139.55
Refund Prior Year Revenue	1-A	3,295.36	342.37
Total Expenditures		59,961,528.90	59,470,026.41
Excess in Revenue		2,001,297.63	228,742.66
Fund Balance, January 1	A	1,366,897.67	3,113,155.01
		3,368,195.30	3,341,897.67
Decreased By:			
Utilized as Anticipated Revenue	A-2	1,300,000.00	1,975,000.00
Fund Balance, December 31	A	$ 2,068,195.30	$ 1,366,897.67

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Reference	Budget	Realized	Excess/ (Deficit)
Surplus Anticipated	A-1	$ 1,300,000.00	$ 1,300,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	5-A	21,385.28	23,286.31	$ 1,901.03
Other	5-A	71,041.60	68,113.00	(2,928.60)
Fees and Permits	5-A	110,348.94	144,717.92	34,368.98
Fines and Costs:				
Municipal Court	5-A	240,730.66	251,829.05	11,098.39
Interest and Costs on Taxes	5-A	100,000.00	159,538.14	59,538.14
Cable Franchise Fees	5-A	114,151.60	114,151.60	
Hotel/Motel Fees	5-A	100,000.00	107,143.93	7,143.93
Interest on Investments and Deposits	5-A	24,257.29	11,357.44	(12,899.85)
Anticipated Utility Operating Surplus - Sewer	5-A	439,777.37	439,777.37	
Consolidated Municipal Property Tax Relief Aid	5-A	289,572.00	289,572.00	
Energy Receipts Tax (P.L. 1997, Ch. 162 & 167)	5-A	1,594,767.00	1,594,767.00	
Payments in Lieu of Taxes on State Exempt Property (N.J.S.A. 54:4-2.2a et seq.)	5-A	240,000.00	281,775.95	41,775.95
Uniform Construction Code Fees	5-A	225,000.00	285,237.00	60,237.00
Township of Holmdel Construction	A-2	110,000.00		(110,000.00)
Recycling Tonnage Grant	5-A	34,496.97	34,496.97	
Clean Communities Program	5-A	32,141.25	32,141.25	
Municipal Alliance on Alcoholism and Drug Abuse	5-A	32,692.00	32,692.00	
Green Meadows Farm	5-A	40,000.00	40,000.00	
Hazlet Township Board of Education - School Resource Officer	5-A	50,000.00	33,000.00	(17,000.00)
Interfund Accounts Receivable to be Cleared	5-A	675,000.00	675,000.00	
Total Miscellaneous Revenues	A-1	4,545,361.96	4,618,596.93	73,234.97
Receipts From Delinquent Taxes	A-1,2-A	515,000.00	567,400.74	52,400.74
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	12,643,101.00	13,197,898.16	554,797.16
Budget Totals		19,003,462.96	19,683,895.83	680,432.87
Non-Budget Revenue	A-1,A-2		376,655.86	376,655.86
	A-3	$ 19,003,462.96	$ 20,060,551.69	$ 1,057,088.73

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Reference		
Analysis of Realized Revenue			
Revenue From Collections	2-A		$ 53,945,151.51
Allocated To:			
Local District School	17-A	$ 32,895,363.50	
County Taxes	16-A	7,124,950.97	
Due County for Added and Omitted Taxes	16-A	10,833.41	
Municipal Open Space Tax	7-A	238,768.47	
Special District Taxes	15-A	1,552,337.00	
			41,822,253.35
Balance for Support of Municipal Budget Appropriations			12,122,898.16
Add: Appropriation Reserve for Uncollected Taxes	A-3		1,075,000.00
Amount for Support of Municipal Budget Appropriations	A-2		$ 13,197,898.16
Receipts From Delinquent Taxes:			
Delinquent Tax Collections	2-A		$ 567,400.74
Analysis of Non-Budget Revenue			
Miscellaneous Revenue Not Anticipated:			
Administrative Fee Senior Citizens and Vets			$ 5,563.33
Municipal Clerk			5,187.86
Railroad Daily Parking Fees			24,112.07
Finance Department Receipts			92,594.32
Tax Department Receipts			6,544.81
Police Department Receipts			11,344.78
Police Off Duty Administrative Fee			21,250.87
Insurance Dividends			210,057.82
	A-2		$ 376,655.86
Cash Receipts	1-A		$ 355,404.99
Interfunds	7-A		21,250.87
			$ 376,655.86

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

General Appropriations Operations - Within "CAPS"	Appropriations Original Budget	Appropriations Budget After Modifications	Expended Paid or Charged	Expended Reserved	Cancelled
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	$ 157,281.90	$ 140,281.90	$ 136,175.86	$ 4,106.04	
Other Expenses	232,600.00	222,600.00	197,190.40	25,409.60	
Mayor and Committee:					
Salaries and Wages	21,851.00	21,851.00	21,850.02	0.98	
Other Expenses	18,735.00	16,735.00	8,126.87	8,608.13	
Municipal Clerk:					
Salaries and Wages	90,170.20	90,170.20	90,069.35	100.85	
Other Expenses	28,800.00	28,800.00	12,735.27	16,064.73	
Elections:					
Salaries and Wages	2,700.00	2,700.00	2,263.58	436.42	
Other Expenses	7,000.00	7,000.00	6,418.25	581.75	
Registrar/Vital Statistics:					
Salaries and Wages	15,098.26	15,098.26	15,095.10	3.16	
Other Expenses	3,250.00	3,250.00	557.29	2,692.71	
Financial Administration:					
Salaries and Wages	172,804.09	167,804.09	166,663.72	1,140.37	
Other Expenses	27,420.00	29,920.00	29,022.64	897.36	
Audit Services:					
Other Expenses	47,500.00	47,500.00		47,500.00	
Revenue Administration (Tax Collection):					
Salaries and Wages	80,549.64	80,549.64	79,830.59	719.05	
Other Expenses	15,799.10	16,799.10	7,408.42	9,390.68	
Tax Assessment Administration:					
Salaries and Wages	82,897.29	82,897.29	80,624.30	2,272.99	
Other Expenses	68,200.00	68,200.00	66,228.07	1,971.93	
Legal Services:					
Other Expenses	205,200.00	205,200.00	161,633.80	43,566.20	
Engineering Services:					
Other Expenses	55,000.00	55,000.00	46,997.12	8,002.88	

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

General Appropriations Operations - Within "CAPS"	Appropriations Original Budget	Appropriations Budget After Modifications	Expended Paid or Charged	Expended Reserved	Cancelled
LAND USE ADMINISTRATION					
Planning Board:					
Salaries and Wages	18,464.88	18,465.88	18,464.94	0.94	
Other Expenses	23,250.00	23,250.00	10,411.35	12,838.65	
Zoning Board of Adjustment:					
Salaries and Wages	115,352.90	115,352.90	110,801.69	4,551.21	
Other Expenses	5,750.00	5,750.00	3,011.21	2,738.79	
Rent Control:					
Other Expenses	800.00				
INSURANCE					
Property/General/Environmental	280,000.00	275,000.00	269,371.34	5,628.66	
Public Officials/Employment Practices/Other Insurance	63,000.00	63,000.00	60,941.19	2,058.81	
Workers Compensation	459,000.00	454,000.00	450,810.34	3,189.66	
Employee Group Insurance	1,915,472.00	1,915,472.00	1,883,664.98	31,807.02	
Disability Insurance	44,000.00	44,000.00	36,073.28	7,926.72	
PUBLIC SAFETY					
Police:					
Salaries and Wages	4,944,631.80	4,924,631.80	4,620,322.45	304,309.35	
Other Expenses	97,062.19	97,062.19	68,648.10	28,414.09	
School Crossing Guards:					
Salaries and Wages	90,000.00	94,200.00	94,033.50	166.50	
Other Expenses	2,000.00	2,000.00		2,000.00	
Police Dispatch/911:					
Salaries and Wages	191,039.16	201,039.16	197,255.48	3,783.68	
Office of Emergency Management:					
Other Expenses	28,650.00	28,650.00	14,072.19	14,577.81	
Aid to First Aid Organizations:					
Other Expenses	28,000.00	28,000.00	28,000.00		
Municipal Prosecutor:					
Salaries and Wages	17,751.00	17,751.00	17,750.04	0.96	
Other Expenses	1,200.00	1,200.00		1,200.00	

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

General Appropriations Operations - Within "CAPS"	Appropriations Original Budget	Appropriations Budget After Modifications	Expended Paid or Charged	Expended Reserved	Cancelled
PUBLIC WORKS					
Streets and Roads Maintenance:					
Salaries and Wages	480,630.67	473,429.67	434,826.64	38,603.03	
Other Expenses	282,100.00	282,100.00	257,585.41	24,514.59	
Snow Removal:					
Salaries and Wages	61,516.00	71,516.00	55,208.98	16,307.02	
Other Expenses	210,507.00	220,507.00	185,933.78	34,573.22	
Recycling:					
Salaries and Wages	738,507.63	738,507.63	730,577.41	7,930.22	
Other Expenses	120,000.00	120,000.00	107,080.92	12,919.08	
Buildings and Grounds:					
Other Expenses	92,520.00	92,520.00	92,517.14	2.86	
Municipal Parking Facility:					
Other Expenses	20,300.00	20,300.00	19,180.02	1,119.98	
Vehicle Maintenance (Including Police Vehicles):					
Other Expenses	431,600.00	450,900.00	439,217.53	11,682.47	
HEALTH AND HUMAN SERVICES					
Public Health Services (Board of Health):					
Other Expenses	4,375.00	4,375.00	3,279.00	1,096.00	
Aid to Community Programs:					
Other Expenses	2,852.00	2,852.00	2,138.76	713.24	
Environmental Health Services:					
Salaries and Wages	1,200.00	1,200.00	1,200.00		
Other Expenses	3,790.00	3,790.00	178.49	3,611.51	
Open Space Commission:					
Salaries and Wages	1,200.00	1,200.00	1,200.00		
Other Expenses	5,200.00	5,200.00	200.00	5,000.00	
Animal Control Services:					
Other Expenses	66,134.00	66,134.00	64,134.00	2,000.00	
PARKS AND RECREATION					
Recreation:					
Salaries and Wages	105,920.56	100,920.56	95,591.43	5,329.13	
Other Expenses	19,995.00	24,995.00	22,343.73	2,651.27	
Recreation Services and Programs:					
Other Expenses	4,000.00	4,000.00	4,000.00		

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

General Appropriations Operations - Within "CAPS"	Appropriations Original Budget	Appropriations Budget After Modifications	Expended Paid or Charged	Expended Reserved	Cancelled
EDUCATION					
Township Library:					
Other Expenses	10,000.00	10,000.00	4,637.01	5,362.99	
MUNICIPAL COURT					
Municipal Court:					
Salaries and Wages	205,082.65	205,082.65	204,163.23	919.42	
Other Expenses	15,250.00	15,250.00	5,196.42	10,053.58	
UNIFORM CON STRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)					
State Uniform Construction Code:					
Construction Official:					
Salaries and Wages	205,215.09	220,215.09	201,849.79	18,365.30	
Other Expenses	8,350.00	8,350.00	7,022.50	1,327.50	
UNCLASSIFIED					
Electricity	95,000.00	95,000.00	83,418.08	11,581.92	
Street Lighting	350,000.00	350,000.00	342,279.24	7,720.76	
Telephone	44,000.00	44,000.00	39,329.81	4,670.19	
Water and Sewerage	24,000.00	24,000.00	16,155.20	7,844.80	
Gas (Natural or Propane)	78,000.00	78,000.00	61,166.91	16,833.09	
Telecommunications	35,000.00	35,000.00	30,626.29	4,373.71	
Total Operations - Within "CAPS"	13,380,526.01	13,380,526.01	12,524,760.45	855,765.56	
Contingent	1.00	1.00		1.00	
Total Operations Including Contingent	13,380,527.01	13,380,527.01	12,524,760.45	855,766.56	
Detail:					
Salaries and Wages	7,799,864.72	7,784,864.72	7,375,818.10	409,046.62	
Other Expenses	5,580,662.29	5,595,662.29	5,148,942.35	446,719.94	

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

General Appropriations Operations - Within "CAPS"	Appropriations Original Budget	Appropriations Budget After Modifications	Expended Paid or Charged	Expended Reserved	Cancelled
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
Contribution To:					
Public Employees' Retirement System	236,215.00	236,215.00	231,379.11	4,835.89	
Social Security System (O.A.S.I.)	621,000.00	621,000.00	585,202.90	35,797.10	
Police and Firemen's Pension Fund	1,100,421.31	1,100,421.31	1,100,421.31		
Unemployment Compensation Insurance (N.J.S.A. 43:21-4 et. seq.)	10,000.00	10,000.00	10,000.00		
Defined Contribution Retirement Program	1,500.00	1,500.00	1,048.56	451.44	
Public Employees' Retirement System - ERI	1,128.00	1,128.00	1,128.00		
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	1,970,264.31	1,970,264.31	1,929,179.88	41,084.43	
Total General Appropriations for Municipal Purposes - Within "CAPS"	15,350,791.32	15,350,791.32	14,453,940.33	896,850.99	
GENERAL APPROPRIATIONS Operations - Excluded From "CAPS"					
Police and Firemen's Retirement System of NJ	16,223.69	16,223.69	16,223.69		
Length of Service Award Program ("LOSAP")	25,000.00	25,000.00	20,300.00	4,700.00	
Employee Group Insurance	171,428.00	171,428.00		171,428.00	
Total Other Operations - Excluded from "CAPS"	212,651.69	212,651.69	36,523.69	176,128.00	
Shared Municipal Service Agreements:					
Handicapped Persons Recreational Opportunities	21,000.00	21,000.00	18,805.00	2,195.00	
Township of Holmdel - Construction	110,000.00	110,000.00	110,000.00		
Total Shared Municipal Service Agreements	131,000.00	131,000.00	128,805.00	2,195.00	

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

General Appropriations Operations - Excluded From "CAPS"	Appropriations Original Budget	 Budget After Modifications	Expended Paid or Charged	 Reserved	 Cancelled
Public and Private Programs Offset By Revenues:					
Municipal Alliance Grant:					
County Share	32,692.00	32,692.00	32,692.00		
Local Share	8,173.00	8,173.00	8,173.00		
Recycling Tonnage Grant	34,496.97	34,496.97	34,496.97		
SFSP Fire District Payment	8,601.00	8,601.00	8,601.00		
Clean Communities	32,141.25	32,141.25	32,141.25		
Green Meadows Donation	40,000.00	40,000.00	40,000.00		
Total Public and Private Programs Offset By Revenues	156,104.22	156,104.22	156,104.22		
Total Operations - Excluded from "CAPS"	499,755.91	499,755.91	321,432.91	178,323.00	
Detail:					
Salaries and Wages	110,000.00	110,000.00	110,000.00		
Other Expenses	389,755.91	389,755.91	211,432.91	178,323.00	
Capital Improvements - Excluded From "CAPS"					
Capital Improvement Fund	125,000.00	125,000.00	125,000.00		
Total Capital Improvements - Excluded From "CAPS"	125,000.00	125,000.00	125,000.00		
Municipal Debt Service - Excluded From "CAPS"					
Payment of Bond Principal	753,608.74	753,608.74	753,608.74		
Payment of Bond Anticipation Notes and Capital Notes	66,300.00	66,300.00	66,300.00		
Interest on Bonds	400,668.92	400,668.92	400,668.66		$ 0.26
Interest on Notes	96,633.60	96,633.60	96,337.92		295.68
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	14,737.42	14,737.42	14,737.42		
Capital Lease Obligations Approved Prior to 07/01/07:					
Principal	450,600.00	450,600.00	450,600.00		
Interest	70,367.05	70,367.05	70,041.93		325.12
Total Municipal Debt Service - Excluded From "CAPS"	1,852,915.73	1,852,915.73	1,852,294.67		621.06

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

General Appropriations Operations - Excluded From "CAPS"		Appropriations Original Budget	Appropriations Budget After Modifications	Expended Paid or Charged	Expended Reserved	Cancelled
Deferred Charges - Municipal - Excluded From "CAPS"						
Special Emergency		100,000.00	100,000.00	100,000.00		
Total Deferred Charges - Municipal - Excluded From "CAPS"		100,000.00	100,000.00	100,000.00		
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"		2,577,671.64	2,577,671.64	2,398,727.58	178,323.00	621.06
Subtotal General Appropriations		17,928,462.96	17,928,462.96	16,852,667.91	1,075,173.99	621.06
Reserve for Uncollected Taxes		1,075,000.00	1,075,000.00	1,075,000.00		
Total General Appropriations		$ 19,003,462.96	$ 19,003,462.96	$ 17,927,667.91	$ 1,075,173.99	$ 621.06
	Reference		A-3		A	A-3
Current Appropriations	A-2	$ 18,971,321.71				
Added By N.J.S.A. 40A:4-87	A-2	32,141.25				
		$ 19,003,462.96				
Analysis of Paid or Charged:						
Cash Disbursed	1-A			$ 16,364,745.19		
Encumbrances Payable	12-A			240,419.50		
Special Emergency	9-A			100,000.00		
Reserve for:						
Uncollected Taxes	A-2			1,075,000.00		
Federal and State Grants	25-A			147,503.22		
				$ 17,927,667.91		

See accompanying notes.

