

Report of Audit

on the

Financial Statements

of the

Township of Ocean

in the

*County of Monmouth
New Jersey*

for the

*Year Ended
December 31, 2012*

TOWNSHIP OF OCEAN

I N D E X

| | <u>PAGES</u> |
|--|-----------------|
| <u>PART I</u> | |
| Independent Auditor's Report | 1-3 |
| | <u>EXHIBITS</u> |
| <u>Financial Statements - Regulatory Basis</u> | |
| <u>Current Fund:</u> | |
| Balance Sheets - Regulatory Basis | "A" |
| Statements of Operations and Change in Fund Balance - Regulatory Basis for the Years Ended December 31, 2012 and 2011 | "A-1" |
| Statement of Revenues - Regulatory Basis for the Year Ended December 31, 2012 | "A-2" |
| Statement of Expenditures - Regulatory Basis – Year Ended December 31, 2012 | "A-3" |
| <u>Trust Fund:</u> | |
| Balance Sheets - Regulatory Basis | "B" |
| Statement of Fund Balance – Regulatory Basis | "B-1" |
| <u>General Capital Fund:</u> | |
| Balance Sheets - Regulatory Basis | "C" |
| Statement of Fund Balance - Regulatory Basis | "C-1" |
| <u>Public Assistance Fund</u> | |
| Balance Sheets - Regulatory Basis | "D" |
| <u>General Fixed Assets Account Group</u> | |
| Balance Sheet - Regulatory Basis | "E" |
| | <u>PAGES</u> |
| Notes to Financial Statements | 4-22 |

TOWNSHIP OF OCEAN

I N D E X (CONTINUED)

Supplementary Schedules - All Funds

EXHIBITS

Current Fund:

| | |
|--|--------|
| Schedule of Cash-Treasurer | "A-4" |
| Schedule of Cash-Collector | "A-5" |
| Schedule of Change Fund | "A-6" |
| Schedule of Petty Cash | "A-7" |
| Schedule of Due to State of New Jersey for Senior Citizens and Veterans Deductions | "A-8" |
| Schedule of Taxes Receivable and Analysis of Property Tax Levy | "A-9" |
| Schedule of Tax Title Liens | "A-10" |
| Schedule of Property Acquired for Taxes (At Assessed Valuation) | "A-11" |
| Schedule of Revenue Accounts Receivable | "A-12" |
| Schedule of Schedule of Deferred Charges N.J.S. 40A:4-55 Special Emergency | "A-13" |
| Schedule of 2011 Appropriation Reserves | "A-14" |
| Schedule of Reserve for Encumbrances | "A-15" |
| Schedule of Accounts Payable | "A-16" |
| Schedule of Prepaid Fees and Licenses | "A-17" |
| Schedule of Reserve for Grants-Unappropriated | "A-18" |
| Schedule of Prepaid Taxes | "A-19" |
| Schedule of Tax Overpayments | "A-20" |
| Schedule of Reserve for Library Expenditures | "A-21" |
| Schedule of Reserve for Due Township of Ocean Sewerage Authority | "A-22" |
| Schedule of Reserve for Revaluation | "A-23" |
| Schedule of Tax Appeals | "A-24" |
| Schedule of Reserve for Sale of Municipal Assets | "A-25" |
| Schedule of Reserve Due State of New Jersey | "A-26" |
| Schedule of Local District School Tax | "A-27" |
| Schedule of County Taxes Payable | "A-28" |
| Schedule of Due County for Added Taxes | "A-29" |
| Schedule of Fire District Taxes Payable | "A-30" |
| Schedule of Interfunds | "A-31" |
| Schedule of Grants Receivable | "A-32" |
| Schedule of Reserve for Grants-Appropriated | "A-33" |

TOWNSHIP OF OCEAN

I N D E X (CONTINUED)

EXHIBITS

Trust Fund:

| | |
|---|--------|
| Schedule of Trust Cash-Treasurer | "B-2" |
| Schedule of Trust Cash-Collector | "B-3" |
| Analysis of Assessment Cash | "B-4" |
| Schedule of Assessments Receivable | "B-5" |
| Schedule of Due General Capital Fund | "B-6" |
| Schedule of Reserve for Assessments | "B-7" |
| Schedule of Animal License Fees Due State of New Jersey | "B-8" |
| Schedule of Reserve for Animal Control Fund Expenditures | "B-9" |
| Schedule of Reserve for Encumbrances | "B-10" |
| Schedule of Reserve for State Unemployment Insurance | "B-11" |
| Schedule of Reserve for Payroll Deductions Payable | "B-12" |
| Schedule of Reserve for Miscellaneous Deposits and Reserves | "B-13" |
| Schedule of Due Current Fund | "B-14" |

General Capital Fund:

| | |
|--|--------|
| Schedule of General Capital Cash | "C-2" |
| Analysis of General Capital Cash and Investments | "C-3" |
| Schedule of Due Current Fund | "C-4" |
| Schedule of Deferred Charges to Future Taxation-Funded | "C-5" |
| Schedule of Deferred Charges to Future Taxation-Unfunded | "C-6" |
| Schedule of Capital Improvement Fund | "C-7" |
| Schedule of Improvement Authorizations | "C-8" |
| Schedule of Due Assessment Trust Fund | "C-9" |
| Schedule of General Serial Bonds | "C-10" |
| Schedule of Bond Anticipation Notes | "C-11" |
| Schedule of Green Acres Loan Payable | "C-12" |
| Schedule of Contracts Payable | "C-13" |
| Schedule of Various Reserves | "C-14" |
| Schedule of Grants Receivable | "C-15" |
| Schedule of Bonds and Notes Authorized But Not Issued | "C-16" |

Public Assistance Trust Fund:

| | |
|---|-------|
| Schedule of Public Assistance Cash-Treasurer | "D-1" |
| Schedule of Public Assistance Cash and Reconciliation Per N.J.S.A. 40A:5-5 | "D-2" |
| Schedule of Public Assistance Cash and Reconciliation for the Year Ended December 31, 2012 | "D-3" |

TOWNSHIP OF OCEAN

I N D E X (CONTINUED)

| | <u>PAGES</u> |
|--|--------------|
| <u>PART II</u> | |
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards | 23-24 |
| Schedule of Expenditures of Federal Awards - Year Ended December 31, 2012 | 25 |
| Schedule of Expenditures of State Financial Assistance - Year Ended December 31, 2012 | 26 |
| Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance - Year Ended December 31, 2012 | 27-28 |
| <u>PART III</u> | |
| Statistical Data | 29-31 |
| Officials in Office and Surety Bonds | 32 |
| Comments and Recommendations | 33-36 |

TOWNSHIP OF OCEAN

PART I

INDEPENDENT AUDITOR'S REPORT ON
AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES AND DATA

FINANCIAL STATEMENTS – REGULATORY BASIS – ALL FUNDS

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2012



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Committee
Township of Ocean
County of Monmouth
Oakhurst, New Jersey 07755-1589

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Ocean, as of December 31, 2012 and 2011, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these regulatory financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

SUPLEE, CLOONEY & COMPANY

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the regulatory financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the regulatory financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles.

As described in Note 1 of the regulatory financial statements, the regulatory financial statements are prepared by the Township of Ocean on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Township of Ocean as of December 31, 2012 and 2011, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2012.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2012 and 2011, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2012 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

SUPLEE, CLOONEY & COMPANY

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Ocean's regulatory financial statements. The supplementary information and data and schedules of federal awards and state financial assistance listed in the table of contents as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.

The supplemental information and schedules listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information and data listed in the table of contents, schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2013 on our consideration of the Township of Ocean's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Ocean's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

June 28, 2013

CURRENT FUND

TOWNSHIP OF OCEAN

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

| <u>ASSETS</u> | <u>REF.</u> | <u>BALANCE DECEMBER 31, 2012</u> | <u>BALANCE DECEMBER 31, 2011</u> |
|--|-------------|--|--|
| Current Fund: | | | |
| Cash - Treasurer | A-4 | \$ 12,487,510.40 | \$ 12,744,524.71 |
| Change Fund | A-6 | 2,120.00 | 2,120.00 |
| Due from State of New Jersey Per Chapter 20, P.L. 1971 - Senior Citizens Deductions | A-8 | | 1,828.08 |
| | | <u>\$ 12,489,630.40</u> | <u>\$ 12,748,472.79</u> |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Property Taxes Receivable | A-9 | \$ 1,403,071.40 | \$ 1,108,375.14 |
| Tax Title Liens Receivable | A-10 | 464,318.21 | 426,341.46 |
| Property Acquired for Taxes - Assessed Valuation | A-11 | 849,381.00 | 849,381.00 |
| Revenue Accounts Receivable | A-12 | 42,537.98 | 43,278.40 |
| Interfunds Receivable | A-31 | 7,151.51 | 11,412.67 |
| Prepaid School Taxes | A-27 | | 6,944.64 |
| | A | <u>\$ 2,766,460.10</u> | <u>\$ 2,445,733.31</u> |
| Deferred Charges: | | | |
| Special Emergency Appropriation (40A:4-55) | A-13 | \$ 108,000.00 | \$ 162,000.00 |
| | | <u>\$ 108,000.00</u> | <u>\$ 162,000.00</u> |
| | | <u>\$ 15,364,090.50</u> | <u>\$ 15,356,206.10</u> |
| Grant Fund: | | | |
| Cash | A-4 | \$ 5,495.36 | \$ 669.95 |
| Grants Receivable | A-32 | 481,587.12 | 555,910.83 |
| Interfunds Receivable | A-31 | 622,255.20 | 500,894.65 |
| | | <u>\$ 1,109,337.68</u> | <u>\$ 1,057,475.43</u> |

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

TOWNSHIP OF OCEAN

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>REF.</u> | <u>BALANCE DECEMBER 31, 2012</u> | <u>BALANCE DECEMBER 31, 2011</u> |
|--|-------------|--|--|
| Current Fund: | | | |
| Liabilities: | | | |
| Due to State of New Jersey Per Chapter 20, P.L. 1971 - Senior Citizens Deductions | A-8 | \$ 2,400.68 | \$ |
| Appropriation Reserves | A-3:A-14 | 1,008,677.43 | 1,724,932.27 |
| Encumbrances Payable | A-15 | 1,103,188.99 | 613,498.45 |
| Accounts Payable | A-16 | 160,949.40 | 275,400.99 |
| Prepaid Fees & Permits | A-18 | 13,727.50 | 8,567.50 |
| Prepaid Taxes | A-19 | 898,204.18 | 943,874.54 |
| Tax Overpayments | A-20 | 106,114.39 | 39,600.13 |
| Due Township of Ocean Sewerage Authority | A-22 | 285.04 | 285.04 |
| Local District School Tax Payable | A-27 | 920,966.31 | |
| Interfunds Payable | A-31 | 622,255.20 | 671,186.51 |
| Reserve for: | | | |
| Security Deposit | | 2,500.00 | 2,500.00 |
| Library Expenditures | A-21 | 37,613.39 | 42,041.88 |
| Revaluation | A-23 | 46,300.00 | 46,300.00 |
| Tax Appeals | A-24 | 450,000.00 | 455,822.35 |
| Sale of Municipal Assets | A-25 | 53,620.85 | 53,620.85 |
| Due State of New Jersey | A-26 | 7,408.03 | 5,477.01 |
| Deposit on Sale of Land | | 8,000.00 | 8,000.00 |
| County Taxes Payable | A-29 | 33,621.76 | 38,890.05 |
| | | \$ 5,475,833.15 | \$ 4,929,997.57 |
| Reserve for Receivables | A | 2,766,460.10 | 2,445,733.31 |
| Fund Balance | A-1 | 7,121,797.25 | 7,980,475.22 |
| | | \$ 15,364,090.50 | \$ 15,356,206.10 |
| Grant Fund: | | | |
| Reserve for Grants: | | | |
| Appropriated | A-33 | \$ 836,616.53 | \$ 846,737.00 |
| Unappropriated | A-34 | 108,487.36 | 50,447.72 |
| Encumbrances Payable | A-15 | 28,233.79 | 24,290.71 |
| Due General Capital Fund | | 136,000.00 | 136,000.00 |
| | | \$ 1,109,337.68 | \$ 1,057,475.43 |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENTS OF OPERATIONS AND CHANGE
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

| <u>REVENUE AND OTHER INCOME REALIZED</u> | <u>REF.</u> | <u>YEAR 2012</u> | <u>YEAR 2011</u> |
|---|-------------|--------------------------|--------------------------|
| Fund Balance Utilized | A-2 | \$ 6,840,000.00 | \$ 7,249,437.00 |
| Receipts from Delinquent Taxes | A-2 | 1,076,853.35 | 1,394,019.99 |
| Receipts from Current Taxes | A-2 | 91,568,441.20 | 91,065,595.98 |
| Miscellaneous Revenue Anticipated | A-2 | 5,898,226.88 | 6,264,702.36 |
| Non-Budget Revenue | A-2 | 1,201,994.08 | 1,421,473.09 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | A-14 | 1,620,471.53 | 1,863,286.40 |
| Accounts Payable Cancelled | A-16 | 77,995.64 | |
| Reserve for Prepaid School Tax | | 6,944.64 | |
| Interfunds Returned | | 4,261.16 | |
| <u>TOTAL INCOME</u> | | <u>\$ 108,295,188.48</u> | <u>\$ 109,258,514.82</u> |
| <u>EXPENDITURES</u> | | | |
| Budget and Emergency Appropriations (Within "CAPS"): | | | |
| Operations (Including Contingent) | A-3 | \$ 22,173,692.00 | \$ 21,691,595.00 |
| Deferred Charges and Statutory Expenditures Municipal | A-3 | 2,461,411.00 | 2,748,489.00 |
| Budget (Excluded from "CAPS"): | | | |
| Operations | A-3 | 850,982.67 | 1,367,336.65 |
| Capital Improvements | A-3 | 200,000.00 | 140,680.00 |
| Municipal Debt Service | A-3 | 2,764,765.89 | 2,614,888.02 |
| Deferred Charges - Municipal | A-3 | 54,000.00 | 54,000.00 |
| Local District School Tax | A-27 | 57,134,743.22 | 56,096,822.54 |
| County Taxes | A-28 | 13,890,207.18 | 14,238,468.52 |
| Due County for Added and Omitted Taxes | A-29 | 33,621.76 | 38,890.05 |
| Fire District Taxes | A-30 | 2,746,926.00 | 2,615,957.00 |
| Refund of Prior Year's Revenue | A-4 | 494.81 | 1,039.34 |
| Prior Years Tax Appeals | A-24 | | 615,507.24 |
| Interfunds Advanced | | | 5,530.40 |
| Reserve for Prepaid School Tax | | | 6,944.64 |
| Prior Year Senior Citizens Disallowed | A-8 | 3,021.92 | 1,750.00 |
| <u>TOTAL EXPENDITURES</u> | | <u>\$ 102,313,866.45</u> | <u>\$ 102,237,898.40</u> |
| Excess in Revenue | | \$ 5,981,322.03 | \$ 7,020,616.42 |
| <u>FUND BALANCE</u> | | | |
| Balance, January 1 | A | 7,980,475.22 | 8,209,295.80 |
| | | <u>\$ 13,961,797.25</u> | <u>\$ 15,229,912.22</u> |
| Decreased by: | | | |
| Utilized as Anticipated Revenue | A-1:A-2 | <u>6,840,000.00</u> | <u>7,249,437.00</u> |
| Balance, December 31 | A | <u>\$ 7,121,797.25</u> | <u>\$ 7,980,475.22</u> |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012

| REF. | ANTICIPATED | | REALIZED | EXCESS OR (DEFICIT) |
|--|-------------|-----------------------------|------------------|---------------------------|
| | BUDGET | SPECIAL N.J.S. 40A: 4-87 | | |
| Fund Balance Appropriated | A-1 | \$ 6,840,000.00 | \$ 6,840,000.00 | |
| Miscellaneous Revenues: | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | A-12 | \$ 28,000.00 | \$ 43,564.00 | 15,564.00 |
| Other | A-2 | 33,200.00 | 80,140.00 | 46,940.00 |
| Fees and Permits: | | | | |
| Construction Code Official | A-12 | 400,000.00 | 598,197.00 | 198,197.00 |
| Other | A-2 | 517,766.00 | 637,345.14 | 119,579.14 |
| Fines and Costs: | | | | |
| Municipal Court | A-12 | 370,000.00 | 586,463.67 | 216,463.67 |
| Interest and Costs on Taxes | A-12 | 125,000.00 | 300,331.82 | 175,331.82 |
| Interest on Investments and Deposits | A-12 | 134,556.00 | 104,369.09 | (30,186.91) |
| Payment in Lieu of Taxes - Senior Citizens Housing | A-12 | 21,600.00 | 22,103.97 | 503.97 |
| Swim Pool Membership Fees | A-2 | 145,000.00 | 166,544.50 | 21,544.50 |
| Swim Pool Snack Bar Rental Fees | A-12 | 12,000.00 | 12,000.00 | |
| Swim Pool Guest Fees | A-12 | 50,000.00 | 72,710.50 | 22,710.50 |
| Colonial Terrace Golf Course | A-12 | 323,000.00 | 317,446.85 | (5,553.15) |
| Consolidated Municipal Property Tax Relief Aid | A-12 | 51,649.00 | 51,649.00 | |
| Energy Receipts Tax | A-12 | 2,476,895.00 | 2,476,895.00 | |
| Sewerage Authority Interlocal Agreement | A-12 | 93,200.00 | 69,541.67 | (23,658.33) |
| Drunk Driving Enforcement Fund | A-32 | 10,478.00 | 10,478.00 | |
| Clean Communities Program | A-32 | 50,555.67 | 50,555.67 | |
| Municipal Alliance on Alcoholism and Drug Abuse | A-32 | 33,482.00 | 33,482.00 | |
| Safe & Secure Communities | A-32 | 60,000.00 | 60,000.00 | |
| Monmouth County Drug Abuse Council | A-32 | 44,499.00 | 44,499.00 | |
| Outpatient Services Grant | A-32 | 49,440.00 | 49,440.00 | |
| Body Armor Replacement Fund | A-32 | 5,783.00 | 5,783.00 | |
| ASAM Level II | A-32 | 75,000.00 | 75,000.00 | |
| Reserve for Payment of Bonds | A-12 | 24,674.00 | 24,674.00 | |
| JIF Safety Awareness Program | A-32 | | 1,000.00 | |
| Community Hope Fund DARE Program | A-32 | | 4,013.00 | |
| | A-1 | \$ 5,135,777.67 | \$ 5,013.00 | \$ 757,436.21 |
| Receipts From Delinquent Taxes | A-1 | \$ 800,000.00 | \$ 1,076,853.35 | \$ 276,853.35 |
| Amount to be Raised by Taxes for Support of Municipal Budget: | | | | |
| Local Tax for Municipal Budget | A-2:A-9 | \$ 19,565,468.00 | \$ 21,599,424.04 | \$ 2,033,956.04 |
| Budget Totals | | \$ 32,341,245.67 | \$ 5,013.00 | \$ 35,414,504.27 |
| Non-Budget Revenue | A-1:A-2 | | 1,201,994.08 | 1,201,994.08 |
| | | \$ 32,341,245.67 | \$ 5,013.00 | \$ 36,616,498.35 |
| REF. | A-3 | | A-3 | |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012

REF.

ANALYSIS OF REALIZED REVENUE

| | | | |
|--|------|----|-----------------------------|
| Allocation of Current Tax Collections: | | | |
| Collections on a Cash Basis | A-9 | \$ | 91,733,414.18 |
| Less: Reserve for Tax Appeals | A-24 | | 164,972.98 |
| | A-1 | \$ | <u>91,568,441.20</u> |
| Allocated to: | | | |
| School and County Taxes | | | <u>73,805,498.16</u> |
| Balance for Support of Municipal Budget Appropriations | | \$ | 17,762,943.04 |
| Add: Appropriation "Reserve for Uncollected Taxes" | A-3 | | <u>3,836,481.00</u> |
| Amount for Support of Municipal Budget | A-2 | \$ | <u><u>21,599,424.04</u></u> |
| Licenses - Other | | | |
| Clerk | A-12 | \$ | 49,035.00 |
| Community Services | A-12 | | <u>31,105.00</u> |
| | A-2 | \$ | <u><u>80,140.00</u></u> |
| Fees and Permits - Other: | | | |
| Clerk | A-12 | \$ | 155,470.00 |
| Police Department | A-12 | | 89,938.76 |
| Board of Adjustment | A-12 | | 47,835.75 |
| Planning Board | A-12 | | 25,915.00 |
| Construction Code - Local Fees | A-12 | | 55,575.00 |
| Recreation | A-12 | | 170,983.63 |
| Public Works | A-12 | | 14,998.00 |
| Human Services | A-12 | | 76,789.00 |
| Tax Collector | A-12 | | 200.00 |
| | | | <u>637,705.14</u> |
| Less : Refunds Payable | A-16 | | <u>360.00</u> |
| | A-2 | \$ | <u><u>637,345.14</u></u> |
| Swim Pool Membership Fees | | | |
| Add: Prepaid Applied | A-12 | \$ | 117,735.00 |
| | A-17 | | <u>48,809.50</u> |
| | A-2 | \$ | <u><u>166,544.50</u></u> |

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012

REF.

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:

Treasurer:

| | | | |
|---------------------------------------|---------|----|--------------|
| Sale Gasoline/Diesel | | \$ | 59,123.30 |
| Facility Rental | | | 90,833.83 |
| Billboard Rental | | | 48,021.38 |
| Tower Lease | | | 120,363.41 |
| Sale of Scrap and Mixed Paper | | | 74,797.86 |
| MCMJIF - Refund | | | 28,811.03 |
| Cable Franchise Fee | | | 364,851.69 |
| Police Cars/ Township Vehicles Use | | | 90,975.00 |
| Boise Business Interiors Rent | | | 41,924.63 |
| Township of Long Branch - Court Space | | | 31,350.00 |
| FEMA Reimbursements | | | 29,025.63 |
| Garbage Cart Lease | | | 10,560.00 |
| Miscellaneous | | | 204,793.12 |
| | A-4 | \$ | 1,195,430.88 |
| Animal Control Statutory Excess | A-31 | | 6,718.20 |
| | | | 1,202,149.08 |
| Less: Refunds Payable | A-16 | | 155.00 |
| | A-1:A-2 | \$ | 1,201,994.08 |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|------------------------------------|----------------|------------------------------|--------------------|------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| <u>GENERAL GOVERNMENT:</u> | | | | | |
| Official of the Governing Body: | | | | | |
| Salaries and Wages | \$ 27,550.00 | \$ 27,550.00 | \$ 27,550.00 | | \$ |
| Other Expenses | 5,200.00 | 5,200.00 | 4,452.28 | 747.72 | |
| Office of the Township Manager: | | | | | |
| Salaries and Wages | 283,149.00 | 283,149.00 | 282,534.28 | 614.72 | |
| Other Expenses | 40,600.00 | 25,600.00 | 15,150.10 | 10,449.90 | |
| Office of the Township Clerk: | | | | | |
| Salaries and Wages | 161,885.00 | 161,885.00 | 160,590.01 | 1,294.99 | |
| Other Expenses | 25,730.00 | 25,730.00 | 25,427.30 | 302.70 | |
| Financial Administration: | | | | | |
| Salaries and Wages | 265,127.00 | 266,327.00 | 266,171.02 | 155.98 | |
| Other Expenses | 23,250.00 | 22,050.00 | 15,687.45 | 6,362.55 | |
| Audit | 31,200.00 | 31,200.00 | | 31,200.00 | |
| Data Processing: | | | | | |
| Salaries and Wages | 68,926.00 | 73,126.00 | 73,126.00 | | |
| Other Expenses | 89,050.00 | 89,050.00 | 87,140.21 | 1,909.79 | |
| Collection of Taxes: | | | | | |
| Salaries and Wages | 121,920.00 | 106,920.00 | 100,353.53 | 6,566.47 | |
| Other Expenses | 10,100.00 | 10,100.00 | 6,969.94 | 3,130.06 | |
| Assessment of Taxes: | | | | | |
| Salaries and Wages | 142,867.00 | 142,867.00 | 132,725.18 | 10,141.82 | |
| Other Expenses | 110,325.00 | 100,325.00 | 69,589.94 | 30,735.06 | |
| Legal Services and Costs: | | | | | |
| Other Expenses | 340,890.00 | 330,890.00 | 297,673.14 | 33,216.86 | |
| Engineering Services and Costs: | | | | | |
| Other Expenses | 63,300.00 | 63,300.00 | 54,118.75 | 9,181.25 | |
| Planning Board: | | | | | |
| Other Expenses | 13,300.00 | 13,300.00 | 8,048.96 | 5,251.04 | |
| Board of Adjustment: | | | | | |
| Other Expenses | 23,600.00 | 23,600.00 | 16,736.98 | 6,863.02 | |
| Office of Planning Administration: | | | | | |
| Salaries and Wages | 215,744.00 | 215,744.00 | 213,019.30 | 2,724.70 | |
| Other Expenses | 12,800.00 | 12,800.00 | 4,487.39 | 8,312.61 | |
| Insurance: | | | | | |
| General Liability | 398,942.00 | 383,942.00 | 352,109.75 | 31,832.25 | |
| Workers Compensation Insurance | 621,480.00 | 621,480.00 | 621,083.76 | 396.24 | |
| Employees Group | 2,600,880.00 | 2,146,180.00 | 2,041,771.59 | 104,408.41 | |
| Employee Health Benefits Waiver | 54,000.00 | 54,000.00 | 41,395.80 | 12,604.20 | |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|---------------------------------|-----------------|------------------------------|--------------------|-------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| <u>PUBLIC SAFETY:</u> | | | | | |
| Police: | | | | | |
| Salaries and Wages | \$ 6,130,561.00 | \$ 6,215,561.00 | \$ 6,206,881.31 | \$ 8,679.69 | |
| Other Expenses | 291,937.00 | 271,937.00 | 251,044.88 | 20,892.12 | |
| Police Dispatch/911: | | | | | |
| Salaries and Wages | 355,962.00 | 350,962.00 | 343,919.42 | 7,042.58 | |
| Other Expenses | 1,750.00 | 1,750.00 | 653.00 | 1,097.00 | |
| Office of Emergency Management: | | | | | |
| Other Expenses | 5,605.00 | 5,605.00 | 4,194.88 | 1,410.12 | |
| Municipal Prosecutor: | | | | | |
| Salaries and Wages | 30,000.00 | 31,500.00 | 30,200.00 | 1,300.00 | |
| Other Expenses | 2,100.00 | 2,100.00 | 1,400.00 | 700.00 | |
| <u>PUBLIC WORKS:</u> | | | | | |
| Office of the Director: | | | | | |
| Salaries and Wages | 305,858.00 | 335,858.00 | 326,428.73 | 9,429.27 | |
| Other Expenses | 31,000.00 | 9,000.00 | 8,992.69 | 7.31 | |
| Street and Roads Maintenance: | | | | | |
| Salaries and Wages | 699,880.00 | 634,880.00 | 620,741.93 | 14,138.07 | |
| Other Expenses | 169,000.00 | 394,000.00 | 317,016.44 | 76,983.56 | |
| Maintenance of Equipment: | | | | | |
| Salaries and Wages | 246,975.00 | 251,975.00 | 240,045.92 | 11,929.08 | |
| Other Expenses | 415,500.00 | 455,500.00 | 451,579.63 | 3,920.37 | |
| Garbage and Trash Removal: | | | | | |
| Salaries and Wages | 1,009,105.00 | 1,049,105.00 | 1,007,608.99 | 41,496.01 | |
| Other Expenses | 7,750.00 | 7,750.00 | 6,079.83 | 1,670.17 | |
| Recycling: | | | | | |
| Salaries and Wages | 31,269.00 | 19,269.00 | 17,238.31 | 2,030.69 | |
| Other Expenses | 3,645.00 | 3,645.00 | 609.72 | 3,035.28 | |
| Public Buildings and Grounds: | | | | | |
| Salaries and Wages | 733,538.00 | 783,538.00 | 758,962.78 | 24,575.22 | |
| Other Expenses | 312,500.00 | 337,500.00 | 277,653.54 | 59,846.46 | |
| Community Services Act: | | | | | |
| Other Expenses | 41,000.00 | 16,000.00 | 12,161.52 | 3,838.48 | |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|---|----------------|------------------------------|--------------------|-------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| HEALTH AND HUMAN SERVICES: | | | | | |
| Board of Health: | | | | | |
| Salaries and Wages | \$ 67,089.00 | \$ 67,089.00 | \$ 64,777.66 | \$ 2,311.34 | |
| Other Expenses | 196,081.00 | 196,081.00 | 191,914.83 | 4,166.17 | |
| Animal Control Services: | | | | | |
| Other Expenses | 46,100.00 | 46,100.00 | 34,575.00 | 11,525.00 | |
| Office of the Director of Human Services: | | | | | |
| Salaries and Wages | 187,760.00 | 187,760.00 | 187,726.83 | 33.17 | |
| Other Expenses | 6,700.00 | 6,700.00 | 5,025.76 | 1,674.24 | |
| Community Services Department: | | | | | |
| Salaries and Wages | 197,163.00 | 172,163.00 | 165,953.75 | 6,209.25 | |
| Other Expenses | 23,650.00 | 23,650.00 | 19,997.92 | 3,652.08 | |
| Alliance to Prevent Alcoholism and Drug Abuse: | | | | | |
| Salaries and Wages | 18,065.00 | 18,065.00 | 18,065.00 | | |
| Other Expenses | 7,046.00 | 7,046.00 | 2,681.90 | 4,364.10 | |
| PARKS AND RECREATION: | | | | | |
| Recreation : | | | | | |
| Salaries and Wages | 394,567.00 | 383,567.00 | 378,756.44 | 4,810.56 | |
| Other Expenses | 77,430.00 | 77,430.00 | 71,765.59 | 5,664.41 | |
| Senior Citizens Transportation: | | | | | |
| Other Expenses | 17,950.00 | 17,950.00 | 10,945.00 | 7,005.00 | |
| Pool and Tennis Club: | | | | | |
| Salaries and Wages | 85,706.00 | 85,706.00 | 71,332.67 | 14,373.33 | |
| Other Expenses | 44,035.00 | 44,035.00 | 42,959.70 | 1,075.30 | |
| Colonial Terrace Golf Course: | | | | | |
| Salaries and Wages | 82,573.00 | 82,573.00 | 74,418.67 | 8,154.33 | |
| Other Expenses | 284,226.00 | 284,226.00 | 277,879.44 | 6,346.56 | |
| Celebration of Public Events, Anniversary of Holiday: | | | | | |
| Other Expenses | 26,000.00 | 26,000.00 | 21,187.80 | 4,812.20 | |
| EDUCATION FUNCTIONS: | | | | | |
| Maintenance of Free Public Library: | | | | | |
| Salaries and Wages | 7,000.00 | 7,000.00 | 7,000.00 | | |
| Other Expenses | 25,500.00 | 25,500.00 | 17,500.00 | 8,000.00 | |
| OTHER COMMON OPERATING FUNCTIONS: | | | | | |
| Formula Participation in Deal Lake Commission: | | | | | |
| Other Expenses | 19,750.00 | 19,750.00 | 19,750.00 | | |
| Purchase of Township Vehicles: | | | | | |
| Other Expenses | 150,000.00 | 150,000.00 | 149,315.67 | 684.33 | |
| Postage | 55,000.00 | 55,000.00 | 41,330.23 | 13,669.77 | |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|--|----------------------|------------------------------|----------------------|-------------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| <u>OTHER COMMON OPERATING FUNCTIONS:</u> | | | | | |
| Deferred Vacation Leave Fund | \$ 100,000.00 | \$ 100,000.00 | \$ 100,000.00 | | \$ |
| Deferred Sick Leave Fund | 250,000.00 | 250,000.00 | 250,000.00 | | |
| Citizen Information Bulletin Township Publication: | | | | | |
| Other Expenses | 8,000.00 | 8,000.00 | | 8,000.00 | |
| Shade Tree Commission: | | | | | |
| Other Expenses | 2,000.00 | 2,000.00 | 475.00 | 1,525.00 | |
| Environmental Commission (N.J.S.A. 40:56A-1 et. seq.): | | | | | |
| Other Expenses | 2,600.00 | 2,600.00 | 400.00 | 2,200.00 | |
| <u>UTILITY EXPENSES AND BULK PURCHASES:</u> | | | | | |
| Electric | 344,000.00 | 244,000.00 | 217,351.12 | 26,648.88 | |
| Street Lighting | 250,000.00 | 236,000.00 | 209,994.62 | 26,005.38 | |
| Telephone | 67,200.00 | 56,200.00 | 44,422.72 | 11,777.28 | |
| Water | 58,000.00 | 63,000.00 | 58,319.60 | 4,680.40 | |
| Natural Gas | 115,000.00 | 85,000.00 | 77,300.81 | 7,699.19 | |
| Heating Oil | 13,100.00 | 13,100.00 | 12,895.51 | 204.49 | |
| Age Processing Disposal | 16,500.00 | 16,500.00 | 10,749.50 | 5,750.50 | |
| Fuel | 544,000.00 | 554,000.00 | 531,148.80 | 22,851.20 | |
| Landfill/Solid Waste Costs: | | | | | |
| Other Expenses | 866,500.00 | 1,191,500.00 | 1,139,809.47 | 51,690.53 | |
| State Uniform Construction Code- Construction Official: | | | | | |
| Salaries and Wages | 322,308.00 | 322,308.00 | 321,196.52 | 1,111.48 | |
| Other Expenses | 75,875.00 | 75,875.00 | 64,874.67 | 11,000.33 | |
| Municipal Court: | | | | | |
| Salaries and Wages | 235,073.00 | 235,073.00 | 230,750.25 | 4,322.75 | |
| Other Expenses | 17,795.00 | 17,795.00 | 10,618.85 | 7,176.15 | |
| Public Defender (P.L. 1997, C. 256): | | | | | |
| Salaries and Wages | 15,600.00 | 15,600.00 | | 15,600.00 | |
| Other Expenses | 3,000.00 | 3,000.00 | | 3,000.00 | |
| Garbage and Trash Removal: | | | | | |
| Reimbursement to Multi-Family Dwellings: | | | | | |
| Other Expenses | 280,000.00 | 280,000.00 | 278,388.00 | 1,612.00 | |
| <u>TOTAL OPERATIONS WITHIN "CAPS"</u> | <u>22,182,692.00</u> | <u>22,168,692.00</u> | <u>21,234,881.48</u> | <u>933,810.52</u> | |
| <u>CONTINGENT</u> | <u>5,000.00</u> | <u>5,000.00</u> | | <u>5,000.00</u> | |
| <u>TOTAL OPERATIONS (INCLUDING CONTINGENT) WITHIN "CAPS"</u> | <u>22,187,692.00</u> | <u>22,173,692.00</u> | <u>21,234,881.48</u> | <u>938,810.52</u> | |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|--|----------------------|------------------------------|----------------------|-------------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| <u>DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL</u> | | | | | |
| Contribution To: | | | | | |
| Public Employees Retirement System | \$ 652,285.00 | \$ 652,285.00 | \$ 648,604.42 | \$ 3,680.58 | |
| Social Security System (O.A.S.I.) | 579,611.00 | 593,611.00 | 574,627.20 | 18,983.80 | |
| Police and Firemen's Retirement System of N.J. | 1,185,515.00 | 1,185,515.00 | 1,185,515.00 | | |
| Unemployment Trust Reserve Account | 30,000.00 | 30,000.00 | 30,000.00 | | |
| <u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u> | <u>2,447,411.00</u> | <u>2,461,411.00</u> | <u>2,438,746.62</u> | <u>22,664.38</u> | |
| <u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u> | <u>24,635,103.00</u> | <u>24,635,103.00</u> | <u>23,673,628.10</u> | <u>961,474.90</u> | |
| <u>OPERATIONS EXCLUDED FROM "CAPS"</u> | | | | | |
| COPS Universal Hiring Program: | | | | | |
| Police: | | | | | |
| Salaries and Wages | 107,676.00 | 107,676.00 | 107,675.88 | 0.12 | |
| Other Expenses: | 23,491.00 | 23,491.00 | 23,208.72 | 282.28 | |
| Recycling Tax: | | | | | |
| Other Expenses | 34,131.00 | 34,131.00 | 34,131.00 | | |
| <u>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</u> | <u>165,298.00</u> | <u>165,298.00</u> | <u>165,015.60</u> | <u>282.40</u> | |
| <u>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</u> | | | | | |
| Sewage Authority Interlocal Agreement | 93,200.00 | 93,200.00 | 71,279.87 | 21,920.13 | |
| <u>TOTAL INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</u> | <u>93,200.00</u> | <u>93,200.00</u> | <u>71,279.87</u> | <u>21,920.13</u> | |
| <u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u> | | | | | |
| County of Monmouth Drug Abuse Council (N.J.S.A. 40A: 4-87 \$1,687.00): | | | | | |
| Department of Human Services: | | | | | |
| Salaries and Wages | 39,812.00 | 39,812.00 | 39,812.00 | | |
| Other Expenses | 4,687.00 | 4,687.00 | 4,687.00 | | |
| State of NJ - Safe and Secure Communities Program: | | | | | |
| Police - Grant Portion: | | | | | |
| Salaries and Wages | 60,000.00 | 60,000.00 | 60,000.00 | | |
| Police - Matching Portion: | | | | | |
| Salaries and Wages | 170,375.00 | 170,375.00 | 170,375.00 | | |
| Other Expenses | 44,647.00 | 44,647.00 | 44,647.00 | | |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|---|---------------------|------------------------------|---------------------|------------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| <u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u> | | | | | |
| State of NJ - Supplemental Fire Services Program: | | | | | |
| Other Expenses | \$ 9,841.00 | \$ 9,841.00 | \$ 9,841.00 | | \$ |
| Alliance To Prevent Drug And Alcohol Abuse | | | | | |
| Grant Portion: | | | | | |
| Salaries and Wages | 33,482.00 | 33,482.00 | 33,482.00 | | |
| Matching Portion: | | | | | |
| Salaries and Wages | 8,371.00 | 8,371.00 | 8,371.00 | | |
| Drunk Driving Enforcement Fund: | | | | | |
| Salaries and Wages | 5,239.00 | 5,239.00 | 5,239.00 | | |
| Other Expenses | 5,239.00 | 5,239.00 | 5,239.00 | | |
| DARE Grant Award (N.J.S.A. 40A: 4-87 \$1,000.00) | | 1,000.00 | 1,000.00 | | |
| JIF Safety Awareness Program Grants (N.J.S.A. 40A: 4-87 \$4,013.00) | | 4,013.00 | 4,013.00 | | |
| Body Armor Replacement Fund: | | | | | |
| Salaries and Wages | 5,783.00 | 5,783.00 | 5,783.00 | | |
| State of New Jersey: | | | | | |
| Clean Communities Program | 50,555.67 | 50,555.67 | 50,555.67 | | |
| Outpatient Services Grant (ASAM Level I): | | | | | |
| Salaries and Wages | 49,440.00 | 49,440.00 | 49,440.00 | | |
| Outpatient Services Grant (ASAM Level II): | | | | | |
| Salaries and Wages | 75,000.00 | 75,000.00 | 75,000.00 | | |
| Matching Funds for Grants | 25,000.00 | 25,000.00 | | 25,000.00 | |
| <u>TOTAL PUBLIC AND PRIVATE PROGS. OFFSET BY REVENUES</u> | <u>587,471.67</u> | <u>592,484.67</u> | <u>567,484.67</u> | <u>25,000.00</u> | |
| <u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u> | | | | | |
| Capital Improvement Fund | 200,000.00 | 200,000.00 | 200,000.00 | | |
| <u>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u> | <u>200,000.00</u> | <u>200,000.00</u> | <u>200,000.00</u> | | |
| <u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u> | | | | | |
| Payment of Bond Principal | 1,778,000.00 | 1,778,000.00 | 1,778,000.00 | | |
| Payment of Bond Anticipation Notes | 147,530.00 | 147,530.00 | 147,530.00 | | |
| Interest on Bonds | 700,000.00 | 700,000.00 | 699,991.13 | | 8.87 |
| Interest on Notes | 125,000.00 | 125,000.00 | 120,083.02 | | 4,916.98 |
| Green Trust Loan Program: | | | | | |
| Loan Repayments for Principal and Interest | 19,162.00 | 19,162.00 | 19,161.74 | | 0.26 |
| <u>TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</u> | <u>2,769,692.00</u> | <u>2,769,692.00</u> | <u>2,764,765.89</u> | | <u>4,926.11</u> |

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

TOWNSHIP OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|--|-------------------------|------------------------------|-------------------------|------------------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| <u>DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"</u> | | | | | |
| Deferred Charges: | | | | | |
| Special Emergency Authorizations- | | | | | |
| 5 Years (N.J.S.A. 40A:4-55) | \$ 54,000.00 | \$ 54,000.00 | \$ 54,000.00 | \$ | |
| <u>TOTAL DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"</u> | <u>54,000.00</u> | <u>54,000.00</u> | <u>54,000.00</u> | | |
| <u>TOTAL GENERAL APPROPRIATIONS EXCLUDED FROM "CAPS"</u> | <u>3,869,661.67</u> | <u>3,874,674.67</u> | <u>3,822,546.03</u> | <u>47,202.53</u> | <u>4,926.11</u> |
| SUB-TOTAL GENERAL APPROPRIATIONS | 28,504,764.67 | 28,509,777.67 | 27,496,174.13 | 1,008,677.43 | 4,926.11 |
| RESERVE FOR UNCOLLECTED TAXES | 3,836,481.00 | 3,836,481.00 | 3,836,481.00 | | |
| <u>TOTAL GENERAL APPROPRIATIONS</u> | <u>\$ 32,341,245.67</u> | <u>\$ 32,346,258.67</u> | <u>\$ 31,332,655.13</u> | <u>\$ 1,008,677.43</u> | <u>\$ 4,926.11</u> |
| | REF. | A-2 | A-1 | A:A-1 | |
| Budget | A-3 | \$ 32,341,245.67 | | | |
| Appropriations by 40A:4-87 | A-2 | 5,013.00 | | | |
| | | <u>\$ 32,346,258.67</u> | | | |
| Encumbrances | A-15 | | | | |
| Grants Programs | A-33 | | \$ 1,103,188.99 | | |
| Deferred Charges - 40a; 4-55 | A-13 | | 567,484.67 | | |
| Reserve for Uncollected Taxes | A-2 | | 54,000.00 | | |
| Disbursed | A-4 | | 3,836,481.00 | | |
| Less: Refunds | A-4 | \$ 26,302,526.52 | | | |
| | A-4 | 531,026.05 | | | |
| | | | <u>25,771,500.47</u> | | |
| | | | \$ <u>31,332,655.13</u> | | |

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

TRUST FUND

TOWNSHIP OF OCEAN

TRUST FUND

BALANCE SHEETS-REGULATORY BASIS

| <u>ASSETS</u> | <u>REF.</u> | BALANCE DECEMBER 31, <u>2012</u> | BALANCE DECEMBER 31, <u>2011</u> |
|---|-------------|--|--|
| Assessment Fund: | | | |
| Cash | B-2 | \$ 90,319.31 | \$ 236,770.71 |
| Assessments Receivable | B-5 | 108,763.21 | 186,327.43 |
| | | <u>\$ 199,082.52</u> | <u>\$ 423,098.14</u> |
| Animal Control Fund: | | | |
| Cash | B-2 | \$ 30,441.08 | \$ 29,724.61 |
| | | <u>\$ 30,441.08</u> | <u>\$ 29,724.61</u> |
| Other Funds: | | | |
| Cash | B-2 | \$ 5,081,240.17 | \$ 4,848,681.13 |
| Due Current | B-14 | 170,291.86 | 170,291.86 |
| | | <u>\$ 5,081,240.17</u> | <u>\$ 5,018,972.99</u> |
| | | <u>\$ 5,310,763.77</u> | <u>\$ 5,471,795.74</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Assessment Fund: | | | |
| Due General Capital Fund | B-6 | \$ | \$ 224,016.48 |
| Due Current Fund | B-14 | 1.43 | 0.57 |
| Reserve for Assessments Receivable | B-7 | 59,526.97 | 81,042.66 |
| Fund Balance | B-1 | 139,554.12 | 118,038.43 |
| | | <u>\$ 199,082.52</u> | <u>\$ 423,098.14</u> |
| Animal Control Fund: | | | |
| Due Current Fund | B-14 | 6,718.88 | 10,478.01 |
| Due State of New Jersey | B-8 | 4.20 | 4.20 |
| Reserve for Animal Control Fund Expenditures | B-9 | 23,718.00 | 19,242.40 |
| | | <u>\$ 30,441.08</u> | <u>\$ 29,724.61</u> |
| Other Funds: | | | |
| Reserve for Encumbrances | B-10 | \$ 55,215.17 | \$ 38,314.10 |
| Reserve For: | | | |
| Unemployment Insurance | B-11 | 57,166.95 | 59,667.64 |
| Payroll Deductions | B-12 | 133,681.09 | 122,295.88 |
| Miscellaneous Deposits | B-13 | 4,835,156.79 | 4,798,695.37 |
| Due Current Fund | B-14 | 20.17 | 20.17 |
| | | <u>\$ 5,081,240.17</u> | <u>\$ 5,018,972.99</u> |
| | | <u>\$ 5,310,763.77</u> | <u>\$ 5,471,795.74</u> |