TRUST FUND

EXHIBIT

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

Assets	Reference	2010	2009	Liabilities, Reserves and Fund Balance	Reference	2010	2009
				Animal Control Trust Fund:			
				Due To State of New Jersey	4-B	$ 70.40	$ 69.80
Animal Control Trust Fund:				Interfund - Current Fund	5-B	124.45	8,772.83
Cash	1-B	$ 23,949.40	$ 14,311.36	Reserve for Animal Control Fund			
Change Fund	B	25.00	25.00	Expenditures	6-B	23,779.55	5,493.73
		23,974.40	14,336.36			23,974.40	14,336.36
				Trust - Other Funds:			
				Various Reserves	8-B	1,199,471.67	1,527,807.75
				Interfund - Current Fund	7-B	62,007.24	619,979.74
Trust - Other Funds:							
Cash	1-B	1,261,478.91	2,147,787.49			1,261,478.91	2,147,787.49
				Open Space Trust Fund:			
				Interfund - Current Fund	2-B		128,310.91
				Reserve for Open Space	3-B	508,021.90	268,864.07
Open Space Trust Fund:							
Cash	1-B	508,021.90	397,174.98			508,021.90	397,174.98
				Length of Service Award Program			
Length of Service Award Program				Fund ("LOSAP")			
Fund ("LOSAP"):				Reserve for Length of Service Award			
Investments	9-B	187,619.61	165,528.68	Program	10-B	187,619.61	165,528.68
Total Assets		$ 1,981,094.82	$ 2,724,827.51	Total Liabilities, Reserves and Fund Balance		$ 1,981,094.82	$ 2,724,827.51

See accompanying notes.

GENERAL CAPITAL FUND

EXHIBITS

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

Assets	Reference	2010	2009	Liabilities, Reserves and Fund Balance	Reference	2010	2009
				General Serial Bonds	11-C	$ 8,236,769.03	$ 8,990,377.77
				Bond Anticipation Notes	14-C	5,116,672.00	4,381,680.00
				Green Trust Loan Payable	12-C	172,223.78	183,349.56
				Interfund - Current Fund	13-C	0.42	
				Improvement Authorizations:			
Cash	1-C	$ 1,757,409.42	$ 1,862,247.71	Funded	7-C	811,447.41	446,720.91
				Unfunded	7-C	2,426,315.11	2,619,648.03
Grants Receivable	3-C	977,452.29	674,067.33	Encumbrances Payable	6-C	550,175.29	497,730.85
Interfund - Current Fund	13-C		171,493.23	Reserve For:			
Due From Monmouth County				Payment of Notes	16-C	137,196.96	76,215.67
Improvement Authority	10-C		17,873.00	Payment of Debt Service	15-C	431,472.00	431,472.00
Deferred Charges To Future Taxation:				Grants Receivable	9-C	13,775.04	74,756.33
Funded	4-C	8,408,992.81	9,173,727.33	Capital Improvement Fund	8-C	189,560.10	72,060.10
Unfunded	5-C	7,152,459.00	6,073,759.00	Fund Balance	C-1	210,706.38	199,156.38
Total Assets		$ 18,296,313.52	$ 17,973,167.60	Total Liabilities, Reserves and Fund Balance		$ 18,296,313.52	$ 17,973,167.60

See accompanying notes.

Exhibit C-1

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE
REGULATORY ACCOUNTING BASIS

Years ended December 31, 2010 and 2009

	Reference	
Balance, December 31, 2009	C	$ 199,156.38
Increased By:		
Premium on Sale of Notes	1-C	11,550.00
Balance, December 31, 2010	C	$ 210,706.38

See accompanying notes.

SWIMMING POOL UTILITY FUND

EXHIBITS

Exhibit D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

Assets	Reference	2010	2009	Liabilities, Reserves and Fund Balances	Reference	2010	2009
				Operating Fund:			
				Appropriation Reserves	D-4,4-D	$ 65,773.66	$ 27,983.74
				Encumbrances Payable	8-D	5,896.24	6,231.95
				Interfunds:			
				Swimming Pool Capital Fund	16-D	24.45	
				Current Fund	6-D		258,410.88
				Accrued Interest on Bonds and Notes	5-D	846.80	773.78
Operating Fund:						72,541.15	293,400.35
Cash	1-D	$ 143,944.98	$ 367,346.27				
Interfund - Swimming Pool Capital Fund	16-D		0.12	Fund Balance	D-1	71,403.83	73,946.04
Total Operating Fund		143,944.98	367,346.39	Total Operating Fund		143,944.98	367,346.39
				Capital Fund:			
				Serial Bonds	9-D	83,230.97	108,622.23
				Bond Anticipation Notes	10-D	26,880.00	40,320.00
				Improvement Authorizations:			
Capital Fund:				Funded	11-D	2,500.00	2,500.00
Cash	1-D,2-D	18,744.22	18,656.52	Unfunded	11-D	52,624.00	52,641.97
Fixed Capital	3-D	1,300,147.53	1,300,147.53	Capital Improvement Fund	12-D	9,600.00	9,600.00
Fixed Capital Authorized and Uncompleted	7-D	128,750.00	128,750.00	Reserve for Amortization	13-D	1,216,916.56	1,191,525.30
Interfunds:				Deferred Reserve for Amortization	14-D	54,370.00	40,930.00
Swimming Pool Utility Operating Fund	16-D	24.45		Interfund - Swimming Pool Operating Fund	16-D		0.12
Current Fund	15-D		130.24	Fund Balance	D-2	1,544.67	1,544.67
Total Capital Fund		1,447,666.20	1,447,684.29	Total Capital Fund		1,447,666.20	1,447,684.29
Total Assets		$ 1,591,611.18	$ 1,815,030.68	Total Liabilities, Reserves and Fund Balances		$ 1,591,611.18	$ 1,815,030.68

See accompanying notes.

Exhibit D-1

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

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

Years ended December 31, 2010 and 2009

	Reference	2010	2009
Revenue and Other Income Realized:			
Fund Balance Utilized	D-3	$ 57,314.00	$ 57,207.97
Membership Fees	D-3	239,671.35	225,648.00
Guest Fees	D-3	39,163.79	36,121.00
Concessions	D-3	36,764.23	38,390.79
Interest	D-3	724.71	766.92
Swim Team	D-3	2,966.00	3,150.00
Swim Lessons	D-3	3,952.00	4,150.00
Miscellaneous	D-3	9,419.12	8,280.00
Other Credits To Income:			
Unexpended Balance of Appropriation Reserves	4-D	31,965.38	13,919.55
		421,940.58	387,634.23
Expenditures:			
Operating	D-4	300,850.00	291,334.14
Capital Improvements	D-4	7,999.00	8,000.00
Debt Service	D-4	44,913.26	45,101.14
Deferred Charges and Statutory Expenditures	D-4	11,250.00	10,756.00
Refund of Prior Year Revenue	1-D	2,156.53	
		367,168.79	355,191.28
Excess in Revenue		54,771.79	32,442.95
Fund Balance, January 1	D	73,946.04	98,711.06
Decreased By:			
Utilization as Anticipated Revenue	D-1	57,314.00	57,207.97
Fund Balance, December 31	D	$ 71,403.83	$ 73,946.04

See accompanying notes.

Exhibit D-2

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

STATEMENT OF UTILITY CAPITAL FUND BALANCE
REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Reference	
Balance, December 31, 2010 and 2009	D	$ 1,544.67

See accompanying notes.

Exhibit D-3

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Reference	Anticipated	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	D-1	$ 57,314.00	$ 57,314.00	
Membership Fees	1-D	231,289.00	239,671.35	$ 8,382.35
Guest Membership Fees	1-D	35,211.00	39,163.79	3,952.79
Concession Revenue	1-D	35,000.00	36,764.23	1,764.23
Swimming Lessons	1-D	3,200.00	3,952.00	752.00
Swim Team Revenue	1-D	2,500.00	2,966.00	466.00
Interest on Investments	1-D	500.00	724.71	224.71
		365,014.00	380,556.08	15,542.08
Miscellaneous Revenue Not Anticipated	1-D		9,419.12	9,419.12
Total		$ 365,014.00	$ 389,975.20	$ 24,961.20
	Reference	D-4	D-1	D-3

See accompanying notes.

Exhibit D-4

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

				Expended		
		Budget	Budget Modified	Paid or Charged	Reserved	Cancelled
Operating:						
Salaries and Wages		$ 144,300.00	$ 144,300.00	$ 126,034.18	$ 18,265.82	
Other Expenses		156,550.00	156,550.00	119,884.51	36,665.49	
Total Operating		300,850.00	300,850.00	245,918.69	54,931.31	
Capital Improvements:						
Capital Improvement Fund		1.00	1.00			$ 1.00
Capital Outlay		7,999.00	7,999.00		7,999.00	
Total Capital Improvements		8,000.00	8,000.00		7,999.00	1.00
Debt Service:						
Payment of Bond Principal		25,392.00	25,392.00	25,391.26		0.74
Payment of Bond Anticipation Notes		13,440.00	13,440.00	13,440.00		
Interest on Bonds		5,115.83	5,115.83	5,115.83		
Interest on Notes		966.17	966.17	966.17		
Total Debt Service		44,914.00	44,914.00	44,913.26		0.74
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security System (O.A.S.I.)		11,250.00	11,250.00	8,406.65	2,843.35	
Total Deferred Charges and Statutory Expenditures		11,250.00	11,250.00	8,406.65	2,843.35	
		$ 365,014.00	$ 365,014.00	$ 299,238.60	$ 65,773.66	$ 1.74
	Reference	D-3	D-3		D	D-4
Cash Disbursed	1-D			$ 287,260.36		
Encumbrances Payable	8-D			5,896.24		
Accrued Interest on Bonds and Notes	5-D			6,082.00		
				$ 299,238.60		

See accompanying notes.

SEWER UTILITY FUND

EXHIBITS

Exhibit E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

Assets	Reference	2010	2009	Liabilities, Reserves and Fund Balance	Reference	2010	2009
Operating Fund:				Operating Fund:			
Cash and Cash Equivalents	1-E	$ 2,420,555.81	$ 2,907,410.94	Appropriation Reserves	E-3,5-E	$ 381,134.82	$ 186,689.72
Prepaid Debt Service	E	6,367.07	6,563.10	Reserve for Encumbrances	6-E	18,292.50	768.06
		2,426,922.88	2,913,974.04	Interfund - Current Fund	13-E	8,138.13	131,974.62
Receivables and Other Assets				Customer Overpayments	14-E		4,896.84
With Full Reserves:				Debt Service Reserve	9-E	103,200.00	143,600.00
Consumer Accounts Receivable	3-E	432,723.47	386,144.34	Accrued Interest on Bonds and Notes	7-E	8,016.46	9,915.21
Bayshore Regional Sewerage							
Rent Reserve	4-E	1,827,286.26	1,328,596.93			518,781.91	477,844.45
		2,260,009.73	1,714,741.27				
Deferred Charges:				Reserve for Receivables	E	2,260,009.73	1,714,741.27
Overexpenditure of Appropriations	E-1,E-3		12,539.74	Fund Balance	E-1	1,908,140.97	2,448,669.33
Total Operating Fund		4,686,932.61	4,641,255.05	Total Operating Fund		4,686,932.61	4,641,255.05
				Capital Fund:			
				General Serial Bonds	10-E	1,032,000.00	1,436,000.00
Capital Fund:				Reserve for:			
Cash and Cash Equivalents	1-E	115,311.84	115,311.84	Improvements	2-E,11-E	115,311.84	115,311.84
Fixed Capital	8-E	11,477,391.93	11,477,391.93	Amortization	12-E	10,445,391.93	10,041,391.93
Total Capital Fund		11,592,703.77	11,592,703.77	Total Capital Fund		11,592,703.77	11,592,703.77
Total Assets		$ 16,279,636.38	$ 16,233,958.82	Total Liabilities, Reserves and Fund Balance		$ 16,279,636.38	$ 16,233,958.82

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

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

Years ended December 31, 2010 and 2009

	Reference	2010	2009
Revenue and Other Income Realized:			
Surplus Utilized	E-2	$ 798,056.91	$ 432,759.75
Sewer Rents	E-2	4,766,635.24	4,769,164.65
Connection Fees	E-2	7,766.00	3,908.00
Miscellaneous Revenue	E-2	24,853.23	8,099.39
Interest on Investments	E-2	667.36	1,006.61
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	5-E	176,277.80	44,620.36
Cancel Accrued Interest Payable	7-E	1.87	
Accounts Payable Cancelled	E-1		24,078.42
Debt Service Reserve Cancelled	9-E	40,400.00	38,600.00
Total Revenue		5,814,658.41	5,322,237.18
Expenditures:			
Operating	E-3	4,599,229.00	4,299,539.74
Capital Improvements	E-1		15,000.00
Debt Service	E-3	468,573.75	467,622.80
Deferred Charges and Statutory Expenditues	E-3	49,549.74	371,835.70
Surplus (General Budget)	E-3	439,777.37	75,000.00
Total Expenditures		5,557,129.86	5,228,998.24
Excess in Revenue		257,528.55	93,238.94
Add:			
Expenditures Included Above Which Are By Statute Deferred Charges to Budgets of Succeeding Years:			
Overexpenditure of Appropriations	E		12,539.74
Statutory Excess to Fund Balance		257,528.55	105,778.68
Fund Balance, January 1	E	2,448,669.33	2,775,650.40
		2,706,197.88	2,881,429.08
Decreased By:			
Utilization by Sewer Operating Budget	E-1	798,056.91	432,759.75
Fund Balance, December 31	E	$ 1,908,140.97	$ 2,448,669.33

See accompanying notes.

Exhibit E-2

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Reference	Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	E-1	$ 798,056.91	$ 798,056.91	
Sewer Rents	E-1	4,769,164.95	4,766,635.24	$ (2,529.71)
Connection Fees	E-1,1-E	3,908.00	7,766.00	3,858.00
Miscellaneous Revenues	E-1,1-E	5,000.00	24,853.23	19,853.23
Interest on Investments	E-1,1-E	1,000.00	667.36	(332.64)
		$ 5,577,129.86	$ 5,597,978.74	$ 20,848.88

Analysis of Miscellaneous Revenue	E-3	
Searches		$ 1,031.00
Vendor Refunds		10,291.11
Application Fees		1,650.00
Miscellaneous		11,881.12
		$ 24,853.23

See accompanying notes.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND

STATEMENT OF APPROPRIATIONS - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2010

	Appropriations		Expended		
	Original Budget	Budget After Modifications	Paid or Charged	Reserved	Cancelled
Operating:					
Salaries and Wages	$ 283,433.00	$ 283,433.00	$ 182,158.69	$ 101,274.31	
Other Expenses	4,315,796.00	4,315,796.00	4,043,502.48	272,293.52	
Total Operating	4,599,229.00	4,599,229.00	4,225,661.17	373,567.83	
Capital Improvements:					
Capital Improvement Fund	1.00	1.00			$ 1.00
Capital Outlay	19,999.00	19,999.00			19,999.00
Total Capital Improvements	20,000.00	20,000.00			20,000.00
Debt Service:					
Payment of Bond Principal	404,000.00	404,000.00	404,000.00		
Interest on Bonds	64,573.75	64,573.75	64,573.75		
Total Debt Service	468,573.75	468,573.75	468,573.75		
Statutory Expenditures:					
Contributions To:					
Public Employees' Retirement System	15,510.00	15,510.00	15,510.00		
Social Security System (O.A.S.I.)	21,500.00	21,500.00	13,933.01	7,566.99	
Total Statutory Expenditures	37,010.00	37,010.00	29,443.01	7,566.99	
Deferred Charges:					
Overexpenditure of Appropriations - 2009	12,539.74	12,539.74	12,539.74		
Surplus (General Budget)	439,777.37	439,777.37	439,777.37		
Total Sewer Utility Appropriations	$ 5,577,129.86	$ 5,577,129.86	$ 5,175,995.04	$ 381,134.82	$ 20,000.00
	Reference	E-2	E-3	E	E-3
Analysis of Paid or Charged:					
Cash Disbursements	1-E		$ 5,080,589.05		
Reserve for Encumbrances	6-E		18,292.50		
Deferred Charge - Overexpenditure of Appropriation	E		12,539.74		
Accrued Interest on Bonds and Notes	7-E		64,573.75		
			$ 5,175,995.04		

See accompanying notes.