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

GENERAL CAPITAL FUND

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u> |
|---|-------------|--|--|
| <u>ASSETS</u> | | | |
| Cash | C-2; C-3 | \$ 12,078,020.19 | \$ 4,373,728.76 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-5 | 14,262,878.10 | 16,059,384.23 |
| Unfunded | C-6 | 17,564,323.52 | 8,326,768.52 |
| Due Assessment Trust Fund | C-9 | | 224,016.48 |
| Grant Receivable | C-15 | 215,000.00 | 160,000.00 |
| Due Grant Fund | | <u>136,000.00</u> | <u>136,000.00</u> |
| | | \$ <u>44,256,221.81</u> | \$ <u>29,279,897.99</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| General Serial Bonds | C-10 | \$ 14,244,000.00 | \$ 16,022,000.00 |
| Bond Anticipation Note | C-11 | 17,141,890.00 | 8,027,835.00 |
| Green Acres Loan Payable | C-12 | 18,878.10 | 37,384.23 |
| Contracts Payable | C-13 | 2,891,327.95 | 1,190,268.11 |
| Various Reserves | C-14 | 548,514.96 | 545,744.29 |
| Improvement Authorizations: | | | |
| Funded | C-8 | 32,035.55 | 54,096.19 |
| Unfunded | C-8 | 8,872,663.47 | 2,895,928.33 |
| Due Current Fund | C-4 | 411.03 | 934.09 |
| Capital Improvement Fund | C-7 | 171,981.72 | 118,781.72 |
| Fund Balance | C-1 | <u>334,519.03</u> | <u>386,926.03</u> |
| | | \$ <u>44,256,221.81</u> | \$ <u>29,279,897.99</u> |

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

PUBLIC ASSISTANCE TRUST FUND

TOWNSHIP OF OCEAN
PUBLIC ASSISTANCE FUND
BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | BALANCE DECEMBER <u>31, 2012</u> | BALANCE DECEMBER <u>31, 2011</u> |
|---------------------------------------|-------------|--|--|
| <u>ASSETS</u> | | | |
| Cash | E-1 | \$ <u>62,693.81</u> | \$ <u>62,693.81</u> |
| <u>TOTAL ASSETS</u> | | \$ <u><u>62,693.81</u></u> | \$ <u><u>62,693.81</u></u> |
| <u>LIABILITIES AND RESERVE</u> | | | |
| Reserve for Expenditures | | \$ <u>62,693.81</u> | \$ <u>62,693.81</u> |
| <u>TOTAL LIABILITIES AND RESERVES</u> | | \$ <u><u>62,693.81</u></u> | \$ <u><u>62,693.81</u></u> |

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

GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF OCEAN

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEET - REGULATORY BASIS

| | BALANCE DECEMBER <u>31, 2012</u> | BALANCE DECEMBER <u>31, 2011</u> |
|-------------------------------------|--|--|
| Fixed Assets: | | |
| Land | \$ 16,717,922.00 | \$ 16,497,922.00 |
| Buildings | 4,027,449.00 | 4,027,449.00 |
| Machinery and Equipment | <u>12,834,055.95</u> | <u>12,405,077.70</u> |
| <u>Total Fixed Assets</u> | \$ <u>33,579,426.95</u> | \$ <u>32,930,448.70</u> |
| Reserve: | | |
| Investments in General Fixed Assets | \$ <u>33,579,426.95</u> | \$ <u>32,930,448.70</u> |

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF OCEAN

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012 AND 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Ocean is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Committee consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township of Ocean include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Ocean, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of Ocean do not include the operations of the local school district, inasmuch as their activities are administered by a separate board.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Township of Ocean conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Ocean are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account groups:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose for which each reserve was created.

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

Public Assistance Fund - receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

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

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

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Operating grants are realized as revenue when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under, GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - the proceeds from the sale of municipal assets can be held in a reserve until anticipated as revenue in a future budget. GAAP requires such proceeds to be recorded as revenue in the year of sale.

Interfunds - interfunds receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. 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.

Property and equipment acquired by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized in their own respective funds.

The General Fixed Assets that have been acquired and that are utilized in the Current and General Capital Funds are instead accounted for in the General Fixed Asset Account Group. No depreciation has been provided on general fixed assets or reported 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 have not been accounted for separately.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

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

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements for the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also requires public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of Ocean had the following cash and cash equivalents at December 31, 2012:

| <u>Fund</u> | <u>Cash in Bank</u> | <u>Deposit in Transit</u> | <u>Outstanding Checks</u> | <u>Change Funds</u> | <u>Total</u> |
|---------------------------------|------------------------|---------------------------|---------------------------|---------------------|------------------------|
| Checking | \$22,955,464.40 | \$381,323.19 | \$559,762.67 | | \$22,777,024.92 |
| Cert. of Deposits | 5,095,250.81 | | | | 5,095,250.81 |
| Money Market | 1,442,842.42 | | | | 1,442,842.42 |
| N.J. Cash Management Fund | 519,471.96 | | | | 519,471.96 |
| NJ Asset Rebate Management Fund | 1,130.21 | | | | 1,130.21 |
| Change Funds | | | | \$2,120.00 | 2,120.00 |
| | <u>\$30,014,159.80</u> | <u>\$381,323.19</u> | <u>\$559,762.67</u> | <u>\$2,120.00</u> | <u>\$29,837,840.32</u> |

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2012, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$30,014,159.80, \$570,750.49 was covered by Federal Depository Insurance, \$28,922,807.14 was covered under the provisions of NJGUDPA, \$519,471.96 was on deposit with the New Jersey Cash Management Fund and \$1,130.21 was on deposit with the New Jersey Asset & Rebate Management Program (NJARM).

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following types of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. 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); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2012, the Township has \$519,471.96 on deposit with the New Jersey Cash Management Fund and \$1,130.21 on deposit with the New Jersey Asset & Rebate Management Program (NJARM). Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash Management Fund and the Investment Advisor of the NJARM, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risk for its deposits and investments.

The Township of Ocean's investment activities during the year were in accordance with the above New Jersey Statute.

NOTE 3: MUNICIPAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT
OPERATING DEBT AND TYPE II SCHOOL DEBT)

| | <u>YEAR 2012</u> | <u>YEAR 2011</u> | <u>YEAR 2010</u> |
|---|------------------------|------------------------|------------------------|
| Issued: | | | |
| General: | | | |
| Bonds, Notes and Loans | <u>\$31,404,768.10</u> | <u>\$24,087,219.23</u> | <u>\$22,338,532.72</u> |
| Net Issued | <u>\$31,404,768.10</u> | <u>\$24,087,219.23</u> | <u>\$22,338,532.72</u> |
| Less: | | | |
| Reserve for Payment of Bonds | <u>\$466,925.98</u> | <u>\$345,429.68</u> | <u>\$475,429.68</u> |
| Total Deductions | <u>466,925.98</u> | <u>345,429.68</u> | <u>475,429.68</u> |
| Net Debt Issued | <u>\$30,937,842.12</u> | <u>\$23,741,789.55</u> | <u>\$21,863,103.04</u> |
| <u>Authorized but not Issued</u> | | | |
| General: | | | |
| Bonds and Notes | <u>\$422,433.52</u> | <u>\$298,933.52</u> | <u>\$1,982,834.17</u> |
| Total Authorized but not Issued | <u>\$422,433.52</u> | <u>\$298,933.52</u> | <u>\$1,982,834.17</u> |
| Net Bonds and Notes Issued and and Authorized but not issued | <u>\$31,360,275.64</u> | <u>\$24,040,723.07</u> | <u>\$23,845,937.21</u> |

NOTE 3: MUNICIPAL 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 .65%.

| | <u>GROSS DEBT</u> | <u>DEDUCTIONS</u> | <u>NET DEBT</u> |
|----------------------|------------------------|-----------------------|------------------------|
| School District Debt | \$1,785,000.00 | \$1,785,000.00 | -0- |
| General Debt | 31,827,201.62 | 466,925.98 | \$31,360,275.64 |
| | <u>\$33,612,201.62</u> | <u>\$2,251,925.98</u> | <u>\$31,360,275.64</u> |

NET DEBT \$31,360,275.64 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, \$4,824,729,084.67 EQUALS .65%.

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

| | |
|--|-------------------------|
| Equalized Valuation Basis* - December 31, 2012 | \$4,824,729,084.67 |
| 3-1/2 of Equalized Valuation Basis | 168,865,517.96 |
| Net Debt | <u>31,360,275.64</u> |
| Remaining Borrowing Power | <u>\$137,505,242.32</u> |

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township for the last three (3) preceding years.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST
FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2012

| CALENDAR YEAR | GENERAL | | TOTAL |
|------------------|------------------------|-----------------------|------------------------|
| | PRINCIPAL | INTEREST | |
| 2013 | \$1,834,000.00 | \$620,705.00 | \$2,454,705.00 |
| 2014 | 1,843,000.00 | 539,867.50 | 2,382,867.50 |
| 2015 | 753,000.00 | 480,905.00 | 1,233,905.00 |
| 2016 | 793,000.00 | 443,255.00 | 1,236,255.00 |
| 2017 | 831,000.00 | 403,605.00 | 1,234,605.00 |
| 2018 | 874,000.00 | 362,055.00 | 1,236,055.00 |
| 2019 | 918,000.00 | 316,170.00 | 1,234,170.00 |
| 2020 | 954,000.00 | 279,450.00 | 1,233,450.00 |
| 2021 | 992,000.00 | 241,290.00 | 1,233,290.00 |
| 2022 | 1,047,000.00 | 189,210.00 | 1,236,210.00 |
| 2023 | 1,087,000.00 | 144,712.50 | 1,231,712.50 |
| 2024 | 1,133,000.00 | 98,515.00 | 1,231,515.00 |
| 2025 | 1,185,000.00 | 50,362.50 | 1,235,362.50 |
| | <u>\$14,244,000.00</u> | <u>\$4,170,102.50</u> | <u>\$18,414,102.50</u> |

The General Improvement Bonds are comprised of the following issues:

| ISSUE | OUTSTANDING BALANCE DECEMBER 31, 2012 |
|---|--|
| \$10,925,000.00 in General Improvement Bonds dated May 1, 2002, due in remaining annual installments ranging between \$1,125,000.00 and \$1,150,000.00 beginning May 1, 2013 and ending May 1, 2014 with interest at 4.10% | \$2,275,000.00 |
| \$15,033,000.00 in Loan Revenue Bonds dated December 1, 2008, due in remaining annual installments ranging between \$684,000.00 and \$1,185,000.00 beginning December 1, 2012 and ending December 1, 2025 with interest from 4.00% to 5.00% | <u>11,969,000.00</u> |
| Total | <u>\$14,244,000.00</u> |

NOTE 3: MUNICIPAL DEBT (CONTINUED)

On May 8, 2004 the Township entered into a Green Trust Loan Agreement with the State of New Jersey for the Wastewater Treatment project totaling \$308,150.00. The loan is payable over 10 years. The loan is at an interest rate of 2.00%

Following are the maturities and debt schedule for the outstanding principal and interest on the loans:

| CALENDAR YEAR | PRINCIPAL | INTEREST | TOTAL |
|------------------|--------------------|-----------------|--------------------|
| 2013 | \$18,878.10 | \$283.64 | \$19,161.74 |
| | <u>\$18,878.10</u> | <u>\$283.64</u> | <u>\$19,161.74</u> |

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2012, the Township has authorized but not issued bonds and notes as follows:

| | |
|----------------------|---------------------|
| General Capital Fund | <u>\$422,433.52</u> |
|----------------------|---------------------|

BOND ANTICIPATION NOTES

Outstanding Bond Anticipation Notes are summarized as follows:

General Capital Fund:

| <u>Ordinance Number</u> | <u>Date of Original Issue</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Amount</u> |
|-----------------------------|-----------------------------------|--------------------------|-----------------------------|--------------------------|------------------------|
| 2100 | 12/23/08 | 12/19/12 | 12/18/13 | 1.50% | \$1,424,496.00 |
| 2133 | 12/22/09 | 12/19/12 | 12/18/13 | 1.50% | 677,234.00 |
| 2145 | 12/21/10 | 12/19/12 | 12/18/13 | 1.50% | 1,859,603.00 |
| 2156 | 12/21/10 | 12/19/12 | 12/18/13 | 1.50% | 389,500.00 |
| 2127 | 12/20/11 | 12/19/12 | 12/18/13 | 1.50% | 1,630,802.00 |
| 2171 | 12/20/11 | 12/19/12 | 12/18/13 | 1.50% | 1,898,670.00 |
| 2183 | 12/19/12 | 12/19/12 | 12/18/13 | 1.50% | 1,861,585.00 |
| 2190 | 12/19/12 | 12/19/12 | 12/18/13 | 1.50% | 7,400,000.00 |
| | | | | | <u>\$17,141,890.00</u> |

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2012, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2012, were as follows:

| | |
|--------------|-----------------------|
| Current Fund | <u>\$6,700,000.00</u> |
|--------------|-----------------------|

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also the taxes for the County and the Local School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

| | Balance December 31, 2012 | Balance December 31, 2011 |
|---------------|---------------------------------|---------------------------------|
| Prepaid Taxes | <u>\$898,204.18</u> | <u>\$943,874.54</u> |

NOTE 6: PENSION PLANS

Plan Descriptions

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Fireman's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at www.nj.gov/treasury/pensions/annrpts.shtml.

NOTE 6: PENSION PLANS

Plan Descriptions (Continued)

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

Police and Fireman's Retirement System (PFRS) - The Police and Fireman's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program

(DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit. In which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest alter four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

NOTE 6: PENSION PLANS

Vesting and Benefit Provisions (Continued)

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately invested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully invested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. During 2012 PERS provides for employee contributions of 6.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43: 16A and requires contributions by active members and contributing employers. Plan member and employer contributions *may* be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. During 2012, members contributed at a uniform rate of 10.00% of base salary.

Certain portions of the costs are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$1,886,515.79 for 2010, \$2,151,000.74 for 2011 and \$1,834,119.42 for 2012.

All contributions were equal to the required contributions for each of the three years, respectively.

Certain Township employees are also covered by Federal Insurance Contribution Act.

NOTE 7: LITIGATION

The Township Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Township's insurance carrier or would have a material financial impact on the Township.

NOTE 8: LOCAL DISTRICT SCHOOL TAXES

Local District School Taxes have been raised on a calendar year basis thus there is no deferral of Local School District Taxes.

NOTE 9: COMPENSATED ABSENCES

Under the existing policy of the Township, employees are allowed to accumulate sick vacation and other compensated time, which may be taken as time off, or paid at a later date, at an agreed upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$2,037,525.82. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented. The Township has accumulated \$175,931.76 for this purpose in the Trust Other Fund and continues to budget funds to provide for these liabilities as they arise.

NOTE 10: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for 2012 and prior. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.40A:2-51. At December 31, 2012 the Township has made provision, from tax revenues, in the amount of \$450,000.00 for these appeals in the event that the tax reductions are granted. In 2013, as of the date of this report, the Township has refunded \$777,682.09 in appeals.

NOTE 11: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2012, the Township does not believe that any material liabilities will result from such audits.

NOTE 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township participates in the Mid-Jersey Municipal Joint Fund covering each of those risks of loss. The Fund is operated in accordance with regulations of the New Jersey Department of Insurance and the Division of Local Government Services of the Department of Community Affairs. The Fund is also a member of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance coverage for each of the various risks noted above. The Township's contributions to the Fund for claim payments are based on actuarial assumption determined by the Fund's actuary. The Township also maintains coverage for all other risks of loss, including employee health insurance through the New Jersey State Health Benefits program. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. Below is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's expendable trust fund for the current and previous two years:

| <u>Year</u> | <u>Township Contributions</u> | <u>Employee Contributions</u> | <u>Interest</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|-------------|-------------------------------|-------------------------------|-----------------|--------------------------|-----------------------|
| 2012 | \$30,000.00 | \$24,073.05 | \$-0- | \$56,573.74 | \$57,166.95 |
| 2011 | 15,000.00 | 10,665.99 | 11.84 | 59,870.42 | 59,667.64 |
| 2010 | 25,000.00 | 18,112.54 | 37.93 | 22,860.74 | 93,860.23 |

NOTE 13: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012, the following deferred charges are shown on the Balance Sheets of the Township:

| | BALANCE DECEMBER 31, <u>2012</u> | 2013 BUDGET <u>APPROPRIATION</u> | BALANCE TO SUCCEEDING <u>YEARS</u> |
|----------------------|--|--|--|
| Current Fund: | | | |
| 40A:4-53 Revaluation | <u>\$108,000.00</u> | <u>\$54,000.00</u> | <u>\$54,000.00</u> |

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2012:

| <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|-----------------------|---------------------------------|------------------------------|
| Current Fund | \$ 7,151.51 | \$ 622,255.20 |
| Grant Fund | 622,255.20 | 136,000.00 |
| Assessment Trust Fund | | 1.43 |
| Animal Control Fund | | 6,718.88 |
| Trust Other Fund | | 20.17 |
| General Capital Fund | <u>136,000.00</u> | <u>411.03</u> |
| | <u>\$ 765,406.71</u> | <u>\$ 765,406.71</u> |

All balances resulted from the time lag between the dates that payments between funds are made.

NOTE 15: DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Township's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

All assets of the plan are held by an independent administrator, the I.C.M.A. Retirement Corporation.

The accompanying financial statements do not include the Township's Deferred Compensation Plan activities.

NOTE 16: GASB 45: OTHER POST-RETIREMENT BENEFITS

The Township provides a contribution for Post Retirement Benefits equal to 80% of the lowest cost State Health Benefits plan to certain employees, per the terms of their various labor agreements, which have retired from the Township. This benefit runs from the date of the employee's retirement until the age of sixty-five (65) at which point the Township provides reimbursement for 100% of the cost of Medicare Part B. The Township's contributions under these agreements for the years ended December 31, 2012, 2011 and 2010 were \$117,045.56, \$75,328.26 and \$56,585.54 respectively, which equaled the required contributions for each year.

Plan Description The Township contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit post employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 *et seq.* to provide health benefits to State employees, retirees, and their dependents. The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP.

NOTE 16: GASB 45: OTHER POST-RETIREMENT BENEFITS (CONTINUED)

Plan Description (Continued) The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions>.

Funding Policy Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Township on a monthly basis. Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. In accordance with Chapter 62, P.L. 1994, post-retirement medical benefits have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. The Township's contributions to SHBP for the years ended December 31, 2012, 2011 and 2010 were \$2,143,744.36, \$2,041,683.98 and \$1,833,550.96 respectively, which equaled the required contributions for each year.

TOWNSHIP OF OCEAN

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2012

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF CASH-TREASURER

| | REF. | GRANT FUND | | CURRENT FUND | |
|---|------|------------|-------------------|--------------|-----------------------|
| Balance, December 31, 2011 | A | \$ | 669.95 | \$ | 12,744,524.71 |
| Increased by Receipts: | | | | | |
| Collector | A-5 | \$ | | \$ | 92,967,939.86 |
| Petty Cash | A-7 | | | | 1,800.00 |
| State of New Jersey-Senior Citizens and Veterans Deductions (Chapter 20,P.L.1971) | A-8 | | | | 238,806.16 |
| Miscellaneous Revenue Not Anticipated | A-2 | | | | 1,195,430.88 |
| Appropriations Refunds | A-3 | | | | 531,026.05 |
| Revenue Accounts Receivable | A-12 | | | | 5,214,994.89 |
| Appropriation Reserve Refunds | A-14 | | | | 17,520.19 |
| Prepaid Fees and Licenses | A-18 | | | | 53,969.50 |
| Reserve for: | | | | | |
| Due State of New Jersey | A-26 | | | | 42,364.66 |
| Interfunds Receivable | A-31 | | 262,830.62 | | 1,086,585.25 |
| Grants Receivable | A-32 | | 392,313.38 | | |
| Grants - Unappropriated | A-34 | | 74,300.64 | | |
| | | | <u>729,444.64</u> | | <u>101,350,437.44</u> |
| | | \$ | <u>730,114.59</u> | \$ | <u>114,094,962.15</u> |
| Decreased by Disbursements: | | | | | |
| 2012 Appropriations | A-3 | \$ | | \$ | 26,302,526.52 |
| Appropriation Reserves | A-14 | | | | 660,330.48 |
| Accounts Payable | A-16 | | | | 112,122.85 |
| Refund of Tax Overpayments | A-20 | | | | 73,895.93 |
| Reserve for: | | | | | |
| Library Expenditures | A-21 | | | | 4,428.49 |
| Tax Appeals | A-24 | | | | 170,795.33 |
| Due State of New Jersey | A-26 | | | | 40,430.64 |
| Local District School Tax | A-27 | | | | 56,206,832.27 |
| County Taxes | A-28 | | | | 13,890,207.18 |
| County Share for Added Taxes | A-29 | | | | 38,890.05 |
| Fire District Tax | A-30 | | | | 2,746,926.00 |
| Interfunds | A-31 | | 150,957.17 | | 1,357,771.20 |
| Grants Appropriated | A-33 | | 573,662.06 | | |
| Petty Cash | A-7 | | | | 1,800.00 |
| Budget Operations | A-1 | | | | 494.81 |
| | | | <u>724,619.23</u> | | <u>101,607,451.75</u> |
| Balance, December 31, 2012 | A | \$ | <u>5,495.36</u> | \$ | <u>12,487,510.40</u> |

"A-6"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF CHANGE FUND

REF.

Balance December 31, 2011 and
December 31, 2012

A

\$ 2,120.00

ANALYSIS OF BALANCE

| | | |
|------------------------------|----|-----------------|
| Tax Collector | \$ | 750.00 |
| Police Department | | 20.00 |
| Construction Code | | 250.00 |
| Municipal Court | | 500.00 |
| Colonial Terrace Golf Course | | <u>600.00</u> |
| | \$ | <u>2,120.00</u> |

"A-7"

SCHEDULE OF PETTY CASH

Increased by:
Disbursements

A-4

\$ 1,800.00
1,800.00

Decreased by:
Receipts

A-4

\$ 1,800.00

TOWNSHIP OF OCEAN

CURRENT FUND

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

| | <u>REF.</u> | | |
|---|-------------|----|--------------------------|
| Balance, December 31, 2011 (Due From) | A | \$ | 1,828.08 |
| Increased by: | | | |
| Senior Citizens and Veterans Deductions Per Duplicate | | \$ | 243,000.00 |
| Senior Citizens and Veterans Deductions Allowed | | | |
| by Tax Collector: | | | |
| Current Year | | | 500.00 |
| | | | <u>243,500.00</u> |
| | | | <u>245,328.08</u> |
| Decreased by: | | | |
| Received From State of New Jersey | A-4 | \$ | 238,806.16 |
| Senior Citizens and Veterans Deductions Disallowed | | | |
| by Tax Collector: | | | |
| Current Year | | | 5,900.68 |
| Prior Year | A-1 | | 3,021.92 |
| | | | <u>247,728.76</u> |
| Balance, December 31, 2012 (Due to) | A | \$ | <u><u>(2,400.68)</u></u> |

CALCULATION OF STATE SHARE OF
2012 SENIOR CITIZENS AND VETERANS DEDUCTIONS

| | | | |
|--|-----|----|--------------------------|
| Senior Citizens and Veterans Deductions: | | | |
| Per Tax Duplicate | | \$ | 243,000.00 |
| Allowed by Collector | | | 500.00 |
| | | | <u>243,500.00</u> |
| Less: | | | |
| Senior Citizens Deductions Disallowed by Collector | | | 5,900.68 |
| | A-9 | \$ | <u><u>237,599.32</u></u> |

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

| YEAR | BALANCE | 2012 | ADDED | CASH COLLECTIONS | | TRANSFERRED | CANCELED | BALANCE |
|-------|----------------------|------------------|-------------|------------------|------------------|--------------|---------------|-----------------|
| | DECEMBER 31, 2011 | | | LEVY | 2011 | | | |
| Prior | \$ 14,880.82 | \$ | \$ | \$ | 687.90 | \$ | \$ | 14,192.92 |
| 2009 | 10,526.31 | | | | 3,655.32 | | | 6,870.99 |
| 2010 | 9,219.10 | | | | 14.62 | | | 9,204.48 |
| 2011 | 1,073,748.91 | | 7,666.14 | | 1,072,495.51 | 130.44 | 3,635.63 | 5,153.47 |
| | \$ 1,108,375.14 | \$ | 7,666.14 | \$ | 1,076,853.35 | 130.44 | 3,635.63 | \$ 35,421.86 |
| 2012 | | 93,607,386.06 | | 943,874.54 | 90,789,539.64 | 37,709.95 | 468,612.39 | 1,367,649.54 |
| | \$ 1,108,375.14 | \$ 93,607,386.06 | \$ 7,666.14 | \$ 943,874.54 | \$ 91,866,392.99 | \$ 37,840.39 | \$ 472,248.02 | \$ 1,403,071.40 |
| REF. | A | | | A-2:A-19 | A-2 | A-10 | | A |

Collector
Overpayments Applied
Senior Citizens Deductions

REF.

| | |
|------|------------------|
| A-5 | \$ 91,586,742.89 |
| A-20 | 42,050.78 |
| A-8 | 237,599.32 |
| | \$ 91,866,392.99 |

ANALYSIS OF 2012 PROPERTY TAX LEVY

| | REF. | |
|--|------|------------------|
| TAX YIELD | | |
| General Purpose Tax | | \$ 93,385,996.86 |
| Added Taxes (54:4-63.1 et.seq.) | | 221,389.20 |
| | | \$ 93,607,386.06 |
| TAX LEVY | | |
| Local District School Tax (Abstract) | A-27 | \$ 57,134,743.22 |
| County Taxes: | | |
| County Tax (Abstract) | A-28 | \$ 13,890,207.18 |
| Due County for Added Taxes (54:4-63.1 et.seq.) | A-29 | 32,910.02 |
| | | 13,923,117.20 |
| Fire District Taxes: | | |
| Fire District Tax (Abstract) | A-30 | 2,746,926.00 |
| Local Tax for Municipal Purposes (Abstract) | A-2 | \$ 19,565,468.00 |
| Add: Additional Tax Levied | | 237,131.64 |
| Local Tax for Municipal Purposes Levied | | 19,802,599.64 |
| | | \$ 93,607,386.06 |

"A-10"

TOWNSHIP OF OCEAN
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

| | <u>REF.</u> | | | |
|------------------------------------|-------------|----|----|--------------------------|
| Balance, December 31, 2011 | A | | \$ | 426,341.46 |
| Increased by: | | | | |
| Transfers From Taxes Receivable | A-9 | \$ | | 37,840.39 |
| Added Lien | | | | 30.00 |
| Interest and Costs Accrued by Sale | | | | 106.36 |
| | | | | <u>37,976.75</u> |
| Balance, December 31, 2012 | A | | \$ | <u><u>464,318.21</u></u> |

"A-11"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

| | | | | |
|---|---|--|----|--------------------------|
| Balance, December 31, 2011 and December 31, 2012 | A | | \$ | <u><u>849,381.00</u></u> |
|---|---|--|----|--------------------------|

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

| | REF. | BALANCE DECEMBER 31, 2011 | ACCRUED IN 2012 | COLLECTED BY | | BALANCE DECEMBER 31, 2012 |
|--|------|---------------------------------|--------------------|--------------|--------------|---------------------------------|
| | | | | COLLECTOR | TREASURER | |
| Clerk: | | | | | | |
| Licenses: | | | | | | |
| Alcoholic Beverage | A-2 | \$ | \$ | | | |
| Other | A-2 | | 43,564.00 | | \$ | 43,564.00 |
| Fees and Permits | A-2 | | 49,035.00 | | | 49,035.00 |
| Tax Collector: | | | 155,470.00 | | | 155,470.00 |
| Fees and Permits | A-2 | | 200.00 | 200.00 | | |
| Board of Adjustment | | | | | | |
| Fees and Permits | A-2 | | 47,835.75 | | | 47,835.75 |
| Planning Board | | | | | | |
| Fees and Permits | A-2 | | 25,915.00 | | | 25,915.00 |
| Community Development: | | | | | | |
| Other Licenses | A-2 | | 31,105.00 | | | 31,105.00 |
| Fees and Permits | A-2 | | 55,575.00 | | | 55,575.00 |
| Recreation: | | | | | | |
| Fees and Permits | A-2 | | 170,983.63 | | | 170,983.63 |
| Police: | | | | | | |
| Fees and Permits | A-2 | | 89,938.76 | | | 89,938.76 |
| Public Works | | | | | | |
| Fees and Permits | A-2 | | 14,998.00 | | | 14,998.00 |
| Human Services: | | | | | | |
| Fees and Permits | A-2 | | 76,789.00 | | | 76,789.00 |
| Municipal Court | A-2 | 43,278.40 | 585,723.25 | | | 586,463.67 |
| Interest and Costs on Taxes | A-2 | | 300,331.82 | 300,331.82 | | 42,537.98 |
| Interest on Investments and Deposits | A-2 | | 104,369.09 | | | 104,369.09 |
| Payment in Lieu of Taxes-Senior Citizens | A-2 | | 22,103.97 | | | 22,103.97 |
| Pool Tennis Club Membership Fees | A-2 | | 117,735.00 | | | 117,735.00 |
| Pool Tennis Club Snack Bar Rental | A-2 | | 12,000.00 | | | 12,000.00 |
| Pool Tennis Club Guest Fees | A-2 | | 72,710.50 | | | 72,710.50 |
| Colonial Terrace Golf Course | A-2 | | 317,446.85 | | | 317,446.85 |
| Consolidated Municipal Property Tax Relief Aid | A-2 | | 51,649.00 | | | 51,649.00 |
| Energy Receipts Tax | A-2 | | 2,476,895.00 | | | 2,476,895.00 |
| Uniform Construction Code Fees | A-2 | | 598,197.00 | | | 598,197.00 |
| Sewerage Authority Interlocal Agreement | A-2 | | 69,541.67 | | | 69,541.67 |
| Reserve For Payment Of Bonds | A-2 | | 24,674.00 | | | 24,674.00 |
| | | \$ | \$ | \$ | \$ | \$ |
| | | 43,278.40 | 5,514,786.29 | 300,331.82 | 5,214,994.89 | 42,537.98 |
| REF. | | A | | A-5 | A-4 | A |