PAYROLL FUND

EXHIBIT

Exhibit F

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

PAYROLL FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

Assets	Reference	2010	2009	Liabilities and Reserves	Reference	2010	2009
				Interfund - Current Fund	F	$ 3,450.03	$ 298.03
Cash	F	$ 61,285.34	$ 90,001.34	Payroll Liabilities	F	57,835.31	89,703.31
Total Assets		$ 61,285.34	$ 90,001.34	Total Liabilities and Reserves		$ 61,285.34	$ 90,001.34

See accompanying notes.

GENERAL FIXED ASSETS ACCOUNT GROUP

EXHIBIT

Exhibit G

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS -
REGULATORY ACCOUNTING BASIS

December 31, 2010 and 2009

	Reference	Balance December 31, 2010 and 2009
Land	1-G	$ 15,324,500.00
Land Improvements	1-G	266,800.00
Buildings and Improvements	1-G	2,360,237.58
Machinery and Equipment	1-G	5,456,479.94
Total General Fixed Assets	G	$ 23,408,017.52
Investment in General Fixed Assets	G	$ 23,408,017.52

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2010 and 2009

1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of the Township of Hazlet, County of Monmouth, New Jersey ("Township") include every board, body, officer or commissioner maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S. 40A: 5-5. The financial statements, however, do not include the operations of School Boards, Fire Districts, Volunteer Fire Departments and First Aid Squads, which are subject to separate audit. Included within the financial statements are taxes levied, collected and turned over to School Boards and Fire Districts, and appropriations for contributions to Volunteer Fire Departments and First Aid Squads.

B. Description of Funds

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

Fund Types

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

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

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

Swimming Pool Utility Operating and Capital Funds - are used to account for Swimming Pool operations that are financed through various Swimming Pool user fees. The Fund is operated on a basis similar to private business enterprises where the intent is that the costs of providing the Swimming Pool Utility to the general public be financed through Swimming Pool fees.

Sewer Utility Operating and Capital Funds – accounts for the operations and acquisition of capital facilities of the municipality-owned sewer utility. Bonds and notes payable of the utility fund is recorded in the Utility Capital Fund.

1. Summary of Significant Accounting Policies (continued)

B. Description of Funds (continued)

Fund Types (continued)

Payroll Fund – receipts and disbursements to account for the payroll and payroll tax liabilities of the Township. Amounts are received from the Current, Sewer Utility and Swimming Pool Utility Funds.

General Fixed Assets Account Group - In accordance with Technical Accounting Directive No. 85-2 issued by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Township developed a fixed assets accounting and reporting system which has not been updated in 2010.

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

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

No depreciation is provided for in the financial statements.

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

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

Property and equipment purchased by the Swimming Pool Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Utility does not record depreciation on fixed assets.

1. Summary of Significant Accounting Policies (continued)

C. Basis of Accounting

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

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

Revenues

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

Expenditures

(a) Disbursements for Current Fund inventory-type items are considered expenditures at the time of purchase.

(b) Prepaid expenses are not recorded.

(c) Interest on long-term debt included in the General Capital Fund is recorded as an expenditure when paid.

(d) The encumbrance method of accounting, which records commitments such as purchase orders and contracts as a charge against the current year's budget in addition to expenditures made or accrued, is utilized. The cash basis of accounting, however, is followed for recording the Township's share of contributions for fringe benefits, such as retirement plans, accrued sick leave and vacation leave.

1. Summary of Significant Accounting Policies (continued)

C. Basis of Accounting (continued)

Expenditures (continued)

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

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

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

D. Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the State Division of Local Government Services in accordance with N.J.S.A. 40A: 4 et seq.

E. Grants

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

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

Capital Fund - State and federal grants and assistance awards are recorded as a funding source for improvement authorizations.

1. Summary of Significant Accounting Policies (continued)

F. Foreclosed Property

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

G. Interfund Receivables

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

H. Deferred Charges To Future Taxation Funded and Unfunded

Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A. 40A: 2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As funds are raised, the deferred charges funded are reduced.

I. Pension Plans

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

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, PERS and PFRS bill the Township annually at an actuarially determinable rate for its required contribution. The current rate is 5.0% for PERS and 8.5% for PFRS of annual covered payroll.

Year	PERS	PFRS
2010	$ 252,853.00	$ 1,116,645.00
2009	247,581.00	1,063,209.00
2008	175,943.00	951,552.00

1. Summary of Significant Accounting Policies (continued)

J. Volunteer Length of Service Award Plan

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

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be $600.00 per year of active emergency service, commencing with the year 2002.

Appropriations - Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2002.

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

Estimated Cost - The estimated cost of the program to the Township has been calculated to be approximately $59,800.00 per year. (This amount may vary annually, however, based upon the total number of eligible active volunteer members in the program).

K. Deposits and Investments

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agencies of the United States that insure deposits, the State of New Jersey Cash Management Fund and government money market mutual funds through registered broker/dealers and banks. The New Jersey Governmental Unit Deposit Protection Act ("GUDPA") requires public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5 percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

1. Summary of Significant Accounting Policies (continued)

K. Deposits and Investments (continued)

Deposits (continued)

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than $25,000,000. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature within one year. Collateralization of Fund investments is generally not required.

Investments

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

(a) Bonds or other obligations of the United States or obligations guaranteed by the United States.

(b) Government Money Market Mutual Funds.

(c) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an Act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.

(d) Bonds or other obligations of the Township, or bonds or other obligations of school districts of which the Township is a part or within which the school district is located.

(e) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.

(f) Local Government Investment Pools.

(g) Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, C. 281 (C.52:18A:90.4).

1. Summary of Significant Accounting Policies (continued)

K. Deposits and Investments (continued)

Investments (continued)

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

(a) The underlying securities are permitted investments, pursuant to the list contained in (a) and (c) above.

(b) The custody of the collateral is transferred to a third party. This means the bank must contract with a trusted third party to hold the collateral to ensure it is not pledged against any other investments.

(c) The maturity of the agreement is not more than 30 days.

(d) The underlying securities are purchased through a GUDPA bank.

(e) A master repurchase agreement providing for the custody and security of collateral is executed.

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

(a) It is managed in accordance with the SEC's government money market rules (2a-7).

(b) It is rated in the highest category by a nationally recognized statistical rating organization.

(c) Have their portfolio limited to U.S. Government securities as defined in 2a-7 and repurchase agreements that are collateralized by such U.S. Government securities.

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

1. Summary of Significant Accounting Policies (continued)

K. Deposits and Investments (continued)

Investments (continued)

(a) All investments made or redeemed over the past month.

(b) Each organization holding local unit funds.

(c) The amount of securities purchased or sold, class or type of securities purchased, book value, earned income, fees incurred, and market value of all investments as of the report date.

(d) Other information that may be required by the governing body.

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

L. Inventories of Supplies

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

2. Deposits and Investments

The Township considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as Cash and Cash Equivalents.

Deposits

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

Bank balances at December 31, 2010 and 2009 are insured up to $250,000.00 in the aggregate by the FDIC for each bank. At December 31, 2010 and 2009, the book value of the Township's deposits were $10,768,381.64 and $11,426,273.16, respectively.

Custodial Credit Risk Related to Deposits

Custodial Credit Risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by the FDIC. Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

At December 31, 2010, the Township's bank balance of $10,865,240.85 was exposed to Custodial Credit Risk as follows:

	2010
Insured	$ 9,971,434.40
Uninsured and Uncollateralized	893,806.45
	$10,865,240.85

2. Deposits and Investments (continued)

Investments

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Township does not have a policy for Custodial Risk. As of December 31, 2010 and 2009, $187,619.61 and $165,528.68, respectively, of the Township's investments was exposed to Custodial Credit Risk, as follows:

	Fair Value (LOSAP)	Book Value	Total Reported Value
2010			
Uninsured and Collateralized:			
Collateral held by pledging financial Institution's Trust Department but not in the Township's name	$ 187,619.61	$ 187,619.61	$ 187,619.61
2009			
Uninsured and Collateralized:			
Collateral held by pledging financial Institution's Trust Department but not in the Township's name	$ 165,528.68	$ 165,528.68	$ 165,528.68

Interest Rate Risk

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

Credit Risk

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

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

3. Interfund Balances and Activity

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

Due to Current Fund from Other Trust Fund representing cash advances	$ 62,007.24
Due to Current Fund from General Capital Fund representing interest	0.42
Due to Current Fund from Sewer Utility Operating Fund representing cash advances	8,138.13
Due to Current Fund from Payroll Trust Fund representing cash advances	3,450.03
Due to Current Fund from Animal Control Trust Fund representing interest	124.45
Due to Federal and State Grant Fund from Current Fund representing cash advances	166,112.70
Due to Swimming Pool Utility Capital Fund from Swimming Pool Utility Operating Fund representing cash advances	24.45
	$ 239,857.42

4. Taxes and Sewer Utility Receivables

Taxes

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

2010	Current	Delinquent	Liens	Total
	$ 534,598.95	$ 0.00	$ 82,285.28	$ 616,884.23

In 2010, the Township collected $567,400.74 from Delinquent Taxes, which represented 99.91% of the Delinquent Tax Receivable at December 31, 2009.

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

2009	Current	Delinquent	Liens	Total
	$ 567,911.35	$ 5,587.30	$ 78,341.09	$ 651,839.74

In 2009, the Township collected $524,412.32 from Delinquent Taxes, which represented 98.91% of the Delinquent Tax Receivable at December 31, 2008.

4. Taxes and Sewer Utility Receivables (continued)

Sewer Utility

Sewer Rents Receivable as of December 31, 2010 consist of the following:

2010	Current	Delinquent	Liens	Total
	$432,723.47	$ 0.00	$ 0.00	$432,723.47

In 2010, the Township collected $386,144.34 from Sewer Rents, which represented 100% of the Sewer Rents Receivable at December 31, 2009.

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

2009	Current	Delinquent	Liens	Total
	$386,144.34	$ 0.00	$ 0.00	$386,144.34

In 2009, the Township collected $340,779.28 from Sewer Rents, which represented 100% of the Sewer Rents Receivable at December 31, 2008.

5. Fixed Assets (Unaudited)

The following is a summary of the General Fixed Assets Account Group for the years 2010 and 2009. The Township did not update its General Fixed Assets Account Group records for 2010.

2010	Balance, December 31, 2009	Additions	Retirements	Balance, December 31, 2010
Land	$ 15,324,500.00			$ 15,324,500.00
Land Improvements	266,800.00			266,800.00
Buildings and Improvements	2,360,237.58			2,360,237.58
Machinery and Equipment	5,456,479.94			5,456,479.94
Total	$ 23,408,017.52	$ 0.00	$ 0.00	$ 23,408,017.52

2009	Balance, December 31, 2008	Additions	Retirements	Balance, December 31, 2009
Land	$ 15,324,500.00			$ 15,324,500.00
Land Improvements	266,800.00			266,800.00
Buildings and Improvements	2,319,990.39	$ 40,247.19		2,360,237.58
Machinery and Equipment	5,444,259.94	12,220.00		5,456,479.94
Total	$ 23,355,550.33	$ 52,467.19	$ 0.00	$ 23,408,017.52

6. Long-Term Debt

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

Purpose	Date of Issue	Original Issue	Interest Rate	Balance December 31, 2010
General Bonds				
General Improvements	12/01/01	$ 3,581,950.00	5.000%	$ 1,060,769.03
Refunding Bonds	04/01/06	365,000.00	Variable	156,000.00
General Improvements	08/01/08	7,678,000.00	Variable	7,020,000.00
				$ 8,236,769.03
Swimming Pool Utility Capital				
General Improvements	12/01/01	$ 281,050.00	5.000%	$ 83,230.97
Sewer Utility Capital Bonds				
Revenue Refunding Bonds	04/01/98	$ 4,290,000.00	Variable	$ 785,000.00
Governmental Loan Refunding Bonds	04/03/06	410,000.00	Variable	247,000.00
				$ 1,032,000.00
Green Trust Loan				
General Improvements	12/28/02	$ 105,000.00	2.00%	$ 69,351.53
General Improvements	08/05/05	132,000.00	2.00%	102,872.25
				$ 172,223.78
Capital Lease Program				
General Improvements		$ 1,089,300.00	4.00-5.00%	$ 69,200.00
General Improvements		894,800.00	3.25-5.00%	493,200.00
General Improvements		851,300.00	4.00-5.00%	489,200.00
				$ 1,051,600.00

6. Long-Term Debt (continued)

Aggregate long-term debt service requirements are as follows:

	General Capital		
	Principal	Interest	Total
2011	$ 765,590.18	$ 368,938.46	$ 1,134,528.64
2012	782,280.60	333,583.94	1,115,864.54
2013	799,898.25	296,907.42	1,096,805.67
2014	429,000.00	259,350.00	688,350.00
2015	390,000.00	240,337.50	630,337.50
2016-20	1,950,000.00	945,750.00	2,895,750.00
2021-25	1,950,000.00	519,187.50	2,469,187.50
2026-28	1,170,000.00	105,300.00	1,275,300.00
	$ 8,236,769.03	$ 3,069,354.82	$ 11,306,123.85

	Swimming Pool Utility Capital		
	Principal	Interest	Total
2011	$ 26,409.82	$ 4,161.54	$ 30,571.36
2012	27,719.40	2,841.06	30,560.46
2013	29,101.75	1,455.08	30,556.83
	$ 83,230.97	$ 8,457.68	$ 91,688.65

6. Long-Term Debt (continued)

	Sewer Utility Capital		
	Principal	Interest	Total
2011	$ 418,000.00	$ 48,447.50	$ 466,447.50
2012	437,000.00	29,500.00	466,500.00
2013	42,000.00	8,850.00	50,850.00
2014	41,000.00	6,750.00	47,750.00
2015	45,000.00	4,700.00	49,700.00
2016	49,000.00	2,450.00	51,450.00
	$ 1,032,000.00	$ 100,697.50	$ 1,132,697.50

	Green Trust Loan Payable		
	Principal	Interest	Total
2011	$ 11,349.40	$ 3,388.02	$ 14,737.42
2012	11,577.52	3,159.90	14,737.42
2013	11,810.25	2,927.17	14,737.42
2014	12,047.61	2,689.81	14,737.42
2015	12,289.78	2,447.64	14,737.42
2016-20	65,255.09	8,432.01	73,687.10
2021-25	47,893.13	2,101.16	49,994.29
	$ 172,223.78	$ 25,145.71	$ 197,369.49

	Capital Lease Program		
	Principal	Interest	Total
2011	$ 292,300.00	$ 49,760.80	$ 342,060.80
2012	232,000.00	37,965.00	269,965.00
2013	137,600.00	26,365.00	163,965.00
2014	144,500.00	19,485.00	163,985.00
2015	151,700.00	12,260.00	163,960.00
2016	45,600.00	4,675.00	50,275.00
2017	47,900.00	2,395.00	50,295.00
	$ 1,051,600.00	$ 152,905.80	$ 1,204,505.80

6. Long-Term Debt (continued)

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

	2010	2009	2008
Issued			
General:			
Bonds, Notes and Loans	$13,525,664.81	$13,555,407.33	$13,472,428.43
Swimming Pool Utility:			
Bonds and Notes	110,110.97	148,942.23	186,827.69
Sewer Utility:			
Bonds	1,032,000.00	1,436,000.00	1,822,000.00
Hazlet Board of Fire Commissioner:			
Bonds	299,000.00	340,000.00	
Total Debt Issued	14,966,775.78	15,480,349.56	15,481,256.12
Less:			
Funds Temporarily Held To Pay Bonds, Notes and Loans:			
Reserve for Payment of Debt Service	568,668.96	507,687.67	860,047.00
Debt Service Reserve	103,200.00	143,600.00	182,000.00
Grants Receivable	13,775.04	74,756.33	
Hazlet Board of Fire Commissioners	299,000.00	340,000.00	
Total Deductions	984,644.00	1,066,044.00	1,042,047.00
Net Debt Issued	13,982,131.78	14,414,305.56	14,439,009.12
Authorized But Not Issued			
General:			
Bonds and Notes	2,035,787.00	1,692,079.00	1,691,479.00
Swimming Pool Utility:			
Bonds and Notes	47,500.00	47,500.00	47,500.00
Total Authorized But Not Issued	2,083,287.00	1,739,579.00	1,738,979.00
Total Bonds and Notes Issued and Authorized But Not Issued	$16,065,418.78	$16,153,884.56	$16,177,988.12

6. Long-Term Debt (continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a Statutory Net Debt of 0.58%. A revised Annual Debt Statement should be filed by the Township Chief Financial Officer.