TOWNSHIP OF OCEAN

CURRENT FUND

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

| <u>DATE</u> <u>AUTHORIZED</u> | <u>PURPOSE</u> | <u>AMOUNT</u> <u>AUTHORIZED</u> | <u>1/5 OF</u> <u>NET AMOUNT</u> <u>AUTHORIZED</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u> | <u>DECREASED</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u> |
|----------------------------------|----------------|------------------------------------|---|--|---------------------|--|
| 8/17/2009 | Revaluation | \$ 270,000.00 \$ | 54,000.00 \$ | <u>162,000.00 \$</u> | <u>54,000.00 \$</u> | <u>108,000.00</u> |
| | | | \$ | <u>162,000.00 \$</u> | <u>54,000.00 \$</u> | <u>108,000.00</u> |
| | | | <u>REF.</u> | A | A-3 | A |

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF 2011 APPROPRIATION RESERVES

| | BALANCE DECEMBER 31, 2011 | BALANCE AFTER TRANSFERS | PAID OR CHARGED | BALANCE LAPSED |
|--|---------------------------------|-------------------------------|---------------------|----------------------|
| <u>SALARIES AND WAGES</u> | | | | |
| Office Of The Governing Body | \$ 207.51 | \$ 207.51 | \$ | 207.51 |
| Office Of The Township Manager | 7,206.73 | 7,206.73 | | 7,206.73 |
| Office Of Township Clerk | 1,382.27 | 1,382.27 | | 1,382.27 |
| Financial Administration | 4,715.46 | 4,715.46 | | 4,715.46 |
| Data Processing | 306.08 | 306.08 | | 306.08 |
| Collection Of Taxes | 3,809.16 | 3,809.16 | (13,769.87) | 17,579.03 |
| Assessment Of Taxes | 126.00 | 126.00 | | 126.00 |
| Office Of Planning Administration | 9,563.74 | 9,563.74 | | 9,563.74 |
| Police | 61,359.00 | 61,359.00 | | 61,359.00 |
| Police Dispatch / 911 | 1,793.53 | 1,793.53 | | 1,793.53 |
| Municipal Prosecutor | 1,329.00 | 1,329.00 | | 1,329.00 |
| Office Of The Director Of Public Works | 16,252.60 | 16,252.60 | | 16,252.60 |
| Streets And Roads Maintenance | 79,159.39 | 79,159.39 | 30,421.54 | 48,737.85 |
| Maintenance Of Equipment | 29,237.41 | 29,237.41 | 11,316.83 | 17,920.58 |
| Garbage And Trash Removal | 45,639.94 | 45,639.94 | 34,064.10 | 11,575.84 |
| Recycling | 3,409.36 | 3,409.36 | | 3,409.36 |
| Public Building And Grounds | 55,088.84 | 55,088.84 | 27,090.78 | 27,998.06 |
| Board Of Health | 361.43 | 361.43 | | 361.43 |
| Office Of Director Of Human Services | 4,692.60 | 4,692.60 | | 4,692.60 |
| Community Services Department | 34,049.40 | 34,049.40 | | 34,049.40 |
| Recreation | 8,988.05 | 8,988.05 | | 8,988.05 |
| Pool And Tennis Club | 14,807.66 | 14,807.66 | | 14,807.66 |
| Colonial Terrace Golf Course | 11,132.29 | 11,132.29 | | 11,132.29 |
| Maintenance Of Free Public Library | 7,000.00 | 7,000.00 | | 7,000.00 |
| Construction Code Department | 8,798.03 | 8,798.03 | | 8,798.03 |
| Municipal Court | 2,021.95 | 2,021.95 | | 2,021.95 |
| Public Defender | 1,200.00 | 1,200.00 | | 1,200.00 |
| Cops Universal Hiring Program | 0.12 | 0.12 | | 0.12 |
| <u>TOTAL SALARIES AND WAGES</u> | <u>\$ 413,637.55</u> | <u>\$ 413,637.55</u> | <u>\$ 89,123.38</u> | <u>\$ 324,514.17</u> |
| <u>OTHER EXPENSES</u> | | | | |
| Office Of The Governing Body | \$ 1,682.22 | \$ 1,682.22 | \$ | 1,682.22 |
| Office Of The Township Manager | 15,201.75 | 16,263.50 | 6,014.77 | 10,248.73 |
| Office Of The Township Clerk | 3,800.09 | 4,014.43 | 54.34 | 3,960.09 |
| Financial Administration | 4,457.45 | 4,594.71 | 4,398.82 | 195.89 |
| Annual Audit | 31,200.00 | 31,200.00 | 31,200.00 | |
| Data Processing | 5,989.52 | 17,188.27 | 10,771.17 | 6,417.10 |
| Collection Of Taxes | 399.45 | 1,092.46 | 1,070.51 | 21.95 |
| Assessment Of Taxes | 43,471.53 | 101,627.62 | 69,955.33 | 31,672.29 |
| Legal Services And Costs | 44,950.57 | 136,570.65 | 99,966.83 | 36,603.82 |
| Engineering Services And Costs | 11,397.50 | 18,190.00 | 6,750.00 | 11,440.00 |
| Planning Board | 2,841.79 | 3,899.04 | 2,641.00 | 1,258.04 |
| Board Of Adjustment | 7,817.50 | 7,817.50 | | 7,817.50 |
| Office Of Planning Administration | 1,084.22 | 1,299.53 | 234.03 | 1,065.50 |
| Police | 7,011.90 | 93,702.69 | 74,875.33 | 18,827.36 |
| Police Dispatch / 911 | 1,750.00 | 1,750.00 | | 1,750.00 |
| Office Of Emergency Management | 1,203.34 | 1,787.72 | 333.98 | 1,453.74 |
| Municipal Prosecutor | 1,325.00 | 1,325.00 | | 1,325.00 |
| Office Of Director Of Public Works | 7,092.44 | 9,901.79 | 3,190.36 | 6,711.43 |
| Streets And Roads Maintenance | 43,053.98 | 76,037.17 | 9,992.64 | 66,044.53 |
| Maintenance Of Equipment | 42,348.85 | 117,925.70 | 58,285.14 | 59,640.56 |
| Garbage And Trash Removal | 2,974.86 | 4,063.44 | 165.25 | 3,898.19 |
| Recycling | 3,435.12 | 3,478.70 | 54.36 | 3,424.34 |
| Public Building And Grounds | 49,506.01 | 91,278.81 | 39,591.51 | 51,687.30 |
| Community Services Act | 8,692.57 | 8,692.57 | | 8,692.57 |
| Board Of Health | 6,779.60 | 6,820.92 | 91.32 | 6,729.60 |
| Animal Control | 8,525.00 | 8,525.00 | 8,525.00 | |
| Office Of Director Of Human Services | 1,006.30 | 1,061.00 | 71.20 | 989.80 |
| Community Services Department | 6,850.68 | 7,350.68 | 1,066.50 | 6,284.18 |
| Cops Universal Hiring Program | 20,569.00 | 20,569.00 | | 20,569.00 |
| Recreation | 6,805.01 | 8,529.07 | 1,724.06 | 6,805.01 |

TOWNSHIP OF OCEAN
CURRENT FUND
SCHEDULE OF 2010 APPROPRIATION RESERVES

| | BALANCE DECEMBER 31, 2011 | BALANCE AFTER TRANSFERS | PAID OR CHARGED | BALANCE LAPSED |
|---|---------------------------------|-------------------------------|----------------------|------------------------|
| <u>OTHER EXPENSES (CONTINUED)</u> | | | | |
| Senior Citizen Transportation | \$ 3,543.00 | \$ 6,393.00 | \$ 3,000.00 | \$ 3,393.00 |
| Pool And Tennis Club | 3,364.47 | 3,701.47 | 337.00 | 3,364.47 |
| Colonial Terrace Golf Course | 3,650.45 | 8,514.66 | 4,861.70 | 3,652.96 |
| Celebration Of Public Events | 1,000.64 | 1,000.64 | | 1,000.64 |
| Maintenance Of Free Public Library | 25,500.00 | 25,500.00 | | 25,500.00 |
| Purchase Of Township Vehicles | 4,002.10 | 4,262.10 | 260.00 | 4,002.10 |
| Citizen Information Bulletin | 6,090.91 | 6,090.91 | | 6,090.91 |
| Postage | 223.94 | 223.94 | | 223.94 |
| Shade Tree Commission | 739.31 | 759.31 | 165.00 | 594.31 |
| Environmental Commission | 1,901.08 | 1,901.08 | | 1,901.08 |
| Utilities: | | | | |
| Electric | 46,148.35 | 72,329.01 | 35,275.40 | 37,053.61 |
| Street Lighting | 29,395.16 | 49,095.16 | 21,613.96 | 27,481.20 |
| Telephone | 6,552.37 | 7,002.37 | 380.71 | 6,621.66 |
| Water | 12,042.44 | 14,472.44 | 2,326.37 | 12,146.07 |
| Natural Gas | 5,300.15 | 29,750.15 | 13,778.28 | 15,971.87 |
| Heating Oil | 333.25 | 333.25 | | 333.25 |
| Sewerage Processing Disposal | 74.40 | 74.40 | | 74.40 |
| Fuel | 27,304.80 | 55,304.80 | 41,791.48 | 13,513.32 |
| Landfill / Solid Waste Costs | 80,151.84 | 165,551.84 | 62,924.13 | 102,627.71 |
| Construction Code Department | 14,979.38 | 15,325.43 | 5,141.03 | 10,184.40 |
| Municipal Court | 5,522.55 | 6,932.14 | 1,282.03 | 5,650.11 |
| Public Defender | 3,000.00 | 3,000.00 | | 3,000.00 |
| Contingent | 5,000.00 | 5,000.00 | | 5,000.00 |
| Contribution To : Social Security System (O.A.S.I.) | 14,391.15 | 14,391.15 | | 14,391.15 |
| Contribution To: Public Employees Retirement | 16.26 | 16.26 | | 16.26 |
| Reimbursement To Multi-Dwellings | 20.00 | 20.00 | | 20.00 |
| Insurance: | | | | |
| General Liability | 47,229.49 | 48,964.49 | 1,876.20 | 47,088.29 |
| Employee Group Insurance | 499.52 | 499.52 | | 499.52 |
| Worker's Compensation Insurance | 541,134.55 | 541,184.55 | 810.50 | 540,374.05 |
| Health Benefits Waiver | 10,770.80 | 10,770.80 | | 10,770.80 |
| Matching Funds for Grants | 16,196.00 | 16,196.00 | | 16,196.00 |
| Sewage Authority Interlocal Agreement | 1,993.11 | 1,993.11 | 1,988.57 | 4.54 |
| <u>TOTAL OTHER EXPENSES</u> | <u>\$ 1,311,294.72</u> | <u>\$ 1,924,793.17</u> | <u>\$ 628,835.81</u> | <u>\$ 1,295,957.36</u> |
| <u>GRAND TOTAL</u> | <u>\$ 1,724,932.27</u> | <u>\$ 2,338,430.72</u> | <u>\$ 717,959.19</u> | <u>\$ 1,620,471.53</u> |
| <u>REF.</u> | <u>A</u> | | | <u>A-1</u> |
| Appropriation Reserves | A-14 | \$ 1,724,932.27 | | |
| Reserve for Encumbrances | A-15 | 613,498.45 | | |
| | | <u>\$ 2,338,430.72</u> | | |
| Disbursed | A-4 | | \$ 660,330.48 | |
| Accounts Payable | A-16 | | 75,148.90 | |
| | | | <u>735,479.38</u> | |
| Less Refunds | A-4 | | 17,520.19 | |
| | | | <u>\$ 717,959.19</u> | |

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

| | <u>REF.</u> | | | |
|--|-------------|----|------------------|-------------------------------|
| Balance, December 31, 2011: | | | | |
| Current Fund | A | \$ | 613,498.45 | |
| Grant Fund | A | | <u>24,290.71</u> | |
| | | | | \$ 637,789.16 |
| Increased by: | | | | |
| Charged to 2012 Budget Appropriations | A-3 | \$ | 1,103,188.99 | |
| Charged to Reserve for Grants Appropriated | A-33 | | <u>28,233.79</u> | |
| | | | | <u>1,131,422.78</u> |
| | | | | \$ 1,769,211.94 |
| Decreased by: | | | | |
| Transferred to Appropriation Reserves | A-14 | \$ | 613,498.45 | |
| Transferred to Reserve for Grants Appropriated | A-33 | | <u>24,290.71</u> | |
| | | | | <u>637,789.16</u> |
| Balance, December 31, 2012: | | | | |
| Current Fund | A | \$ | 1,103,188.99 | |
| Grant Fund | A | | <u>28,233.79</u> | |
| | | | | \$ <u><u>1,131,422.78</u></u> |

SCHEDULE OF ACCOUNTS PAYABLE

| | | | | |
|---|------|----|------------------|--------------------------|
| Balance, December 31, 2011 | A | \$ | | 275,400.99 |
| Increased by: | | | | |
| Charged to: | | | | |
| 2010 Appropriation Reserves | A-14 | \$ | 75,148.90 | |
| Refund of Other Fees & Permits | A-2 | | 360.00 | |
| Refund of Miscellaneous Revenue Not Anticipated | A-2 | | 155.00 | |
| Reserve for DCA Training Fees | A-26 | | <u>3.00</u> | |
| | | | | <u>75,666.90</u> |
| | | | | \$ 351,067.89 |
| Decreased by: | | | | |
| Cash Disbursements | A-4 | \$ | 112,122.85 | |
| Canceled | A-1 | | <u>77,995.64</u> | |
| | | | | <u>190,118.49</u> |
| Balance, December 31, 2012 | A | \$ | | <u><u>160,949.40</u></u> |

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF PREPAID FEES AND LICENSES

| | | | | |
|----------------------------|-----|----|------------------|-------------------------|
| Balance, December 31, 2011 | A | | \$ | 8,567.50 |
| Increased by: | | | | |
| Cash Receipts | A-4 | | | <u>53,969.50</u> |
| | | | \$ | 62,537.00 |
| Decreased by: | | | | |
| Applied to: | | | | |
| Swim Pool Membership Fees | A-2 | \$ | <u>48,809.50</u> | <u>48,809.50</u> |
| Balance, December 31, 2012 | A | | \$ | <u><u>13,727.50</u></u> |
| Analysis of Balance: | | | | |
| Other Licenses | | | \$ | 5,480.00 |
| Other Fees and Permits | | | | 2,640.00 |
| Swim Pool Membership Fees | | | | <u>5,607.50</u> |
| | | | \$ | <u><u>13,727.50</u></u> |