	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 7,150,000.00	$ 7,150,000.00	
Fire District Debt	299,000.00	299,000.00	
Self-Liquidating	1,189,610.97	1,189,610.97	
General Debt	15,561,451.81	582,444.00	$ 14,979,007.81
	$ 24,200,062.78	$ 9,221,054.97	$ 14,979,007.81

Net Debt $14,979,007.81 divided by Equalized Valuation basis per N.J.S.A. 40A:2.6 as amended $2,565,658,207 = 0.58%.

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

3.5% of Equalized Valuation Basis	$ 89,798,037.25
Less: Net Debt	14,979,007.81
Remaining Borrowing Power	$ 74,819,029.44

Calculation of "Self-Liquidating Purpose" Swimming Pool Utility Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for the Year		$ 389,975.20
Deductions:		
Operating and Maintenance Cost	$ 312,100.00	
Debt Service per Swimming Pool Account	44,913.26	
		357,013.26
Excess Revenue		$ 32,961.94

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

Cash Receipts from Fees, Rents or Other Charges for the Year		$ 5,597,978.74
Deductions:		
Operating and Maintenance Cost	$ 4,636,239.00	
Debt Service	468,573.75	
		5,104,812.75
Excess Revenue		$ 493,165.99

7. Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding ten years. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that, on or before the third anniversary date of the original note, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

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

Purpose	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2010
General Capital Fund				
Underground Storage Tank Remediation	07/31/10	07/31/11	2.00%	$ 164,500.00
2005 Road Improvement Program	07/31/10	07/31/11	2.00%	475,000.00
Purchase/Installation of Lighting for Police and Library	07/31/10	07/31/11	2.00%	19,000.00
Document Imaging/Scanning	07/31/10	07/31/11	2.00%	226,600.00
Various Improvements	07/31/10	07/31/11	2.00%	569,900.00
Various Roadway and Drainage Improvements to W. Jack Street	07/31/10	07/31/11	2.00%	109,100.00
Various 2008 Capital Improvements	07/31/10	07/31/11	2.00%	2,189,582.00
Various 2009 Capital Improvements	07/31/10	07/31/11	2.00%	934,390.00
Various 2009 Capital Improvements	07/31/10	07/31/11	2.00%	428,600.00
				5,116,672.00
Swimming Pool Utility Capital Fund				
Improvements To The Swim and Tennis Club	07/31/10	07/31/11	2.00%	26,880.00
				$ 5,143,552.00

8. Bonds and Notes Authorized But Not Issued

At December 31, 2010, the Township had authorized but not issued bonds and notes of the General Capital Fund totaling $2,035,787.00 and Swimming Pool Utility Capital Fund totaling $47,500.00.

9. Local District School and Regional High School Taxes

Under the provisions of statute, where the school tax is raised for a school year the unpaid portion of the tax on December 31 of the year of the levy may be deferred to the extent of not more than 50% of the levy, provided that no requisition has been made for such amount or any portion of such amount.

Whereas the Local School District Taxes are raised in a calendar-year basis, the Township of Hazlet has no deferred school taxes at year-end.

10. Fund Balance Appropriated

The Current Fund balance at December 31, 2010 was $2,068,195.30 of which $1,295,037.62 was appropriated and included as anticipated revenue for the year ended December 31, 2011.*

The Swimming Pool Utility Operating Fund balance at December 31, 2010 was $71,403.83 of which $64,358.48 was appropriated and included as anticipated revenue for the year ended December 31, 2011.*

The Sewer Utility Operating Fund balance at December 31, 2010 was $1,908,140.97 of which $884,377.24 was appropriated and included as anticipated revenue for the year ended December 31, 2011.*

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

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2010, there were no deferred charges shown on the various Balance Sheets.

12. Accrued Sick and Vacation Benefits - Unaudited

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused sick pay. The Township permits its employees to accumulate unused sick and vacation pay. The Township estimates the current cost of such unpaid compensation to be $1,489,131.55 at December 31, 2010. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

* Budget not adopted as of the date of this report

13. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. All funds collected from employees are transmitted to the state for this period. The Reserve for Unemployment Compensation Insurance at December 31, 2010 and 2009 totaled $52,850.74 and $66,760.20, respectively.

14. Contingent Liabilities

State and Federal Grants

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2010, the Township estimates that no material liabilities will result from such audits.

Pending Litigation

There are actions which have been instituted against the Township which are either in the discovery stage or whose final outcome cannot be determined at the present time. In the opinion of the administration, the amount of ultimate liability with respect to these actions will not materially affect the financial position of the Township.

15. Assessment and Collection of Property Taxes

New Jersey statutes require that taxable valuation of real property be prepared by the local unit tax assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Local Unit, Local School District, County and Special Districts, the tax rate is struck by the County Tax Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the local unit tax collector on or before May 13. New Jersey statutes require that each local unit provide for sufficient anticipated cash receipts equal to the "lawful yearly expenditure" which includes the total amount of property taxes to be raised by the local unit.

Taxes are levied on an annual basis and are due quarterly on February 1, May 1, August 1, and November 1. Any taxes not paid as of December 31 are subject to tax sale and lien in the subsequent year, with the exception of bankruptcies. The date of tax sale is at the discretion of the Tax Collector.

16. Risk Management

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Township is a member of the Monmouth County Municipal Joint Insurance Fund. The joint insurance pool is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The joint insurance fund will be self-sustaining through member premiums. The joint insurance fund participates in the Municipal Excess Liability Program, which has a contract for excess liability insurance for property.

17. GASB 45 – Other Post-Employment Benefits

In addition to the pension and retirement plans described in Note 1. I., the Township provides post-retirement health care benefits for employees who retire after 25 years of service. Benefits consist of full medical coverage and expenditures are recognized as claims are reported. As of the date of this report, the Township has 39 former employees eligible for and participating in the post-retirement health benefit program. The Township's approximate annual cost in providing post-retirement health benefits is $525,408.00.

Commencing with the year ending December 31, 2008, the above-noted post employment benefits require the Township to implement the note disclosure provision of GASB Statement 45, Account and Financial Reporting by Employers for Post Employment Benefits Other Than Pension. The Statement which was adopted during 2004 by GASB requires the Township to disclose in the Notes to Financial Statements the future cost of the Other Post-Employment Benefits ("OPEB") on a present value basis instead of the present pay-as-you-go method. OPEB obligations are non-pension benefits that the Township has contractually agreed to provide employees once they have retired.

The Township has contracted with Central Jersey Municipal Health Employees Benefits Fund to calculate their OPEB Obligation for the year ending December 31, 2011.

The future value of benefits paid is not required to be reported in the financial statements as presented and has not been determined, but it probably material. Under current New Jersey budget and financial reporting requirements, the Township will not have to provide any amounts in excess of their current cash costs or recognize any long-term obligations on their balance sheets.

18. Deferred Compensation

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

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

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

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

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

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be $600.00 per year of active emergency service, commencing with the year 2002.

Appropriations - Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2002.

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

Determination as to Eligibility - Each emergency service organization shall provide to the Township Administrator, acting as the Plan Administrator of LOSAP Plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan and those who are eligible to participate as of each January 1 thereafter. The Plan Administrator shall forward said certified list to the Township Council for approval, in accordance with the 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.

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

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

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

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

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

20. Subsequent Event

On April 19, 2011, the Township adopted a Bond Ordinance for Capital Improvements, appropriating $1,012,200.00 and authorizing the issuance of $549,155.00 Bonds or Notes to finance part of the cost thereof.

SUPPLEMENTARY SCHEDULES

CURRENT FUND

SCHEDULES

Schedule 1-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF CASH

Year ended December 31, 2010

	Reference		Current Fund
Balance, December 31, 2009	A		$ 3,563,434.62
Increased By Receipts:			
Cancelled Checks	A-1	$ 741.02	
Miscellaneous Revenue Not Anticipated	A-2	355,404.99	
Taxes Receivable	2-A	54,019,457.42	
Revenue Accounts Receivable	5-A	3,804,266.71	
State of New Jersey (Ch. 20, P.L. 1971)	6-A	278,166.44	
Interfunds	7-A	1,252,919.00	
Due To State of New Jersey - Various	19-A	12,632.00	
Various Reserves	20-A	313,876.50	
Other Accounts Receivable	8-A	24,340.54	
Prepaid Taxes	14-A	163,546.52	
Tax Overpayments	13-A	8,796.27	
			60,234,147.41
			63,797,582.03
Decreased By Disbursements:			
2010 Appropriations	A-3	16,364,745.19	
2009 Appropriation Reserves	11-A	578,303.50	
Other Accounts Receivable	8-A	28,505.74	
Refund of Prior Year Revenues	A-1	3,295.36	
County Taxes Payable	16-A	7,133,101.55	
Local District School Tax	17-A	32,910,227.75	
Fire District Taxes	15-A	1,552,337.00	
Interfunds	7-A	554,685.34	
Emergency Note Payable	21-A	100,000.00	
Due To State of New Jersey - Various	19-A	13,418.00	
Prior Year Revenue Refunded	A-1	101,657.78	
			59,340,277.21
Balance, December 31, 2010	A		$ 4,457,304.82

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year ended December 31, 2010

Year	Balance December 31, 2009	2010 Levy	Added	Collections 2009	Collections 2010	Due From State of New Jersey	Adjustments	Balance December 31, 2010
2007	$ 3,154.71						$ 3,154.71	
2008	2,432.59						2,432.59	
2009	567,911.35		$ 4,000.00		$ 567,400.74		4,510.61	
2010		$ 54,500,622.61	82,550.89	$ 224,046.88	53,452,056.68	$ 269,047.95	103,423.04	$ 534,598.95
	$ 573,498.65	$ 54,500,622.61	$ 86,550.89	$ 224,046.88	$ 54,019,457.42	$ 269,047.95	$ 113,520.95	$ 534,598.95
Reference	A	2-A	2-A	14-A	1-A	6-A		A

Analysis of Property Tax Levy		Reference				
		3-A			Tax Title Liens Payable	$ 3,944.19
		2-A			Adjustments	109,576.76
Tax Yield						$ 113,520.95
General Purpose Tax	$ 52,927,295.28					
Special District Taxes	1,573,327.33					
Added and Omitted Tax	82,550.89					
	$ 54,583,173.50					
Tax Levy						
Local District School Tax		17-A		$ 32,895,363.50		
County Taxes:						
County Tax		16-A	$ 6,257,959.81			
County Library Tax		16-A	358,456.44			
County Health Tax		16-A	118,242.83			
County Open Space Tax		16-A	390,291.89			
Due County for Added and Omitted Taxes		16-A	10,833.41			
				7,135,784.38		
				40,031,147.88	Analysis of Current Year Collections	
						Reference
Fire District Tax		15-A	1,552,337.00			
Local Municipal Open Space Tax		7-A	238,414.83			
Due Municipal Open Space Tax For Added and Omitted Taxes		7-A	353.64		Prepaid Taxes	14-A $ 224,046.88
Local Tax for Municipal Purposes		A-2	12,643,101.00		Current Year Taxes	2-A 53,452,056.68
Add: Additional Tax Levied		2-A	117,819.15		Due From State of New Jersey	6-A 269,047.95
				14,552,025.62		
				$ 54,583,173.50		A-1,A-2 $ 53,945,151.51

Schedule 3-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 78,341.09
Increased By:		
Transfer From Taxes Receivable	2-A	3,944.19
Balance, December 31, 2010	A	$ 82,285.28

Schedule 4-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 724,000.00
Decreased By:		
Properties Sold	4-A	352,500.00
Balance, December 31, 2010	A	$ 371,500.00

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2010

	Balance December 31, 2009	Accrued in 2010	Collections	Balance December 31, 2010
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages		$ 23,286.31	$ 23,286.31	
Other		68,113.00	68,113.00	
Fees and Permits		144,717.92	144,717.92	
Fines and Costs:				
Municipal Court	$ 14,417.38	255,600.21	251,829.05	$ 18,188.54
Interest and Costs on Taxes		159,538.14	159,538.14	
Cable Franchise Fees		114,151.60	114,151.60	
Hotel/Motel Fees		107,143.93	107,143.93	
Interest on Investments and Deposits		11,357.44	11,357.44	
Anticipated Utility Operating Surplus - Sewer		439,777.37	439,777.37	
Consolidated Municipal Property Tax Relief Aid		289,572.00	289,572.00	
Energy Receipts Tax (P.L. 1997, Ch. 162 & 167)		1,594,767.00	1,594,767.00	
Payments in Lieu of Taxes on State Exempt Property (N.J.S.A. 54:4-2.2a et seq.)		281,775.95	281,775.95	
Uniform Construction Code Fees		285,237.00	285,237.00	
Recycling Tonnage Grant		34,496.97	34,496.97	
Clean Communities Program		32,141.25	32,141.25	
Municipal Alliance on Alcoholism and Drug Abuse		32,692.00	32,692.00	
Green Meadows Farm		40,000.00	40,000.00	
Hazlet Township Board of Education - School Resource Officer		33,000.00	33,000.00	
Interfund Accounts Receivable to be Cleared		675,000.00	675,000.00	
	$ 14,417.38	$ 4,622,368.09	$ 4,618,596.93	$ 18,188.54
Reference	A	5-A		A
Cash Receipts	1-A		$ 3,804,266.71	
Interfunds	7-A		675,000.00	
Grants Receivable	10-A		139,330.22	
	A-2		$ 4,618,596.93	

Schedule 6-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE FROM/(TO) STATE OF NEW JERSEY - P.L. 1971, C. 20

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	A		$ 4,886.30
Increased By:			
Deductions per Tax Duplicate:			
Senior Citizens	2-A	$ 51,750.00	
Veterans	2-A	219,250.00	
			271,000.00
			275,886.30
Decreased By:			
Deductions Disallowed by Collector:			
2010 Taxes	2-A	1,952.05	
2009 Taxes	A-1	4,250.00	
Received From State of New Jersey	1-A	278,166.44	
			284,368.49
Balance, December 31, 2010	A		$ (8,482.19)

Schedule 7-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF INTERFUNDS RECEIVABLE/(PAYABLE)

Year ended December 31, 2010

	Reference	Total	Trust Other	General Capital	Federal and State Grant Fund	Swim Club Operating Fund	Sewer Utility Operating Fund	Swim Club Capital Fund	Payroll Fund	Animal Control Fund	Open Space Trust Fund
Balance, December 31, 2009:											
Receivable	A	$ 1,147,747.01	$ 619,979.74			$ 258,410.88	$ 131,974.62		$ 298.03	$ 8,772.83	$ 128,310.91
Payable	A	(316,215.18)		$ (171,493.23)	$ (144,591.71)			$ (130.24)			
Increased By:											
Disbursements	1-A	554,685.34	15,470.04	171,493.65	117,110.33		8,138.13	130.24	3,450.03	124.45	238,768.47
Revenue Accounts Receivable	5-A	139,330.22			139,330.22						
Miscellaneous Revenues Not Anticipated	A-2	21,250.87	21,250.87								
		715,266.43	36,720.91	171,493.65	256,440.55		8,138.13	130.24	3,450.03	124.45	238,768.47
		1,546,798.26	656,700.65	0.42	111,848.84	258,410.88	140,112.75		3,748.06	8,897.28	367,079.38
Decreased By:											
Receipts	1-A	1,252,919.00	594,693.41		130,458.32	258,410.88	131,974.62		298.03	8,772.83	128,310.91
2010 Tax Levy	A-1	238,414.83									238,414.83
Added/Omitted Levy	A-1	353.64									353.64
Budget Appropriations	A-3	147,503.22			147,503.22						
		1,639,190.69	594,693.41		277,961.54	258,410.88	131,974.62		298.03	8,772.83	367,079.38
Balance, December 31, 2010:											
Receivable	A	$ 73,720.27	$ 62,007.24	$ 0.42	$ 0.00	$ 0.00	$ 8,138.13	$ 0.00	$ 3,450.03	$ 124.45	$ 0.00
Payable	A	$ (166,112.70)	$ 0.00	$ 0.00	$ (166,112.70)	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

Schedule 8-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF OTHER ACCOUNTS RECEIVABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 2,941.26
Increased By:		
Cash Disbursed	A-1,1-A	28,505.74
		31,447.00
Decreased By:		
Cash Receipts	A-1,1-A	24,340.54
Balance, December 31, 2010	A	$ 7,106.46

Schedule 9-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

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

Year ended December 31, 2010

Purpose	Date Authorized	Amount Authorized	1/5 Of Net Amount Authorized	Balance December 31, 2009	Decreased By Budget Appropriation	Balance December 31, 2010
Revaluation of Real Property	09/04/07	$ 500,000.00	$ 100,000.00	$ 300,000.00	$ 100,000.00	$ 200,000.00
			Reference	A	A-3	A

Schedule 10-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2010

	Balance December 31, 2009	2010 Budget Revenue Realized	Received	Transferred From Unappropriated Reserves	Balance December 31, 2010
Bulletproof Vest Grant	$ 6.78				$ 6.78
Clean Communities Program		$ 32,141.25	$ 32,141.25		
DCA - Smart Future Planning Grant	45,000.00				45,000.00
Green Meadows Farm		40,000.00		$ 40,000.00	
Hepatitis B Inoculation Fund	3,438.00				3,438.00
Municipal Alliance on Alcoholism and Drug Abuse	14,539.00	32,692.00	27,886.00		19,345.00
Recycling Tonnage Grant		34,496.97		34,496.97	
	$ 62,983.78	$ 139,330.22	$ 60,027.25	$ 74,496.97	$ 67,789.78
Reference	A	5-A	23-A	26-A	A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance, December 31, 2009	Encumbrances Payable	Balance after Modifications	Paid or Charged	Lapsed
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	$ 1,810.57		$ 1,810.57		$ 1,810.57
Other Expenses	27,920.39	$ 4,348.15	32,268.54	$ 12,950.78	19,317.76
Mayor and Committee:					
Other Expenses	4,664.84		4,664.84		4,664.84
Municipal Clerk:					
Salaries and Wages	1,645.56		1,645.56		1,645.56
Other Expenses	8,145.38	69.12	8,214.50	50.76	8,163.74
Elections:					
Other Expenses	770.89		770.89		770.89
Registrar/Vital Statistics:					
Salaries and Wages	2,349.53		2,349.53		2,349.53
Other Expenses	1,664.78	535.90	2,200.68	547.90	1,652.78
Financial Administration:					
Salaries and Wages	4,345.00		4,345.00		4,345.00
Other Expenses	3,271.04		3,271.04	514.15	2,756.89
Audit Services:					
Other Expenses	44,100.00		44,100.00	43,000.00	1,100.00
Revenue Administration (Tax Collection):					
Salaries and Wages	3,374.12		3,374.12		3,374.12
Other Expenses	3,630.70		3,630.70		3,630.70
Tax Assessment Administration:					
Salaries and Wages	5,616.13		5,616.13		5,616.13
Other Expenses	5,108.45	38,976.75	44,085.20	42,839.63	1,245.57
Legal Services:					
Other Expenses	43,921.87	4,936.33	48,858.20	46,977.17	1,881.03
Engineering Services:					
Other Expenses	21,133.06	16,313.44	37,446.50	1,727.69	35,718.81
Planning Board:					
Salaries and Wages	146.08		146.08		146.08
Other Expenses	26,690.65	1,298.75	27,989.40	1,298.75	26,690.65
Zoning Board of Adjustment:					
Salaries and Wages	1,949.00		1,949.00		1,949.00
Other Expenses	5,772.85	1,209.90	6,982.75	2,279.90	4,702.85
Rent Control:					
Other Expenses	1,000.00		1,000.00		1,000.00
INSURANCE					
Property/General/Environmental	21.66		21.66		21.66
Public Officials/Employment Practices/ Other Insurance	7,479.82		7,479.82	1,607.28	5,872.54
Workers Compensation	14,195.49		14,195.49		14,195.49
Employee Group Insurance	71,096.09		96.09		96.09
Disability Insurance	5,649.92		5,649.92		5,649.92
PUBLIC SAFETY					
Police:					
Salaries and Wages	308,561.03		379,561.03	242,993.07	136,567.96
Other Expenses	29,408.69	10,896.98	40,305.67	11,749.44	28,556.23
School Crossing Guards:					
Salaries and Wages	796.75		796.75		796.75
Other Expenses	54.67	1,044.50	1,099.17	1,044.50	54.67

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance, December 31, 2009	Encumbrances Payable	Balance after Modifications	Paid or Charged	Lapsed
Police Dispatch/911:					
Salaries and Wages	25,978.53		25,978.53		25,978.53
Office of Emergency Management:					
Other Expenses	7,028.83	10,554.11	17,582.94	11,044.80	6,538.14
Municipal Prosecutor:					
Salaries and Wages	1,449.96		1,449.96		1,449.96
Other Expenses	1,500.00		1,500.00		1,500.00
PUBLIC WORKS					
Streets and Roads Maintenance:					
Other Expenses	62,264.05	36,865.03	99,129.08	53,741.00	45,388.08
Snow Removal:					
Salaries and Wages	34,754.68		34,754.68		34,754.68
Other Expenses	25,295.51	11,750.70	37,046.21	12,916.91	24,129.30
Recycling:					
Salaries and Wages	33,899.38		33,899.38		33,899.38
Other Expenses	12,200.02	23,130.34	35,330.36	25,705.20	9,625.16
Buildings and Grounds:					
Other Expenses	6,902.48	12,967.22	19,869.70	13,554.00	6,315.70
Municipal Parking Facility:					
Other Expenses	53.40		53.40		53.40
Vehicle Maintenance (Including Police Vehicles):					
Other Expenses	23,510.10	6,013.41	29,523.51	12,855.61	16,667.90
HEALTH AND HUMAN SERVICES					
Public Health Services (Board of Health):					
Other Expenses	755.00		755.00		755.00
Aid to Community Programs:					
Other Expenses	1.36		1.36		1.36
Environmental Health Services:					
Other Expenses	1,303.08		1,303.08		1,303.08
Open Space Commission:					
Other Expenses	3,981.00		3,981.00		3,981.00
PARKS AND RECREATION					
Recreation:					
Salaries and Wages	893.96		893.96		893.96
Other Expenses	3,679.51	1,695.92	5,375.43		5,375.43
Recreation Services and Programs:					
Other Expenses	99.00		99.00		99.00
EDUCATION					
Township Library:					
Other Expenses	10,000.00		10,000.00	6,703.09	3,296.91
MUNICIPAL COURT					
Municipal Court:					
Salaries and Wages	11,894.72	284.40	12,179.12	440.30	11,738.82
Other Expenses	5,214.37	1,687.95	6,902.32	1,778.75	5,123.57
Public Defender:					
Salaries and Wages	5,000.00		5,000.00		5,000.00

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance, December 31, 2009	Encumbrances Payable	Balance after Modifications	Paid or Charged	Lapsed
UNIFORM CONSTRUCTION CODE ENFORCEMENT					
Salaries and Wages	17,405.84		17,405.84		17,405.84
Other Expenses	3,782.15		3,782.15		3,782.15
UNCLASSIFIED					
Electricity	22,349.80		10,349.80	7,092.58	3,257.22
Street Lighting	131.08	25,900.73	38,031.81	37,689.75	342.06
Telephone	7,982.99		7,982.99	2,257.48	5,725.51
Water and Sewerage	6,742.00	192.69	6,934.69	813.65	6,121.04
Gas (Natural or Propane)	16,217.33	25.00	16,242.33	9,886.86	6,355.47
Telecommunications	2,986.26	105.13	3,091.39	1,617.50	1,473.89
Contingent	1.00		1.00		1.00
Contribution To:					
Social Security System (O.A.S.I.)	29,268.04		29,268.04		29,268.04
Length of Service Award Program ("LOSAP")	907.16		907.16		907.16
Handicapped Persons Recreational Opportunities:					
Other Expenses	1,755.00		1,755.00		1,755.00
	$ 1,043,482.60	$ 210,802.45	$ 1,254,285.05	$ 607,678.50	$ 646,606.55
Reference	A	12-A	11-A		A-1

Accounts Payable	18-A	$ 29,375.00
Cash Disbursed	1-A	578,303.50
		$ 607,678.50

Schedule 12-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 210,802.45
Increased By:		
Encumbrances:		
Current Appropriations Charged	A-3	240,419.50
		451,221.95
Decreased By:		
Transfer To Appropriation Reserves	11-A	210,802.45
Balance, December 31, 2010	A	$ 240,419.50

Schedule 13-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 286,797.73
Increased By:		
Cash Receipts	1-A	8,796.27
Balance, December 31, 2010	A	$ 295,594.00

Schedule 14-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF PREPAID TAXES

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 224,046.88
Increased By:		
Cash Receipts	1-A	163,546.52
		387,593.40
Decreased By:		
Applied To Taxes Receivable	2-A	224,046.88
Balance, December 31, 2010	A	$ 163,546.52

Schedule 15-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF FIRE DISTRICT TAXES PAYABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 0.00
Increased By:		
Fire District Levy	A-1,2-A	1,552,337.00
		1,552,337.00
Decreased By:		
Disbursed	1-A	1,552,337.00
Balance, December 31, 2010	A	$ 0.00

Schedule 16-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	A		$ 8,150.58
Increased By:			
2010 Tax Levy:			
County Tax	A-1,2-A	$ 6,257,959.81	
County Library Tax	A-1,2-A	358,456.44	
County Health Tax	A-1,2-A	118,242.83	
County Open Space Tax	A-1,2-A	390,291.89	
Added and Omitted Taxes	A-1,2-A	10,833.41	
			7,135,784.38
			7,143,934.96
Decreased By:			
Cash Disbursed	1-A		7,133,101.55
Balance, December 31, 2010	A		$ 10,833.41

Schedule 17-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE/(RECEIVABLE)

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009:	A	$ 14,859.75
Increased By:		
Levy - Calendar Year 2010	A-1,2-A	32,895,363.50
		32,910,223.25
Decreased By:		
Cash Disbursed	1-A	32,910,227.75
Balance, December 31, 2010:	A	$ (4.50)

Schedule 18-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 10,586.37
Increased By:		
Transfer From Appropriation Reserves	11-A	29,375.00
		39,961.37
Decreased By:		
Cancelled Accounts Payable	A-1	10,586.37
Balance, December 31, 2010	A	$ 29,375.00

Schedule 19-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE TO STATE OF NEW JERSEY - VARIOUS

Year ended December 31, 2010

	Balance December 31, 2009	Increased By Cash Receipts	Decreased By Cash Disbursed	Balance December 31, 2010
Division of Youth and Family Services:				
Marriage Licenses	$ 434.00	$ 2,403.00	$ 2,500.00	$ 337.00
Department of Community Affairs:				
Training Fees	2,725.00	10,229.00	10,918.00	2,036.00
	$ 3,159.00	$ 12,632.00	$ 13,418.00	$ 2,373.00
Reference	A	1-A	1-A	A

Schedule 20-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2010

	Balance December 31, 2009	Increased By Cash Receipts	Balance December 31, 2010
Recycling	$ 66,404.79	$ 55,112.80	$ 121,517.59
State Library Aid	5,128.37		5,128.37
Sale of Assets		258,763.70	258,763.70
	$ 71,533.16	$ 313,876.50	$ 385,409.66
Reference	A	1-A	A

Schedule 21-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 300,000.00
Decreased By:		
Cash Disbursements	1-A	100,000.00
Balance, December 31, 2010	A	$ 200,000.00

Schedule 22-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

Year ended December 31, 2010

	Reference	
Balance, December 31, 2010 and 2009	A	$ 12,139.55

Schedule 23-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF DUE FROM CURRENT FUND

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	A		$ 144,591.71
Increased By:			
Deposited in Current Fund:			
Grants Receivable	7-A,10-A	$ 60,027.25	
Grants Unappropriated	7-A,26-A	70,431.07	
2010 Budget Appropriations:			
Grants Appropriated	A-3	147,503.22	
			277,961.54
			422,553.25
Decreased By:			
Disbursed by Current Fund:			
Appropriated Reserves	7-A,25-A	117,110.33	
2010 Anticipated Revenue	5-A	139,330.22	
			256,440.55
Balance, December 31, 2010	A		$ 166,112.70

Schedule 24-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	A	$ 34,436.69
Increased By:		
Grants Appropriated	25-A	10,638.76
		45,075.45
Decreased By:		
Transfer to Grants Appropriated	25-A	34,436.69
Balance, December 31, 2010	A	$ 10,638.76

Schedule 25-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2010

	Balance December 31, 2009	Transferred From 2010 Budget Appropriations: Budget	Transferred From 2010 Budget Appropriations: Appropriation By 40A:4-87	Transfer From Encumbrances Payable	Expended	Encumbrances Payable	Balance December 31, 2010
Alcohol Enforcement	$ 2,639.48						$ 2,639.48
Alcohol Education Rehabilitation Fund	178.27						178.27
Body Armor Replacement Fund	17,196.33				$ 796.21		16,400.12
Clean Communities	20,186.97		$ 32,141.25	$ 1,170.00	23,059.85	$ 55.00	30,383.37
Drunk Driving Enforcement Fund	10,617.03			10,001.90	18,156.24		2,462.69
Enhanced 9-1-1 Grant	2,826.52						2,826.52
Green Meadows Farm	10,975.64	$ 40,000.00		15,162.00	15,658.62	12.00	50,467.02
Hepatitis B Inoculation Fund	1,544.00						1,544.00
Municipal Alliance Grant		40,865.00		7,902.79	38,396.03	10,371.76	
DCA Smart Future Planning Grant	20,043.42				20,043.42		
Recycling Tonnage Grant	11,375.69	34,496.97		200.00	999.96	200.00	44,872.70
Tobacco - Age-of-Sale Enforcement Program	1,058.48						1,058.48
	$ 98,641.83	$ 115,361.97	$ 32,141.25	$ 34,436.69	$ 117,110.33	$ 10,638.76	$ 152,832.65
Reference	A	A-3	A-3	24-A	23-A	24-A	A

Schedule 26-A

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

Year ended December 31, 2010

		Balance December 31, 2009	Transferred to 2009 Budget Appropriations	Received	Balance December 31, 2010
Green Meadows Farm		$ 40,000.00	$ 40,000.00	$ 40,000.00	$ 40,000.00
Recycling Tonnage Grant		34,496.97	34,496.97	24,966.26	24,966.26
2009 State Body Armor				1,574.39	1,574.39
2010 State Body Armor				3,890.42	3,890.42
		$ 74,496.97	$ 74,496.97	$ 70,431.07	$ 70,431.07
	Reference	A	A-2,10-A	23-A	A

TRUST FUND

SCHEDULES

Schedule 1-B

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2010

	Reference	Animal Control Trust Fund	Other Trust Funds	Open Space Trust Fund
Balance, December 31, 2009	B	$ 14,311.36	$ 2,147,787.49	$ 397,174.98
Increased By Receipts:				
Due To State of New Jersey	4-B	2,621.40		
Interfund - Current Fund	2-B,5-B,7-B	124.45	22,870.99	238,768.47
Various Reserves	8-B		810,174.37	
Reserve for:				
Animal Control Trust Fund Expenditures	6-B	85,302.21		
Open Space	3-B			389.36
		88,048.06	833,045.36	239,157.83
		102,359.42	2,980,832.85	636,332.81
Decreased By Disbursements:				
Interfund - Current Fund	2-B,5-B,7-B	78,410.02	594,693.41	128,310.91
Various Reserves	8-B		1,124,660.53	
		78,410.02	1,719,353.94	128,310.91
Balance, December 31, 2010	B	$ 23,949.40	$ 1,261,478.91	$ 508,021.90

Schedule 2-B

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

OPEN SPACE TRUST FUND

SCHEDULE OF INTERFUND - CURRENT FUND

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	B		$ 128,310.91
Increased By:			
Cash Receipts	1-B		238,768.47
			367,079.38
Decreased By:			
Cash Disbursements	1-B	$ 128,310.91	
Open Space Tax Levy	3-B	238,414.83	
Open Space Added and Omitted Levy	3-B	353.64	
			367,079.38
Balance, December 31, 2010	B		$ 0.00