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED

| | BALANCE DECEMBER <u>31, 2011</u> | CASH <u>RECEIPTS</u> | ANTICIPATED IN <u>2012 BUDGET</u> | BALANCE DECEMBER <u>31, 2012</u> |
|---|--|-------------------------|--------------------------------------|--|
| Drunk Driving Enforcement Fund | \$ 10,478.03 \$ | 9,051.36 \$ | 10,478.00 \$ | 9,051.39 |
| Recycling Tonnage Grant | 0.40 | 52,758.91 | | 52,759.31 |
| Monmouth County Drug Abuse Council | 7,766.70 | | | 7,766.70 |
| Stormwater Management | 20,619.00 | | | 20,619.00 |
| Body Armor Grant | 5,783.19 | 5,754.34 | 5,783.00 | 5,754.53 |
| Alcohol Education and Rehabilitation Fund | 0.40 | 53.53 | | 53.93 |
| COPs in Shops | 800.00 | | | 800.00 |
| Emergency Management Assistance Grant | 5,000.00 | 5,000.00 | | 10,000.00 |
| | | <u>1,682.50</u> | | <u>1,682.50</u> |
| | \$ <u>50,447.72</u> \$ | <u>74,300.64</u> \$ | <u>16,261.00</u> \$ | <u>108,487.36</u> |
| <u>REF.</u> | A | A-4 | A-32 | A |

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF PREPAID TAXES

| | <u>REF.</u> | | |
|----------------------------------|-------------|----|--------------------------|
| Balance, December 31, 2011 | A | \$ | 943,874.54 |
| Increased by: | | | |
| Collection - 2013 Taxes | A-5 | | 898,204.18 |
| | | \$ | <u>1,842,078.72</u> |
| Decreased by: | | | |
| Applied to 2012 Taxes Receivable | A-9 | | 943,874.54 |
| | | | <u>943,874.54</u> |
| Balance, December 31, 2012 | A | \$ | <u><u>898,204.18</u></u> |

SCHEDULE OF TAX OVERPAYMENTS

| | | | |
|----------------------------|-----|----|--------------------------|
| Balance, December 31, 2011 | A | \$ | 39,600.13 |
| Increased by: | | | |
| Overpayments in 2012 | A-5 | | 182,460.97 |
| | | \$ | <u>222,061.10</u> |
| Decreased by: | | | |
| Refunds | A-4 | \$ | 73,895.93 |
| Applied | A-9 | | <u>42,050.78</u> |
| | | | <u>115,946.71</u> |
| Balance, December 31, 2012 | A | \$ | <u><u>106,114.39</u></u> |

"A-24"

TOWNSHIP OF OCEAN
CURRENT FUND
SCHEDULE OF TAX APPEALS

| | <u>REF.</u> | | |
|---|-------------|----|--------------------------|
| Balance, December 31, 2011 | A | \$ | 455,822.35 |
| Increased by: | | | |
| Contested Amount of Tax Collected which are pending State Appeal Current Year Taxes | A-2 | \$ | <u>164,972.98</u> |
| | | | <u>164,972.98</u> |
| | | \$ | <u>620,795.33</u> |
| Decreased by: | | | |
| Cash Disbursements | A-4 | | <u>170,795.33</u> |
| Balance, December 31, 2012 | A | \$ | <u><u>450,000.00</u></u> |

"A-25"

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

| | | | |
|---|---|----|-------------------------|
| Balance, December 31, 2011 and December 31, 2012 | A | \$ | <u><u>53,620.85</u></u> |
|---|---|----|-------------------------|

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF RESERVE DUE STATE OF NEW JERSEY

| | BALANCE DECEMBER 31, <u>2011</u> | CASH <u>RECEIPTS</u> | <u>EXPENDED</u> | BALANCE DECEMBER 31, <u>2012</u> |
|--------------------------------------|--|-------------------------|------------------|--|
| DCA Training Fees | \$ 4,852.00 | \$ 30,840.00 | \$ 30,519.00 | \$ 5,173.00 |
| DYFS - Marriage License Fees | 300.00 | 5,028.00 | 3,503.00 | 1,825.00 |
| DYFS - Domestic Partner License Fees | 25.00 | | 25.00 | |
| DYFS - Civil Union License Fees | 300.00 | 100.00 | 300.00 | 100.00 |
| DYFS - Burial Fees | | 40.00 | 25.00 | 15.00 |
| Sales and Use Tax | 0.01 | 6,356.66 | 6,061.64 | 295.03 |
| | <u>5,477.01</u> | <u>42,364.66</u> | <u>40,433.64</u> | <u>7,408.03</u> |
| | \$ 5,477.01 | \$ 42,364.66 | \$ 40,433.64 | \$ 7,408.03 |
| <u>REF.</u> | A | A-4 | | A |
| Cash Disbursements | A-4 | | \$ 40,430.64 | |
| Accounts Payable | A-16 | | 3.00 | |
| | | | <u>40,433.64</u> | |

"A-28"

TOWNSHIP OF OCEAN

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

| | <u>REF.</u> | | |
|---------------|-------------|----|----------------------|
| Increased by: | | | |
| 2012 Tax Levy | A-1:A-9 | \$ | 13,890,207.18 |
| Decreased by: | | | |
| Payments | A-4 | \$ | <u>13,890,207.18</u> |

"A-29"

SCHEDULE OF DUE COUNTY FOR ADDED TAXES

| | | | |
|-------------------------------------|-----|----|-------------------------|
| Balance, December 31, 2011 | A | \$ | 38,890.05 |
| Increased by: | | | |
| County Share of 2012 Levy: | | | |
| Added Taxes (R.S.54:4-63.1 et.seq.) | A-9 | \$ | 32,910.02 |
| Prior Year | | | <u>711.74</u> |
| | A-1 | | <u>33,621.76</u> |
| | | \$ | <u>72,511.81</u> |
| Decreased by: | | | |
| Payments | A-4 | | <u>38,890.05</u> |
| Balance, December 31, 2012 | A | \$ | <u><u>33,621.76</u></u> |

TOWNSHIP OF OCEAN
CURRENT FUND
SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>ASSESSMENT TRUST FUND</u> | <u>ANIMAL CONTROL TRUST FUND</u> | <u>TRUST OTHER FUND</u> | <u>GENERAL CAPITAL FUND</u> | <u>GRANT FUND</u> |
|-----------------------------|-------------|---------------------|----------------------------------|--|---------------------------------|-------------------------------------|-----------------------|
| Balance, December 31, 2011: | | | | | | | |
| Interfunds Receivable | A | \$ 11,412.67 | \$ 0.57 | \$ 10,478.01 | | \$ 934.09 | |
| Interfunds Payable | A | 671,186.51 | | | 170,291.86 | | 500,894.65 |
| Receipts | A-4 | 1,086,585.25 | 9.64 | 10,482.36 | 136.08 | 925,000.00 | 150,957.17 |
| Statutory Excess | A-2 | 6,718.20 | | 6,718.20 | | | |
| Grant Match | | 233,234.00 | | | | | 233,234.00 |
| Disbursements | A-4 | <u>1,357,771.20</u> | <u>10.50</u> | <u>5.03</u> | <u>170,448.11</u> | <u>924,476.94</u> | <u>262,830.62</u> |
| Balance, December 31, 2012: | | | | | | | |
| Interfunds Receivable | A | \$ 7,151.51 | \$ 1.43 | \$ 6,718.88 | \$ 20.17 | \$ 411.03 | |
| Interfunds Payable | A | <u>622,255.20</u> | | | | | <u>622,255.20</u> |

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

| | BALANCE DECEMBER 31, 2011 | ANTICIPATED IN 2012 BUDGET | RECEIVED | UNAPPROPRIATED RESERVE APPLIED | BALANCE DECEMBER 31, 2012 |
|--|---------------------------------|----------------------------------|-----------|--------------------------------------|---------------------------------|
| M.C. Alliance to Prevent Alcoholism and Drug Abuse - 2011 | \$ 11,649.60 | \$ | 10,808.40 | \$ | 841.20 |
| M.C. Alliance to Prevent Alcoholism and Drug Abuse - 2012 | | 33,482.00 | 19,152.68 | | 14,329.32 |
| Safe & Secure Communities Grant- 2010 | 34,615.39 | | 34,615.39 | | |
| Safe & Secure Communities Grant - 2011 | 55,837.00 | | 21,475.77 | | 34,361.23 |
| Safe & Secure Communities Grant - 2012 | | 60,000.00 | | | 60,000.00 |
| Body Armor Replacement Fund - 2012 | | 5,783.00 | | 5,783.00 | |
| Drunk Driving Enforcement Fund | 0.37 | | | | 0.37 |
| Drunk Driving Enforcement Fund - 2012 | | 10,478.00 | | 10,478.00 | |
| Clean Communities Program - 2012 | | 50,555.67 | 49,546.10 | | 1,009.57 |
| DARE Grant - 2012 | | 1,000.00 | 1,000.00 | | |
| Bulletproof Vest Grant - 2009 | 3,337.42 | | 3,142.91 | | 194.51 |
| COPS in Shops Grant - College/Fall Initiative | 200.00 | | | | 200.00 |
| NJDOT - Sunset Ave Reconstruction II | 41,250.00 | | 41,250.00 | | |
| NJDOT - Sunset Ave Reconstruction III | 32,500.00 | | 32,500.00 | | |
| Mid Jersey Municipal Joint Insurance Fund - 2008 | 2.69 | | | | 2.69 |
| Mid Jersey Municipal Joint Insurance Fund - 2009 | 93.04 | | | | 93.04 |
| Mid Jersey Municipal Joint Insurance Fund - 2010 | 137.62 | | | | 137.62 |
| Mid Jersey Municipal Joint Insurance Fund - 2011 | 4,095.00 | | 4,094.38 | | 0.62 |
| Mid Jersey Municipal Joint Insurance Fund - 2012 | | 4,013.00 | | | 4,013.00 |
| M.C. Drug Abuse Council - 2009 | 2,519.00 | | | | 2,519.00 |
| M.C. Drug Abuse Council - 2010 | | | | | |
| M.C. Drug Abuse Council - 2011 | 11,980.46 | | 11,980.46 | | |
| M.C. Drug Abuse Council - 2012 | | 44,499.00 | 31,020.75 | | 13,478.25 |
| Alcohol Education & Rehabilitation Fund | | | | | |
| CDBG - ADA Improvements (2006) | 71,616.15 | | | | 71,616.15 |
| CDBG - ADA Improvements to Sunset and Brielle Avenues - 2009 | 7,419.00 | | | | 7,419.00 |
| CDBG | 12,783.00 | | | | 12,783.00 |

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

| | BALANCE DECEMBER 31, 2011 | ANTICIPATED IN 2012 BUDGET | RECEIVED | UNAPPROPRIATED RESERVE APPLIED | BALANCE DECEMBER 31, 2012 |
|--|---------------------------------|----------------------------------|----------------------|--------------------------------------|---------------------------------|
| M.C. - Armstrong Avenue Intersection Improvements | \$ 146,095.20 | \$ | \$ 5,000.00 | \$ | \$ 141,095.20 |
| M.C. - Municipal Recycling Service Improvements | 75,000.00 | | | | 75,000.00 |
| Over the Limit Under Arrest 2007 | 150.00 | | | | 150.00 |
| Over the Limit Under Arrest 2009 | 200.00 | | | | 200.00 |
| Outpatient Services 2009 Grant | 10.00 | | | | 10.00 |
| Outpatient Services 2010 Grant | 193.85 | | | | 193.85 |
| Outpatient Services 2012 Grant (ASAM Level I) | | 49,440.00 | 37,080.00 | | 12,360.00 |
| DYFS Parent/Child Visitation Grant (ASAM Level II) | 33,436.54 | | 14,686.54 | | 18,750.00 |
| ASAM Level II Grant | | 75,000.00 | 74,960.00 | | 40.00 |
| Sustainable Jersey Municipal Certification Prog. - Walmart Grant | 5,000.00 | | | | 5,000.00 |
| Edward Byrne Memorial Justice Assistance Grant | 0.50 | | | | 0.50 |
| DYFS Parent/Child Visitation Grant | 1,289.00 | | | | 1,289.00 |
| Sustainable Land Use Planning Grant | 4,500.00 | | | | 4,500.00 |
| | <u>\$ 555,910.83</u> | <u>\$ 334,250.67</u> | <u>\$ 392,313.38</u> | <u>\$ 16,261.00</u> | <u>\$ 481,587.12</u> |
| REF. | A | A-2 | A-4 | A-34 | A |

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

| | BALANCE DECEMBER <u>31, 2011</u> | MODIFIED | TRANSFERRED FROM <u>2012 BUDGET</u> | PAID OR <u>CHARGED</u> | BALANCE DECEMBER <u>31, 2012</u> |
|---|--|-----------|---|---------------------------|--|
| Bulletproof Vest Program - 2004 Grant | \$ 50.48 | \$ 50.48 | | | \$ 50.48 |
| Bulletproof Vest Program - 2009 | 4,275.25 | 4,633.72 | | 3,352.84 | 1,280.88 |
| You Drink, You Drive, You Lose | 4,800.00 | 4,800.00 | | | 4,800.00 |
| M.C. Drug Abuse Council - 2008 | 933.50 | 933.50 | | | 933.50 |
| M.C Drug Abuse Council - 2011 | 1,687.00 | 1,687.00 | | | 1,687.00 |
| M.C Drug Abuse Council - 2012 | | | 44,499.00 | 39,812.00 | 4,687.00 |
| Clean Communities Grant - 2005 | 36.69 | 36.69 | | 36.69 | |
| Clean Communities Grant - 2006 | 148.55 | 148.55 | | 148.55 | |
| Clean Communities Grant - 2007 | 4,253.03 | 4,253.03 | | 4,253.03 | |
| Clean Communities Grant - 2009 | 14,271.71 | 14,271.71 | | 14,271.71 | |
| Clean Communities Grant - 2010 | 13,029.00 | 13,029.00 | | 13,029.00 | |
| Clean Communities Grant - 2011 | 44,901.40 | 44,901.40 | | 37,869.05 | 7,032.35 |
| Clean Communities Grant - 2012 | | | 50,555.67 | | 50,555.67 |
| Alcohol Education and Rehabilitation Fund | 50.00 | 50.00 | | 50.00 | |
| Stormwater Regulation Grant - 2004 | 5,884.83 | 5,884.83 | | | 5,884.83 |
| Drunk Driving Enforcement Fund | 23,342.15 | 23,533.85 | | 17,794.12 | 5,739.73 |
| Drunk Driving Enforcement Fund - 2012 | | | 10,478.00 | 106.11 | 10,371.89 |
| Body Armor Replacement Fund - 2004 | 3.41 | 3.41 | | | 3.41 |
| Body Armor Replacement Fund - 2005 | 37.80 | 37.80 | | | 37.80 |
| Body Armor Replacement Fund - 2009 | 9,898.24 | 10,256.72 | | 3,352.86 | 6,903.86 |
| Body Armor Replacement Fund- 2010 | 5,309.67 | 5,309.67 | | | 5,309.67 |
| Body Armor Replacement Fund- 2011 | 2,038.00 | 2,038.00 | | | 2,038.00 |
| Body Armor Replacement Fund- 2012 | | | 5,783.00 | | 5,783.00 |
| Safe And Secure Communities - 2009 Match | 53,513.55 | 53,513.55 | | | 53,513.55 |
| Safe And Secure Communities - 2008 Match | 1,584.94 | 1,584.94 | | | 1,584.94 |
| Safe And Secure Communities - 2010 Grant | 2,307.50 | 2,307.50 | | | 2,307.50 |
| Safe And Secure Communities - 2010 Match | 6,695.39 | 6,695.39 | | 781.64 | 5,913.75 |
| Safe And Secure Communities - 2011 Grant | 21,475.80 | 21,475.80 | | 21,475.80 | |
| Safe And Secure Communities - 2011 Match | 81,538.85 | 81,538.85 | | 81,538.85 | |
| Safe And Secure Communities - 2012 Grant | | | 60,000.00 | 34,361.28 | 25,638.72 |
| Safe And Secure Communities - 2012 Match | | | 215,022.00 | 127,469.48 | 87,552.52 |
| State of NJ- Supplemental Fire Services Program | | | 9,841.00 | 9,841.00 | |