Schedule 3-B

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

OPEN SPACE TRUST FUND

SCHEDULE OF RESERVE FOR OPEN SPACE

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	B		$ 268,864.07
Increased By:			
Open Space Tax Levy	2-B	$ 238,414.83	
Open Space Added and Omitted Levy	2-B	353.64	
Interest Earned	1-B	389.36	
			239,157.83
Balance, December 31, 2010	B		$ 508,021.90

Schedule 4-B

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF DUE TO STATE OF NEW JERSEY

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	B	$ 69.80
Increased By:		
Cash Receipts	1-B	2,621.40
		2,691.20
Decreased By:		
Cash Disbursed	5-B	2,620.80
Balance, December 31, 2010	B	$ 70.40

Schedule 5-B

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF INTERFUND - CURRENT FUND

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	B		$ 8,772.83
Increased By:			
Interest	1-B	$ 124.45	
Payment To State of New Jersey	4-B	2,620.80	
Dog Fund Expenditures	6-B	67,016.39	
			69,761.64
			78,534.47
Decreased By:			
Cash Disbursements	1-B		78,410.02
Balance, December 31, 2010	B		$ 124.45

Schedule 6-B

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	B		$ 5,493.73
Increased By:			
Dog License Fees Collected		$ 16,826.40	
Cat License Fees Collected		2,721.81	
Miscellaneous Fees Collected		1,620.00	
2010 Budget Appropriation		64,134.00	
	1-B		85,302.21
			90,795.94
Decreased By:			
Expenditures Under R.S. 4:19-15.11:			
Cash Disbursements	5-B		67,016.39
Balance, December 31, 2010	B		$ 23,779.55

License Fees Collected

2009	$ 15,888.40
2008	20,639.36
	$ 36,527.76

Schedule 7-B

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF INTERFUND - CURRENT FUND

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	B		$ 619,979.74
Increased By:			
Cash Receipts	1-B	$ 22,870.99	
Various Reserves	8-B	13,849.92	
			36,720.91
			656,700.65
Decreased By:			
Cash Disbursements	1-B		594,693.41
Balance, December 31, 2010	B		$ 62,007.24

Schedule 8-B

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2010

	Balance December 31, 2009	Increased	Decreased	Balance December 31, 2010
Reserve for:				
Tax Title Lien Redemptions	$ 36,608.64		$ 8,688.05	$ 27,920.59
Tax Sale Premiums	284,400.00	$ 29,600.00	212,500.00	101,500.00
Law Enforcement Trust Fund	22,120.86	16,924.15	17,784.92	21,260.09
Recreation Commission	159,321.60	273,785.39	297,900.50	135,206.49
Developers Escrow	783,788.21	190,972.29	335,222.74	639,537.76
Recycling Program	12,017.46			12,017.46
Parking Offenses Adjudication Act	1,566.00	70.00		1,636.00
911 Disaster Fund	2,863.00		68.00	2,795.00
Affinity Credit Cards	15,958.23			15,958.23
Tree Replacement	35,840.00	7,680.00		43,520.00
Board of Health	8,165.28			8,165.28
LOSAP	2,749.34			2,749.34
Sidewalk Fund	5,400.00			5,400.00
Public Defender	32,927.50	7,474.27	10,200.00	30,201.77
Police Unclaimed	992.81			992.81
Unemployment Compensation Insurance	66,760.20	22,534.96	36,444.42	52,850.74
Off Duty Police	24,007.48	251,338.31	210,399.62	64,946.17
Grading Trust	500.00	5,550.00	5,250.00	800.00
Donations:				
Memorial Tree Fund	9,824.45			9,824.45
Hazlet Township 150th Anniversary	1,514.62			1,514.62
Skateboard Park	9,526.00	2,000.00		11,526.00
Municipal Alliance	10,956.07	2,245.00	4,052.20	9,148.87
	$ 1,527,807.75	$ 810,174.37	$ 1,138,510.45	$ 1,199,471.67
Reference	B	1-B		B

Cash Disbursements	1-B	$ 1,124,660.53
Due To Current Fund	7-B	13,849.92
		$ 1,138,510.45

Schedule 9-B
(Unaudited)

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF INVESTMENTS

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	B		$ 165,528.68
Increased By:			
Borough Contributions	10-B	$ 20,300.00	
Appreciation of Investments	10-B	15,118.94	
			35,418.94
			200,947.62
Decreased By:			
Withdrawals	10-B	12,014.91	
Fees/Taxes	10-B	1,313.10	
			13,328.01
Balance, December 31, 2010	B		$ 187,619.61

Schedule 10-B
(Unaudited)

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF MISCELLANEOUS RESERVES

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	B		$ 165,528.68
Increased By:			
Borough Contributions	9-B	$ 20,300.00	
Appreciation of Investments	9-B	15,118.94	
			35,418.94
			200,947.62
Decreased By:			
Withdrawals	9-B	12,014.91	
Fees/Taxes	9-B	1,313.10	
			13,328.01
Balance, December 31, 2010	B		$ 187,619.61

GENERAL CAPITAL FUND

SCHEDULES

Schedule 1-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CASH

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	C		$ 1,862,247.71
Increased By:			
Bond Anticipation Notes	14-C	$ 801,292.00	
Premium on Sale of Notes	C-1	11,550.00	
Schedule of Interfund- Current Fund	13-C	189,375.29	
Grants Receivable	3-C	221,615.04	
Capital Improvement Fund	8-C	125,000.00	
			1,348,832.33
			3,211,080.04
Decreased By:			
Improvement Authorizations	7-C	1,453,661.98	
Interfund - Current Fund	13-C	8.64	
			1,453,670.62
Balance, December 31, 2010	C		$ 1,757,409.42

Schedule 2-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH

Year ended December 31, 2010

		Balance December 31, 2010
Fund Balance		$ 210,706.38
Reserve For:		
Encumbrances		550,175.29
Payment of Debt Service		431,472.00
Payment of Notes		137,196.96
Grants Receivable		13,775.04
Interfund - Current Fund		0.42
Capital Improvement Fund		189,560.10
Grants Receivable		(977,452.29)
Ordinance Number	Improvement Description	
1266-03	Improvements to Various Roads	47,429.32
1273-03	Underground Storage Tank Remediation	348.71
1274-03	Improvements to Roller Rink	10,235.00
1298-04	Construction of New Municipal Building	5,493.75
1351-05	2005 Road Improvements	197.57
1322-05	Construction of New Municipal Building	109,549.62
1346-05	Lighting for Police and Library Parking Lots	9.22
1361-06	Document Imaging/Scanning	3,110.42
1367-06/ 1448-08	Renovation to Police, Court, Recreation Center/ Purchase Furniture and Equipment for New Municipal Building	40,561.17
1375-06	Various Improvements	17,978.26
1391-07	Roadway and Drainage Improvements to West Jack Street	161,572.62
1434-07	Various 2007 Road Improvements and Parkview Drive Sewer	(23,450.10)
1432-08	Acquisition of Pfleger Property for Open Space Purposes	(215,250.63)
1433-08	Various 2008 Capital Improvements	124,457.59
1457-09	Various 2009 Capital Improvements	410,454.58
1465-09	Acquisition of Various Capital Equipment	40,003.42
1478-10	Various 2010 Capital Equipment	469,275.00
		$ 1,757,409.42
	Reference	C

Schedule 3-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	C	$ 674,067.33
Increased By:		
Grants Awarded	7-C	525,000.00
		1,199,067.33
Decreased By:		
Cash Receipts	1-C	221,615.04
Balance, December 31, 2010	C	$ 977,452.29

Schedule 4-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	C	$ 9,173,727.33
Decreased By:		
Budget Appropriation	11-C,12-C	764,734.52
Balance, December 31, 2010	C	$ 8,408,992.81

Schedule 5-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Year ended December 31, 2010

Ordinance Number	Improvement Description	Balance December 31, 2009	Increases	Decreases	Balance December 31, 2010	Analysis of Balance: Bond Anticipation Notes	Analysis of Balance: Expenditures	Analysis of Balance: Unexpended Improvement Authorizations
1273-03	Underground Storage Tank Remediation	$ 171,500.00		$ 7,000.00	$ 164,500.00	$ 164,500.00		
1351-05	2005 Road Improvements	475,000.00			475,000.00	475,000.00		
1353-05	Purchase/Installation Lighting Police/Library	19,000.00			19,000.00	19,000.00		
1361-06	Document Imaging/Scanning	255,800.00		29,200.00	226,600.00	226,600.00		
1375-06	Various Improvements	675,260.00		27,200.00	648,060.00	569,900.00		$ 78,160.00
1391-07	Various Roadway and Drainage Improvements to West Jack Street	112,127.00		2,900.00	109,227.00	109,100.00		127.00
1434-07	Various 2007 Road Improvements and Parkview Drive Sewer	584,250.00			584,250.00		$ 23,450.10	560,799.90
1432-08	Acquisition of Pfleger Property for Open Space Purposes	228,250.00			228,250.00		215,250.63	12,999.37
1433-08	Various 2008 Capital Improvements	2,189,582.00			2,189,582.00	2,189,582.00		
1457-09	Various 2009 Capital Improvements	934,390.00			934,390.00	934,390.00		
1465-09	Acquisition of Various Capital Eqipment	428,600.00			428,600.00	428,600.00		
1478-10	Various 2010 Capital Improvements		$ 150,000.00		150,000.00			150,000.00
1484-10	Refunding General Obligation Bonds		995,000.00		995,000.00			995,000.00
		$ 6,073,759.00	$ 1,145,000.00	$ 66,300.00	$ 7,152,459.00	$ 5,116,672.00	$ 238,700.73	$ 1,797,086.27
	Reference	C	7-C	14-C	C	14-C	2-C	
Improvement Authorizations Unfunded:	7-C							$ 2,426,315.11
Less: Unexpended Proceeds of Bond Anticipation Notes:								
Ordinance Number:								
1273-03							$ 348.71	
1351-05							197.57	
1361-06							3,110.42	
1375-06							17,978.26	
1391-07							32,678.29	
1433-08							124,457.59	
1457-09							410,454.58	
1465-09							40,003.42	
								629,228.84
								$ 1,797,086.27

Schedule 6-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	C	$ 497,730.85
Increased By:		
Transferred From Improvement Authorizations	7-C	550,175.29
		1,047,906.14
Decreased By:		
Transferred To Improvement Authorizations	7-C	497,730.85
Balance, December 31, 2010	C	$ 550,175.29

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2010

Ordinance Number	Improvement Description	Balance December 31, 2009 Funded	Balance December 31, 2009 Unfunded	Prior Year Encumbrances	2010 Authorizations	Reappropriated	Paid or Charged	Current Year Encumbrances	Balance December 31, 2010 Funded	Balance December 31, 2010 Unfunded
1145-00	Acquisition of Public Works Equipment	$ 89,780.10		$ 4,686.00		$ (89,780.10)		$ 4,686.00		
1266-03	Improvements to Various Roads	47,429.32							$ 47,429.32	
1273-03	Underground Storage Tank Remediation		$ 145,208.75	8,579.38			$ 972.54	152,466.88		$ 348.71
1274-03	Improvements to Roller Rink	10,235.00							10,235.00	
1275-03	2003 Road Improvement Program	68,223.63				(68,223.63)				
1298-04/1412-07	Construction of New Municipal Building	5,493.75							5,493.75	
1302-04	Improvement of Laurel Avenue - Phase II	87,390.20				(87,390.20)				
1303-04	Improvement of Central Avenue	51,324.72				(51,324.72)				
1322-05	Construction of Municipal Building	24,759.42				87,390.20	2,600.00		109,549.62	
1346-05	Lighting for Police & Library Parking Lots	23.60					14.38		9.22	
1351-05	2005 Road Improvements		528.31				330.74			197.57
1361-06	Document Imaging/Scanning		11,268.60	50,994.99			31,733.23	27,419.94		3,110.42
1367-06/ 1448-08	Renovations to Police, Court, Recreation Center/Purchase Furniture for New Municipal Building	40,561.17		9,008.45				9,008.45	40,561.17	
1375-06	Various Improvements		96,537.30	5,979.72			399.04	5,979.72		96,138.26
1391-07/ 1462-09	Roadway & Drainage Improvements to W Jack St & Library Improvements		32,805.29			141,104.82	11,810.49	400.00	128,894.33	32,805.29
1434-07	Various 2007 Road Improvements and Parkview Drive Sewer		560,799.90	9,022.34				9,022.34		560,799.90
1432-08	Acquisition of Pfleger Property for Open Space Preservation Purposes		28,249.87	9,449.50			17,835.91	6,864.09		12,999.37
1433-08	Various 2008 Capital Improvements		429,142.74	358,619.22		(130,000.00)	481,620.35	51,684.02		124,457.59
1457-09	Various 2009 Capital Improvements		886,507.27	41,391.25		198,223.63	624,729.47	90,938.10		410,454.58
1465-09	Acquisition of Various Capital Equipment	21,500.00	428,600.00				228,190.58	181,906.00		40,003.42
1478-10	Various Capital Improvements				$ 682,500.00		53,425.25	9,799.75	469,275.00	150,000.00
1484-10	Refunding Certain Gen. Obligation Bonds				995,000.00					995,000.00
		$ 446,720.91	$ 2,619,648.03	$ 497,730.85	$ 1,677,500.00	$ 0.00	$ 1,453,661.98	$ 550,175.29	$ 811,447.41	$ 2,426,315.11
	Reference	C	C	6-C		7-C	1-C	6-C	C	C

Deferred Charges to Future Taxation Unfunded	5-C	$ 1,145,000.00
Capital Improvement Fund	8-C	7,500.00
NJ DOT Grants	3-C	525,000.00
		$ 1,677,500.00

Schedule 8-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	C	$ 72,060.10
Increased By:		
Current Fund Appropriation	1-C	125,000.00
		197,060.10
Decreased By:		
Improvement Authorization	7-C	7,500.00
Balance, December 31, 2010	C	$ 189,560.10

Schedule 9-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR STATE GRANT

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	C	$ 74,756.33
Decreased By:		
Reserve for Notes Payable	16-C	60,981.29
Balance, December 31, 2010	C	$ 13,775.04

Schedule 10-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM MONMOUTH COUNTY IMPROVEMENT AUTHORITY

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	C	$ 17,873.00
Decreased By:		
Interfund - Current Fund	13-C	17,873.00
Balance, December 31, 2010	C	$ 0.00

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2010

Purpose	Date of Issue	Original Issue	Outstanding December 31, 2010 Date	Outstanding December 31, 2010 Amount	Interest Rate	Balance December 31, 2009	Decreased	Balance December 31, 2010
General Improvements of 2001	12/01/01	$ 3,581,950.00	12/01/11	$ 336,590.18	5.000%			
			12/01/12	353,280.60	5.000%			
			12/01/13	370,898.25	5.000%	$ 1,384,377.77	$ 323,608.74	$ 1,060,769.03
Refunding Bonds of 2006	04/01/06	365,000.00	08/01/11	39,000.00	3.500%			
			08/01/12-14	39,000.00	5.000%	196,000.00	40,000.00	156,000.00
General Obligation Bonds of 2008	08/01/08	7,678,000.00	08/01/11-25	390,000.00	4.375%			
			08/01/26-28	390,000.00	4.500%	7,410,000.00	390,000.00	7,020,000.00
						$ 8,990,377.77	$ 753,608.74	$ 8,236,769.03
					Reference	C	4-C	C

Schedule 12-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOAN PAYABLE

Year ended December 31, 2010

Purpose	Date of Issue	Original Issue	Outstanding December 31, 2010 Date	Outstanding December 31, 2010 Amount	Balance December 31, 2009	Decreased	Balance December 31, 2010
Union Avenue Acquisition	12/28/02	$ 105,000.00	2010-2022	Various	$ 74,417.62	$ 5,066.09	$ 69,351.53
Union Avenue Acquisition	08/05/05	132,000.00	2010-2025	Various	108,931.94	6,059.69	102,872.25
					$ 183,349.56	$ 11,125.78	$ 172,223.78
				Reference	C	4-C	C

Schedule 13-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUND - CURRENT FUND

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009 (Due From)	C		$ (171,493.23)
Increased By:			
Due From MCIA	10-C	$ 17,873.00	
Cash Disbursements	1-C	8.64	
			17,881.64
			(189,374.87)
Decreased By:			
Cash Receipts		189,371.72	
Interest		3.57	
	1-C		189,375.29
Balance, December 31, 2010 (Due To)	C		$ 0.42

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2010

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2009	Increased	Decreased	Balance December 31, 2010
1273-03	Underground Storage Tank Remediation	12/12/03	07/31/10	07/30/11	2.00%	$ 171,500.00		$ 7,000.00	$ 164,500.00
1351-05	2005 Road Improvement Program	08/01/08	07/31/10	07/30/11	2.00%	475,000.00			475,000.00
1353-05	Purchase & Installation of Lighting	08/01/08	07/31/10	07/30/11	2.00%	19,000.00			19,000.00
1361-06	Document Imaging/Scanning	08/04/06	07/31/10	07/30/11	2.00%	255,800.00		29,200.00	226,600.00
1375-06	Various Improvements	08/03/07	07/31/10	07/30/11	2.00%	597,100.00		27,200.00	569,900.00
1391-07	Various Roadway & Drainage Improvements to W. Jack Street	08/03/07	07/31/10	07/30/11	2.00%	112,000.00		2,900.00	109,100.00
1433-08	Various 2008 Capital Improvements	08/01/08	07/31/10	07/30/11	2.00%	1,816,890.00	$ 372,692.00		2,189,582.00
1457-09	Various 2009 Capital Improvements	07/31/09	07/31/10	07/30/11	2.00%	934,390.00			934,390.00
1465-09	Various 2009 Capital Improvements	07/31/10	07/31/10	07/30/11	2.00%		428,600.00		428,600.00
						$ 4,381,680.00	$ 801,292.00	$ 66,300.00	$ 5,116,672.00
					Reference	C	1-C,17-C	5-C	C

Schedule 15-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2010 and 2009	C	$ 431,472.00

Schedule 16-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR PAYMENT OF NOTES

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	C	$ 76,215.67
Increased By:		
Reserve for Grants Receivable	9-C	60,981.29
Balance, December 31, 2010	C	$ 137,196.96

Schedule 17-C

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2010

Ordinance Number	Improvement Description	Balance December 31, 2009	Increased	Decreased	Balance December 31, 2010
1375-06	Various Improvements	$ 78,160.00			$ 78,160.00
1391-07	Roadway & Drainage Improvements to W Jack St	127.00			127.00
1434-07	Various 2007 Road Improvements & Parkview Drive Sewer	584,250.00			584,250.00
1432-08	Acquisition of Pfleger Property for Open Space Preservation	228,250.00			228,250.00
1433-08	Various 2008 Capital Improvements	372,692.00		$ 372,692.00	
1465-09	Acquisition of Various Capital Equip	428,600.00		428,600.00	
1478-10	Various 2010 Capital Improvements		$ 150,000.00		150,000.00
1484-10	Refunding General Obligation Bonds		995,000.00		995,000.00
		$ 1,692,079.00	$ 1,145,000.00	$ 801,292.00	$ 2,035,787.00
	Reference	17-C	5-C	1-C,14-C	17-C

SWIMMING POOL UTILITY FUND

SCHEDULES

Schedule 1-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY FUND

SCHEDULE OF CASH - TREASURER

Year ended December 31, 2010

	Reference	Operating		Capital	
Balance, December 31, 2009	D		$ 367,346.27		$ 18,656.52
Increased By Receipts:					
Membership Fees	D-3	$ 239,671.35			
Guest Membership Fees	D-3	39,163.79			
Concession Revenue	D-3	36,764.23			
Swimming Lessons	D-3	3,952.00			
Swim Team Revenue	D-3	2,966.00			
Interest on Investments	D-3	724.71			
Miscellaneous Revenue Not Anticipated	D-3	9,419.12			
Due To:					
Current Fund	15-D			$ 130.24	
Swimming Pool Utility Capital Fund	16-D	24.57			
			332,685.77		130.24
			700,032.04		18,786.76
Decreased By Disbursements:					
2010 Budget Appropriations	D-4	287,260.36			
Appropriation Reserves	4-D	2,250.31			
Refund of Prior Year Revenue	D-1	2,156.53			
Due To Current Fund	6-D	258,410.88			
Due From Swimming Pool Utility Capital Fund	16-D			24.57	
Improvement Authorizations	11-D			17.97	
Accrued Interest on Bonds and Notes	5-D	6,008.98			
			556,087.06		42.54
Balance, December 31, 2010	D		$ 143,944.98		$ 18,744.22

Schedule 2-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF CASH

Year ended December 31, 2010

		Balance December 31, 2010
Fund Balance		$ 1,544.67
Capital Improvement Fund		9,600.00
Due From Swimming Pool Utility Operating Fund		(24.45)
Ordinance Number	Improvement Authorizations	
1204-01	Improvements To Swim and Tennis Club	5,124.00
1352-05	Renovations To Swim and Tennis Club	2,500.00
		$ 18,744.22
	Reference	D

Schedule 3-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2010

	Reference	
Balance, December 31, 2010 and 2009	D	$ 1,300,147.53
Detail:		
Municipal Swimming Pool		$ 779,654.01
Site Improvements at Municipal Swimming Pool		136,094.58
Various Improvements at the Swim Club Facility		160,095.99
Improvement To Existing Building		50,000.00
Acquisition of a Four-Wheel Drive Truck		17,188.90
Ordinance 1117-99 - Swim Club Renovations		78,750.00
Ordinance 1142-00 - Renovations to Swim and Tennis Club		78,364.05
		$ 1,300,147.53

Schedule 4-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF 2009 APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance December 31, 2009	Encumbrances Payable	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:					
Salaries and Wages	$ 13,801.08		$ 13,801.08		$ 13,801.08
Other Expenses	11,668.83	$ 6,231.95	17,900.78	$ 2,250.31	15,650.47
Capital Improvements:					
Capital Outlay	1,079.78		1,079.78		1,079.78
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	1,434.05		1,434.05		1,434.05
	$ 27,983.74	$ 6,231.95	$ 34,215.69	$ 2,250.31	$ 31,965.38
	D	8-D	4-D	1-D	D-1

Schedule 5-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	D		$ 773.78
Increased By:			
2010 Budget Appropriations:			
Interest on Notes		$ 966.17	
Interest on Bonds		5,115.83	
	D-4		6,082.00
			6,855.78
Decreased By:			
Interest Paid	1-D		6,008.98
Balance, December 31, 2010	D		$ 846.80

Analysis of Accrued Interest December 31, 2010

Principal Outstanding December 31, 2010	Interest Rate	From	To	Period	Amount
Serial Bonds:					
$ 83,230.97	Various	12/01/10	12/31/10	1 Month	$ 346.80
Bond Anticipation Notes:					
$ 26,880.00	1.50%	07/31/10	12/31/10	154 Days	500.00
					$ 846.80

Schedule 6-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF DUE TO CURRENT FUND

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	D	$ 258,410.88
Decreased By:		
Cash Disbursed	1-D	258,410.88
Balance, December 31, 2010	D	$ 0.00

Schedule 7-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year ended December 31, 2010

Ordinance Number	Description	Ordinance Date	Ordinance Amount	Balance December 31, 2010 and 2009
1204-01	Improvements To Swim and Tennis Club	12/18/01	$ 78,750.00	$ 78,750.00
1352-05	Renovations To Swim and Tennis Club	11/01/05	50,000.00	50,000.00
				$ 128,750.00

Reference D

Schedule 8-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2010

	Reference	
Balance, December, 31, 2009	D	$ 6,231.95
Increased By:		
Transferred From Budget Appropriations	D-4	5,896.24
		12,128.19
Decreased By:		
Transfer to Appropriation Reserves	4-D	6,231.95
Balance, December, 31, 2010	D	$ 5,896.24

Schedule 9-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF SWIMMING POOL UTILITY SERIAL BONDS

Year ended December 31, 2010

Purpose	Original Issue Date	Original Issue Amount	Maturities of Bonds Outstanding December 31, 2010 Date	Maturities of Bonds Outstanding December 31, 2010 Amount	Interest Rate	Balance December 31, 2009	Decreased	Balance December 31, 2010
Swimming Pool Utility Improvement Bonds Series 2001	12/01/01	$ 281,050.00	12/01/11	$ 26,409.82	5.00%			
			12/01/12	27,719.40	5.00%			
			12/01/13	29,101.75	5.00%	$ 108,622.23	$ 25,391.26	$ 83,230.97
					Reference	D	13-D	D

Schedule 10-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2010

Ordinance Number	Improvement Description	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2009	Raised in Budget	Balance December 31, 2010
1204-01	Improvements To Swim and Tennis Club	12/13/02	12/31/10	07/28/11	1.50%	$ 40,320.00	$ 13,440.00	$ 26,880.00
					Reference	D	14-D	D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2010

Ordinance Number	Description	Ordinance Date	Ordinance Amount	Balance December 31, 2009 Funded	Balance December 31, 2009 Unfunded	Expended	Balance December 31, 2010 Funded	Balance December 31, 2010 Unfunded
1204-01	Improvements To Swim and Tennis Club	12/18/01	$ 78,750.00		$ 5,141.97	$ 17.97		$ 5,124.00
1352-05	Renovations To Swim and Tennis Club	11/01/05	50,000.00	$ 2,500.00	47,500.00		$ 2,500.00	47,500.00
				$ 2,500.00	$ 52,641.97	$ 17.97	$ 2,500.00	$ 52,624.00
			Reference	D	D	1-D	D	D

Schedule 12-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2010

	Reference	
Balance, December 31, 2010 and 2009	D	$ 9,600.00

Schedule 13-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	D	$ 1,191,525.30
Increased By:		
2010 Budget Appropriations:		
Payment of Serial Bonds	9-D	25,391.26
Balance, December 31, 2010	D	$ 1,216,916.56

Schedule 14-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	D	$ 40,930.00
Increased By:		
2010 Budget Appropriations:		
Payment of Note Principal	10-D	13,440.00
Balance, December 31, 2010	D	$ 54,370.00

Ordinance Number	Improvement Description	Date of Ordinance	Amount
1204-01	Improvements To Swim and Tennis Club	12/18/01	$ 51,870.00
1352-05	Improvements To Swim and Tennis Club	11/01/05	2,500.00
			$ 54,370.00

Reference D

Schedule 15-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF DUE TO CURRENT FUND

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	D	$ 130.24
Decreased By:		
Cash Receipts	1-D	130.24
Balance, December 31, 2010	D	$ 0.00

Schedule 16-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF DUE (FROM)/TO SWIMMING POOL UTILITY CAPITAL FUND

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	D	$ (0.12)
Decreased By:		
Cash Receipts	1-D	24.57
Balance, December 31, 2010	D	$ 24.45

Schedule 17-D

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2010

Ordinance Number	Improvement Description	Date of Ordinance	Balance December 31, 2010 and 2009
1352-05	Renovations To Swim and Tennis Club	11/01/05	$ 47,500.00
		Reference	17-D

SEWER UTILITY FUND

SCHEDULES

Schedule 1-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND

SCHEDULE OF CASH AND CASH EQUIVALENTS

Year ended December 31, 2010

	Reference	Operating Fund		Capital Fund	
Balance, December 31, 2009	E		$ 2,907,410.94		$ 115,311.84
Increased By Receipts:					
Consumer Accounts Receivable	3-E	$ 4,761,738.40			
Interest on Investments	E-1	667.36			
Connection Fees	E-1	7,766.00			
Miscellaneous Revenues	E-1	24,853.23			
Interfund Current Fund	13-E	8,138.13			
			4,803,163.12		
			7,710,574.06		115,311.84
Decreased By Disbursements:					
2010 Budget Appropriations	E-3	5,080,589.05			
Appropriation Reserves	5-E	11,179.98			
Accrued Interest on Bonds	7-E	66,274.60			
Interfund - Current Fund	13-E	131,974.62			
			5,290,018.25		
Balance, December 31, 2010	E		$ 2,420,555.81		$ 115,311.84

Schedule 2-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF SEWER UTILITY CAPITAL FUND CASH

Year ended December 31, 2010

	Balance December 31, 2010 and 2009
Reserve for Improvements	$ 115,311.84
Reference	E

Schedule 3-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF SEWER RENTS RECEIVABLE

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	E		$ 386,144.34
Increased By:			
Sewer Rents Levied (Net of Adjustments)	3-E		4,813,214.37
			5,199,358.71
Decreased By:			
Collections in 2010	1-E	$ 4,761,738.40	
Overpayments Applied	14-E	4,896.84	
			4,766,635.24
Balance, December 31, 2010	E		$ 432,723.47

Schedule 4-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF BAYSHORE SEWERAGE RENT RESERVE

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	E		$ 1,328,596.93
Increased By:			
Deposits - Budget Appropriation		$ 492,955.37	
Interest Earnings		5,733.96	
	4-E		498,689.33
Balance, December 31, 2010	E		$ 1,827,286.26

Schedule 5-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND

SCHEDULE OF APPROPRIATION RESERVES

Year ended December 31, 2010

	Balance December 31, 2009	Balance After Modifications	Paid or Charged	Lapsed
Operating:				
Salaries and Wages	$ 20,554.28	$ 20,554.28		$ 20,554.28
Other Expenses	130,792.98	131,561.04	$ 11,179.98	120,381.06
Insurance	18,864.81	18,864.81		18,864.81
Capital Improvements:				
Capital Outlay	15,000.00	15,000.00		15,000.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	1,477.65	1,477.65		1,477.65
Total Sewer Utility Appropriations	$ 186,689.72	$ 187,457.78	$ 11,179.98	$ 176,277.80
Reference	E		1-E	E-1

Encumbrances Payable	6-E	$ 768.06
Appropriation Reserves	5-E	186,689.72
		$ 187,457.78

Schedule 6-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	E	$ 768.06
Increased By:		
Charged To Budget Appropriations	E-3	18,292.50
		19,060.56
Decreased By:		
Applied To Appropriations Reserves	5-E	768.06
Balance, December 31, 2010	E	$ 18,292.50

Schedule 7-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

Year ended December 31, 2010

	Reference		
Balance, December 31, 2009	E		$ 9,915.21
Increased By:			
Budget Appropriations	E-3		64,573.75
			74,488.96
Decreased By:			
Cash Disbursed	1-E	$ 66,274.60	
Prepaid Debt Service	E	196.03	
Cancelled	E-1	1.87	
			66,472.50
Balance, December 31, 2010	E		$ 8,016.46

Analysis of Balance:

Principal Outstanding December 31, 2010	Interest Rate	From	To	Period	Amount
$ 785,000.00	Various	12/01/10	12/31/10	30 Days	$ 3,042.50
247,000.00	Various	08/01/10	12/31/10	150 Days	4,973.96
					$ 8,016.46

Schedule 8-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2010

Account	Balance December 31, 2010 and 2009
Land	$ 492,976.33
Buildings	184,792.12
Pump Stations	588,748.43
Equipment	21,119.00
Furniture and Fixtures	100,142.67
Vehicles	57,981.25
Collection System	9,826,567.21
Collection - Storm Drains	205,064.92
	$ 11,477,391.93
Reference	E

Schedule 9-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF DEBT SERVICE RESERVE

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	E	$ 143,600.00
Decreased By:		
Cancelled To Operations	E-1	40,400.00
Balance, December 31, 2010	E	$ 103,200.00

Schedule 10-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2010

Purpose	Date of Issue	Original Issue	Interest Rate	Outstanding December 31, 2010		Balance December 31, 2009	Decreased	Balance December 31, 2010
Hazlet Township Sewerage: Authority Sewer Revenue Refunding Bonds (Series 1998)	04/01/98	$ 4,290,000.00	4.60%	12/01/11	$ 385,000.00			
			4.70%	12/01/12	400,000.00	$ 1,155,000.00	$ 370,000.00	$ 785,000.00
Pooled Governmental Loan Refunding Revenue Bonds	04/03/06	410,000.00	3.75%	08/01/11	33,000.00			
			5.00%	08/01/12	37,000.00			
			5.00%	08/01/13	42,000.00			
			5.00%	08/01/14	41,000.00			
			5.00%	08/01/15	45,000.00			
			5.00%	08/01/16	49,000.00	281,000.00	34,000.00	247,000.00
						$ 1,436,000.00	$ 404,000.00	$ 1,032,000.00
					Reference	E	12-E	E

Schedule 11-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR IMPROVEMENTS

Year ended December 31, 2010

	Reference	
Balance, December 31, 2010 and 2009	E	$ 115,311.84

Schedule 12-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	E	$ 10,041,391.93
Increased By:		
Serial Bonds Paid By Operating Budget	10-E	404,000.00
Balance, December 31, 2010	E	$ 10,445,391.93

Schedule 13-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF INTERFUND - CURRENT FUND

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	E	$ 131,974.62
Increased By:		
Cash Receipts	1-E	8,138.13
		140,112.75
Decreased By:		
Cash Disbursements	1-E	131,974.62
Balance, December 31, 2010	E	$ 8,138.13

Schedule 14-E

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

SCHEDULE OF CUSTOMER OVERPAYMENTS

Year ended December 31, 2010

	Reference	
Balance, December 31, 2009	E	$ 4,896.84
Decreased By:		
Applied to Consumer Accounts Receivable	3-E	4,896.84
Balance, December 31, 2010	E	$ 0.00

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULE

Schedule 1-G

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULE OF GENERAL FIXED ASSETS

Year ended December 31, 2010

	Balance December 31, 2010 and 2009
Land	$ 15,324,500.00
Land Improvements	266,800.00
Buildings and Improvements	2,360,237.58
Machinery and Equipment	5,456,479.94
	$ 23,408,017.52

Reference G

COMMENTS SECTION

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

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

Scope of Audit

The audit covered the financial transactions of the Tax Collector/Treasurer, the activities of the Mayor and Township Committee and the records of the various outside departments.

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

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

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

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

Our audit was made in accordance with generally accepted auditing standards and in compliance with the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and Government Auditing Standards, issued by the Comptroller General of the United States. Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

N.J.S. 40A:11-4 states "Every contract awarded by the contracting agent, for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold (40A:11-3), shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

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

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

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

Purchase of Surplus Municipal Property
Snow Removal
Improvements to Hazlet Public Library
Purchase of Two Dump Trucks
Purchase of Modular Ambulance
Sewer Line Maintenance and Cleaning
Grinding and Removal of Brush
Camera/Repair Truck – Sewer Utility

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

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the bid threshold "for the performance of any work or the furnishing of labor materials and supplies or the hiring of teams or vehicles", other than where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6. The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "professional services" per N.J.S. 40A:11-5.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on February 4, 1997 adopted the following ordinance authorizing interest to be charged on delinquent taxes:

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

B. No interest shall be charged if payment of any current tax installment is made within the tenth calendar day following the date upon which the tax installment became due, before 1:00 p.m.

Collection of Interest on Delinquent Taxes and Assessments (continued)

C. Any payment not made in accordance with Subsection B of this section shall be charged interest from the tax due date.

D. That with respect of a tax sale certificate, when the taxes, interest and cost shall be between $200.00 to $4,999.00, an additional sum equal to 2% of such amount to be paid shall be added to the amount to be paid; when the taxes interest and costs shall be between $5,000.00 to $9,999.00, an additional sum equal to 4% of such amount to be paid shall be added to the amount to be paid; and when the taxes, interest and costs are $10,000.00 or higher, an additional sum equal to 6% of such amount to be paid shall be added to the amount to be paid and, when on the close of the year, on delinquencies over $10,000.00, tax and interest included, an additional sum equal to 6% of such amount to be paid be added to the amount to be paid. These charges shall also apply to all existing certificates held by the Township and as of January 1, 1996, also apply to certificates held by outside lien holders.

Tax Sale

The last tax sale was held on October 26, 2010 and was complete.

Confirmation of Delinquent Taxes and Other Charges

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

Type	Number Mailed
Payment on 2010 Taxes	25
Payments and Delinquencies of 2010 Taxes	25
Payment on 2010 Sewer Utility Charges	25
Payments and Delinquencies of 2010 Sewer Utility Charges	25

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

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

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

	2010		2009	
	Amount	Percent	Amount	Percent
Revenue and Other Income Realized				
Fund Balance Utilized	$ 1,300,000.00	2.10 %	$ 1,975,000.00	3.31 %
Miscellaneous - From Other Than Local Property Tax Levies	6,150,274.28	9.93	5,506,023.36	9.22
Collection of Delinquent Taxes and Tax Title Liens	567,400.74	0.92	527,258.77	0.88
Collection of Current Tax Levy	53,945,151.51	87.06	51,690,486.94	86.59
Total Revenues	61,962,826.53	100.00 %	59,698,769.07	100.00 %
Expenditures				
Budget Expenditures:				
Municipal Purposes	17,927,841.90	29.90 %	17,721,606.94	29.80 %
County Taxes	7,135,784.38	11.90	6,870,353.72	11.55
Local District School Taxes	32,895,363.50	54.86	31,715,226.00	53.33
Fire District Taxes	1,552,337.00	2.59	1,572,274.00	2.64
Other Expenditures	450,202.12	0.75	1,590,565.75	2.67
Total Expenditures	59,961,528.90	100.00 %	59,470,026.41	100.00 %
Excess in Revenue	2,001,297.63		228,742.66	
Fund Balance, January 1	1,366,897.67		3,113,155.01	
	3,368,195.30		3,341,897.67	
Decreased By:				
Utilized as Anticipated Revenue	1,300,000.00		1,975,000.00	
Fund Balance, December 31	$ 2,068,195.30		$ 1,366,897.67	

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

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

	2010		2009	
	Amount	Percent	Amount	Percent
Revenue and Other Income Realized				
Fund Balance Utilized	$ 57,314.00	13.58 %	$ 57,207.97	14.76 %
Collection of Membership Fees	239,671.35	56.80	225,648.00	58.21
Miscellaneous - From Other Than Membership Fees	124,955.23	29.61	104,778.26	27.03
Total Revenues	421,940.58	100.00 %	387,634.23	100.00 %
Expenditures				
Budget Expenditures:				
Operating	300,850.00	81.94 %	291,334.14	82.02 %
Capital Improvements	7,999.00	2.18	8,000.00	2.25
Debt Service	44,913.26	12.23	45,101.14	12.70
Deferred Charges and Statutory Expenditures	11,250.00	3.06	10,756.00	3.02
Other Expenditures	2,156.53	0.59		
Total Expenditures	367,168.79	100.00 %	355,191.28	100.00 %
Excess in Revenue	54,771.79		32,442.95	
Fund Balance, January 1	73,946.04		98,711.06	
Decreased By:				
Utilized as Anticipated Revenue	57,314.00		57,207.97	
Fund Balance, December 31	$ 71,403.83		$ 73,946.04	

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

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

	2010		2009	
	Amount	Percent	Amount	Percent
Revenue and Other Income Realized				
Surplus Utilized	$ 798,056.91	13.72 %	$ 432,759.75	8.13 %
Sewer Rents	4,766,635.24	81.98 %	4,769,164.65	89.61
Miscellaneous - From Other Than Sewer Rents	249,966.26	4.30	120,312.78	2.26
Total Revenues	5,814,658.41	86.28 %	5,322,237.18	91.87 %
Expenditures				
Budget Expenditures:				
Operating	4,599,229.00	82.76 %	4,299,539.74	82.22 %
Capital Improvements			15,000.00	0.29
Debt Service	468,573.75	8.43	467,622.80	8.94
Deferred Charges and Statutory Expenditures	49,549.74	0.89	371,835.70	7.10
Other Expenditures	439,777.37	7.91	75,000.00	1.43
Total Expenditures	5,557,129.86	100.00 %	5,228,998.24	100.00 %
Excess in Revenue	257,528.55		93,238.94	
Add: Expenditures Included Above Which Are By Statute Deferred Charges To Budgets of Succeeding Years			12,539.74	
Statutory Excess in Revenue	257,528.55		105,778.68	
Fund Balance, January 1	2,448,669.33		2,775,650.40	
Decreased By: Utilization by Sewer Utility Operating Fund	798,056.91		432,759.75	
Fund Balance, December 31	$ 1,908,140.97		$ 2,448,669.33	

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Comparative Schedule of Tax Rate Information

	2010	2009*	2008
Tax Rate	$ 2.286	$ 2.187	$ 4.804

Apportionment of Tax Rate

Municipal	.530	.497	1.076
Municipal Open Space	.010	.010	.010
County	.300	.287	.649
Local School District	1.380	1.327	2.923
Fire District	.066	.066	.146

Assessed Valuations

2010	$2,383,828,948.00		
2009*		$2,390,890,213.00	
2008			$1,068,251,449.00

Comparison of Tax Levies and Collection Currently

Year	Tax Levy	Cash Collections	Percentage of Collections
2010	$ 54,583,173.50	$ 53,945,151.51	98.83%
2009	52,355,477.06	51,690,486.94	98.72
2008	51,584,034.03	51,037,833.56	98.94

* Revaluation

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Delinquent Taxes and Tax Title Liens

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

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2010	$ 82,285.28	$ 534,598.95	$ 616,884.23	1.13%
2009	78,341.09	573,498.65	651,839.74	1.17%
2008	74,836.67	530,191.32	605,027.99	1.18%

Property Acquired by Tax Title Lien Liquidation

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

Year	Amount
2010	$ 371,500.00
2009	724,000.00
2008	724,000.00

Comparison Of Sewer Utility Rents Levied

Year	Levy	Prior Year Delinquent	Cash Collections
2010	$ 4,813,214.37	$ 386,144.34	$ 4,766,635.24
2009	4,814,529.71	340,779.28	4,769,164.65
2008*	499,177.02	0.00	158,397.74

* The Township acquired the Hazlet Township Sewerage Authority ("HTSA") effective December 1, 2008. The levy represents the amount receivable acquired from the HTSA and the amount levied during December by the Township. Cash collections represent amounts collected during December 2008.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Comparative Schedule of Fund Balances

Current Fund

Year	Balance December 31	Utilized in Budget of Succeeding Year
2010	$ 2,068,195.30	$ 1,295,037.62**
2009	1,366,897.67	1,300,000.00
2008	3,113,155.01	2,000,000.00
2007	2,886,364.83	1,950,000.00
2006	1,895,738.25	1,350,000.00

Swimming Pool Utility Operating Fund

2010	$ 71,403.83	$ 64,358.48**
2009	73,946.04	57,314.00
2008	98,711.04	57,207.97
2007	42,649.80	36,000.00
2006	6,763.24	0.00

Sewer Utility Operating Fund

2010	$ 1,908,140.97	$ 884,377.24**
2009	2,448,669.33	798,056.91
2008*	2,775,650.40	280,759.75

* First year of operation
** Budget not adopted as of the date of this report

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2010

Officials In Office and Surety Bonds

Name	Title
Scott Aagre	Mayor
David L. Tinker	Deputy Mayor
James Brady	Committeeman
James C. DiNardo	Committeeman
Joseph Marques	Committeeman
Michael F. Muscillo	Municipal Administrator (01/01/10-06/03/10)
Brian Valentino	Municipal Administrator (06/15/10-12/31/10)
Thomas O'Hara	Chief Financial Officer
Evelyn A. Grandi	Township Clerk
Susan Meyer	Tax Collector, Tax Search Officer
Catherine Jannarone	Municipal Court Judge
Barbara Cunningham	Court Administrator
Elizabeth Cusamano	Tax Assessor
James Gorman	Attorney
Marilyn Colas	Sewer Utility Collector

All employees are covered by a public employee dishonesty bond in the amount of $50,000.00 by the Monmouth Joint Insurance Fund.

There is a blanket bond for secondary coverage with the Municipal Excess Liability Joint Insurance Fund in the amount of $950,000.00 for public employees. This bond is subject to deductibles based upon other required coverage.

INTERNAL CONTROL SECTION

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

Certified Public Accountants • Business & Financial Advisors

Robert H. Hutchins, CPA, CVA
Eugene M. Farrell, CPA, RMA, CFP
Robert W. Allison, CPA, RMA
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members
of the Township Council
Township of Hazlet, New Jersey

We have audited the regulatory-basis financial statements of the Township of Hazlet, County of Monmouth, New Jersey ("Township") as of and for the year ended December 31, 2010, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 2, 2011 in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"), and a qualified opinion since the Township did not update its General Fixed Assets files as of December 31, 2010. We were unable to satisfy ourselves as to the carrying values of the Township's General Fixed Assets, and the Division of Local Government Services does not require the Length of Service Award Program ("LOSAP") to be audited, only reviewed. Except as discussed earlier, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting described in our Comments and Recommendations that we consider to be significant deficiencies in internal control over financial reporting (Findings #2010-1, #2010-2, and #2010-3). A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

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

However, we noted certain other matters that has been reported to the administration of the Township and reported within our Comments and Recommendations.

The Township's responses to the findings identified in our audit are described in the accompanying Comments and Recommendations. We did not audit the Township's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Township of Hazlet's management, and Council members, others within the organization, and the Division, and is not intended to be, and should not be, used by anyone other than these specified parties.

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

Robert W. Allison
Registered Municipal Accountant
(#483)

June 2, 2011

COMMENTS AND RECOMMENDATIONS

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS AND RECOMMENDATIONS

Year ended December 31, 2010

Significant Deficiencies

Accounting Records

Finding #2010-1*

Criteria:

Reconciliation of General Ledger activity and account balances to the Tax Collector's records is essential in maintaining control over the tax activity of the Township.

Condition:

Subsidiary records for Taxes Receivable, Tax Title Liens and Property Acquired for Taxes were not reconciled to the Current Fund General Ledger.

Cause:

The subsidiary records in the Tax Collector's Office are not being reconciled to the General Ledger and other financial records in the Finance Office.

Effect:

Failure to reconcile Tax activity and balances compromises the ability to safeguard assets and could lead to inaccurate financial records in the finance office.

Recommendation:

The subsidiary records in the Tax Collector's Office be reconciled to the General Ledger and other financial records in the Finance Office.

Response:

The Chief Financial Officer has implemented procedures to reconcile the Tax Collector's subsidiary records to the General Ledger in the Finance Office on a monthly basis.

* Repeat comment from prior year

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS AND RECOMMENDATIONS

Year ended December 31, 2010

Significant Deficiencies
(continued)

Accounting Records

Finding #2010-2*

Criteria:

The proper maintenance of a General Fixed Assets Account Group is required by Technical Accounting directive 85-2 and New Jersey Administrative Code 5:30-5.6.

Condition:

The Township has not properly updated its Fixed Asset Account System.

Cause:

The General Fixed Assets Account Group has not been properly maintained.

Effect:

Incomplete Fixed Assets records could result in inaccurate financial presentation and the misappropriation of Township property going undetected; also property insurance records may be inaccurate.

Recommendation:

The General Fixed Assets Account Group be maintained in conformity with Technical Accounting Directive 85-2 and New Jersey Administrative Code 5:30-5.6.

Response:

The Township plans to budget for an asset appraisal in the 2012 Budget.

* Repeat comment from prior year

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS AND RECOMMENDATIONS

Year ended December 31, 2010

Significant Deficiencies
(continued)

Internal Controls

Finding #2010-3

Criteria:

Footnote disclosures must be in accordance with Governmental Accounting Standards Board ("GASB") requirements.

Condition:

The Township has not calculated its liability for Other Post Employment Benefits.

Effect:

The audit is qualified on the basis that the footnote disclosure is deficient and does not comply with GASB 45.

Recommendation:

The Township calculate the liability associated with Other Post Employment Benefits as required by GASB 45.

Response:

The Township will calculate its Other Post Employment Benefits liability in 2011.

Other Matters

Sewer Utility Collector's Office

Finding #2010-4

During our audit of the Sewer Utility Collector's Office, we noted that interest on delinquent sewer charges is not being properly calculated in accordance with the Township's ordinance.

In order to improve controls over the Township's Sewer Utility Collector, we recommend that interest be correctly charged for delinquent sewer charges in accordance with the Township's ordinance.

TOWNSHIP OF HAZLET
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS AND RECOMMENDATIONS

Year ended December 31, 2010

Other Matters
(continued)

Finance Office

During our audit of the Township's Finance Office, we noted the following:

Finding #2010-5
- Two of 25 cash disbursements tested had the incorrect amounts paid to vendors.

Finding #2010-6
- Two of 25 cash disbursements tested were paid based on verbal agreement.

In order to improve controls over the Township's Finance Office, we recommend the following:

- All vouchers be in agreement with invoices and verified prior to payment.
- Fee schedules be established for Clean Community grant payments.

Animal Control Trust Fund

During our audit of the Township's Animal Control Trust Fund, we noted the following:

Finding #2010-7
- The December report shows no tags issued when two tags and one transfer were issued.

Finding #2010-8
- One tag that was voided was unavailable at time of audit.

Finding #2010-9
- Two monthly reports show additional registration fee charges for transferred tags where no registration fees were collected.

In order to improve controls over the Township's Animal Control Trust Fund, we recommend the following:

- All monthly reports be accurately prepared in accordance with State statute.
- All unissued tags be available for inspection at time of audit.
- All transfers be added to reports to prevent additional fees from being improperly charged.