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

| | BALANCE DECEMBER 31, 2011 | MODIFIED | TRANSFERRED FROM 2012 BUDGET | PAID OR CHARGED | BALANCE DECEMBER 31, 2012 |
|--|---------------------------------|------------|------------------------------------|--------------------|---------------------------------|
| N.J. Substance Abuse Monitoring Program | \$ 107.50 | \$ 107.50 | | | \$ 107.50 |
| COPS in Shops Grant - College/Fall Initiative - 2007 | 25.00 | 25.00 | | | 25.00 |
| C.D.B.G. - ADA Improvements - 2006 | 71,616.15 | 71,616.15 | | | 71,616.15 |
| Recycling Tonnage Grant | 101,007.18 | 101,007.18 | | | 101,007.18 |
| Monmouth County Recycling Improvement Grant | 150,000.00 | 150,000.00 | | | 150,000.00 |
| Alliance To Prevent Alcoholism and Drug Abuse: | | | | | |
| 2006 Grant | 0.02 | 0.02 | | | 0.02 |
| 2011 Grant | 0.10 | 0.10 | | | 0.10 |
| 2012 Grant | | | | | |
| 2011 Match | 0.01 | 0.01 | 33,482.00 | 33,481.94 | 0.06 |
| 2012 Match | | | | | 0.01 |
| Mid Jersey Municipal Joint Insurance Fund: | | | 8,371.00 | 8,317.88 | 53.12 |
| Municipal Safety Incentive Grant - 2010 | 0.52 | 0.52 | | | 0.52 |
| Municipal Safety Incentive Grant - 2011 | 1,346.60 | 2,442.41 | | 2,441.79 | 0.62 |
| Municipal Safety Incentive Grant - 2012 | | | 4,013.00 | 2,637.86 | 1,375.14 |
| Reserve For Hepatitis Shots | 5,000.00 | 5,000.00 | | | 5,000.00 |
| Community Development Block Grant | 12,783.00 | 12,783.00 | | | 12,783.00 |
| Monmouth County Prosecutor's Office - | | | | | |
| Emergency Response Team - 2002 | 104.23 | 104.23 | | | 104.23 |
| Emergency Response Team - 2004 | | | | | |
| Schoor NJEDA | 264.13 | 11,006.63 | | 10,742.50 | 264.13 |
| 2011 Sustainable Land Use Grant | | 1,487.50 | | 1,487.50 | |
| 2011 Sustainable Land Use -Match | | 4,500.00 | | 4,500.00 | |
| M.C. -Armstrong Avenue Intersection Improvements | 91,601.70 | 91,601.70 | | | 91,601.70 |
| 2006 Physical Fitness Program Mini-Grant | 701.00 | 701.00 | | | 701.00 |
| National Night Out Grant | 100.02 | 100.02 | | | 100.02 |
| Outpatient Services 2007 Grant | 15,078.00 | 15,078.00 | | | 15,078.00 |
| Outpatient Services 2011 Grant (ASAM Level I) | 0.02 | 2,990.02 | | 1,300.00 | 1,690.02 |
| Outpatient Services 2012 Grant (ASAM Level I) | | | 49,440.00 | 44,959.98 | 4,480.02 |

TOWNSHIP OF OCEAN

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

| | BALANCE DECEMBER 31, 2011 | MODIFIED | TRANSFERRED FROM 2012 BUDGET | PAID OR CHARGED | BALANCE DECEMBER 31, 2012 |
|--|---------------------------------|----------------------|------------------------------------|----------------------|---------------------------------|
| Over the Limit Under Arrest 2007 | \$ 150.00 | \$ 150.00 | | | 150.00 |
| Over the Limit Under Arrest 2009 | 200.00 | 200.00 | | | 200.00 |
| Green Communities Grant - State Share | | 1,066.25 | | 1,066.25 | |
| Green Communities Grant - Match | | 1,500.00 | | 1,500.00 | |
| CDBG - ADA Improvements to Sunset and Brielle Avenues - 2009 | 7,419.00 | 7,419.00 | | | 7,419.00 |
| Monmouth County Historic Grant - Match | 7,500.00 | 7,500.00 | | | 7,500.00 |
| Sustainable Jersey Municipal Certification Program - Walmart Grant | 10,000.00 | 10,000.00 | | 9,998.00 | 2.00 |
| DYFS Parent/Child Visitation Grant (ASAM Level II) | | | 75,000.00 | 68,675.86 | 6,324.14 |
| D.A.R.E Program | 1,250.00 | 1,250.00 | | 1,242.28 | 7.72 |
| D.A.R.E Program - 2012 | | | 1,000.00 | | 1,000.00 |
| 2010 Healthy Community Dev. Grant | 8,390.04 | 8,390.04 | | | 8,390.04 |
| Armstrong Boulevard Intersection Improvement Grant - 2009 | 49,300.00 | 49,300.00 | | | 49,300.00 |
| Mid Jersey Municipal Joint Insurance Fund | 93.04 | 93.04 | | | 93.04 |
| Edward Byrne Memorial Assist | 633.00 | 633.00 | | | 633.00 |
| Emergency Mgmt Assistance | 5,000.00 | 5,000.00 | | | 5,000.00 |
| Emergency Mgmt Assistance - Match | 5,000.00 | 5,000.00 | | | 5,000.00 |
| | <u>\$ 846,737.00</u> | <u>\$ 871,027.71</u> | <u>\$ 567,484.67</u> | <u>\$ 601,895.85</u> | <u>\$ 836,616.53</u> |

REF.

A

A-3

A

| | | |
|---------------------------------|------|----------------------|
| Reserve for Grants Appropriated | A-33 | \$ 846,737.00 |
| Reserve for Encumbrances | A-16 | <u>24,290.71</u> |
| | | <u>\$ 871,027.71</u> |

| | | |
|--------------------------|------|----------------------|
| Cash Disbursements | A-4 | \$ 573,662.06 |
| Reserve for Encumbrances | A-16 | <u>28,233.79</u> |
| | | <u>\$ 601,895.85</u> |

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF TRUST CASH - TREASURER

| REF. | ASSESSMENT | ANIMAL CONTROL FEES | OTHER |
|-----------------------------------|--------------------|---------------------|----------------------|
| Balance, December 31, 2011 | B \$ 236,770.71 | \$ 29,724.61 | \$ 4,848,681.13 |
| Increased by Receipts: | | | |
| Collector | B-3 \$ 77,564.22 | | |
| Due State of New Jersey | B-8 | \$ | |
| Animal Control Fees | B-9 | 1,201.20 | |
| State Unemployment Insurance | B-11 | 11,209.80 | |
| Payroll Deductions | B-12 | | 54,073.05 |
| Miscellaneous Deposits | B-13 | | 16,519,677.62 |
| Due Current Fund | B-14 | | 2,442,427.45 |
| | 10.50 | 5.03 | 170,448.11 |
| | <u>77,574.72</u> | <u>12,416.03</u> | <u>19,186,626.23</u> |
| Decreased by Disbursements: | \$ 314,345.43 | \$ 42,140.64 | \$ 24,035,307.36 |
| Due State of New Jersey | B-8 | | |
| Expenditures Under R.S.4:19-15.11 | B-9 | 1,201.20 | |
| Encumbrances | B-10 | 16.00 | |
| State Unemployment Insurance | B-11 | | |
| Payroll Deductions | B-12 | | 56,573.74 |
| Miscellaneous Deposits | B-13 | | 16,508,292.41 |
| Due Current Fund | B-14 | | 2,389,064.96 |
| Due General Capital Fund | B-6 | 10,482.36 | 136.08 |
| | 9.64 | | |
| | <u>224,016.48</u> | <u>11,699.56</u> | <u>18,954,067.19</u> |
| | <u>224,026.12</u> | | |
| Balance, December 31, 2012 | B \$ 90,319.31 | \$ 30,441.08 | \$ 5,081,240.17 |

"B-3"

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF TRUST CASH-COLLECTOR

| | <u>REF.</u> | <u>ASSESSMENT</u> |
|-----------------------------|-------------|---------------------|
| Receipts: | | |
| Assessments Receivable | B-5 | \$ 77,564.22 |
| Decreased by Disbursements: | | |
| Payment to Treasurer | B-2 | \$ <u>77,564.22</u> |

"B-4"

ANALYSIS OF ASSESSMENT CASH

| | | <u>BALANCE DECEMBER 31, 2012</u> |
|------------------|-------------|--|
| Fund Balance | | \$ 139,554.12 |
| Cash Deficit | | (49,236.24) |
| Due Current Fund | | <u>1.43</u> |
| | | \$ <u>90,319.31</u> |
| | <u>REF.</u> | B |

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | DATE OF CONFIRMATION | ANNUAL INSTALLMENTS | DUE DATES | BALANCE | COLLECTED | BALANCE | PLEGGED TO | |
|---------------------|---|-------------------------|------------------------|----------------|----------------------|---------------------|----------------------|---------------------|------------------|
| | | | | | DECEMBER 31, 2011 | | DECEMBER 31, 2012 | RESERVE | CAPITAL |
| 1990 | Sidewalk, Curb and Driveway Apron Improvements - Alpern Avenue | 6/16/2008 | 4 | 7/1/2009-2011 | \$ 6,828.40 | \$ 6,828.40 | \$ | \$ | |
| 2021 | Sidewalk, Curb and Driveway Apron Improvements - Lakeview Avenue | 6/16/2008 | 4 | 7/1/2009-2011 | 22,345.89 | 3,810.94 | 18,534.95 | 18,534.95 | |
| 2028 | Sidewalk, Curb and Driveway Apron Improvements - Lincoln Drive | 6/16/2008 | 4 | 7/1/2009-2011 | 27,171.67 | 9,025.40 | 18,146.27 | 18,146.27 | |
| 2028 | Sidewalk, Curb and Driveway Apron Improvements - Franklin Parkway | 6/16/2008 | 4 | 7/1/2009-2011 | 7,351.00 | 1,850.95 | 5,500.05 | 5,500.05 | |
| 2106 | Sidewalk, Curb and Driveway Apron Improvements | 4/19/2010 | 5 | 6/1/2010-2014 | 40,316.51 | 16,875.51 | 23,441.00 | 17,345.70 | 6,095.30 |
| 2107 | Sidewalk, Curb and Driveway Apron Improvements | 4/19/2010 | 5 | 6/1/2010-2014 | 2,269.84 | 929.55 | 1,340.29 | | 1,340.29 |
| 2146 | Sidewalk, Curb and Driveway Apron Improvements | 9/12/2011 | 4 | 12/1/2011-2014 | 80,044.12 | 38,243.47 | 41,800.65 | | 41,800.65 |
| | | | | | <u>\$ 186,327.43</u> | <u>\$ 77,564.22</u> | <u>\$ 108,763.21</u> | <u>\$ 59,526.97</u> | <u>49,236.24</u> |
| | | | | REF. | B | B-3 | B | B-7 | |

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR ASSESSMENTS

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE DECEMBER 31, 2011</u> | <u>COLLECTIONS APPLIED</u> | <u>BALANCE DECEMBER 31, 2012</u> |
|-----------------------------|---|--|--------------------------------|--|
| Assessments Receivable: | | | | |
| 1990 | Sidewalk, Curb and Driveway Apron Improvements - Alpern Avenue | \$ 6,828.40 | \$ 6,828.40 | |
| 2021 | Sidewalk, Curb and Driveway Apron Improvements - Lakeview Avenue | 22,345.89 | 3,810.94 | 18,534.95 |
| 2028 | Sidewalk, Curb and Driveway Apron Improvements - Lincoln Drive | 27,171.67 | 9,025.40 | 18,146.27 |
| 2028 | Sidewalk, Curb and Driveway Apron Improvements - Franklin Parkway | 7,351.00 | 1,850.95 | 5,500.05 |
| 2106 | Curb and Sidewalk Improvements | 17,345.70 | | 17,345.70 |
| | | <u>\$ 81,042.66</u> | <u>\$ 21,515.69</u> | <u>\$ 59,526.97</u> |
| | | <u>REF.</u> | | |
| | | B | B-1 | B:B-5 |

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF ANIMAL LICENSE FEES DUE STATE OF NEW JERSEY

| | <u>REF.</u> | | |
|----------------------------|-------------|--------------------|--------------------|
| Balance, December 31, 2011 | B | \$ | 4.20 |
| Increased by: | | | |
| Cash Receipts | B-2 | \$ <u>1,201.20</u> | <u>1,201.20</u> |
| | | | 1,205.40 |
| Decreased by: | | | |
| Cash Disbursements | B-2 | | <u>1,201.20</u> |
| Balance, December 31, 2012 | B | \$ | <u><u>4.20</u></u> |

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

| | <u>REF.</u> | | |
|-----------------------------------|-------------|--------------|---------------------|
| Balance, December 31, 2011 | B | | \$ 19,242.40 |
| Increased by: | | | |
| Animal Control Fees Collected | B-2 | \$ 11,209.80 | |
| Reestablish Encumbrances | B-10 | | |
| | | <hr/> | <hr/> |
| | | | \$ 11,209.80 |
| | | | <hr/> |
| | | | \$ 30,452.20 |
| Decreased by: | | | |
| Expenditures Under R.S.4:19-15.11 | B-2 | \$ 16.00 | |
| Statutory Excess Due Current | B-14 | 6,718.20 | |
| | | <hr/> | <hr/> |
| | | | 6,734.20 |
| | | | <hr/> |
| Balance, December 31, 2012 | B | | \$ <u>23,718.00</u> |

| <u>LICENSE FEES COLLECTED</u> | | |
|-------------------------------|----|------------------|
| <u>YEAR</u> | | <u>AMOUNT</u> |
| 2010 | \$ | 11,509.20 |
| 2011 | | <hr/> |
| | | 12,208.80 |
| | | <hr/> |
| | \$ | <u>23,718.00</u> |

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

| | <u>REF.</u> | | <u>TRUST OTHER FUND</u> |
|----------------------------|-------------|----|---------------------------------|
| Balance, December 31, 2011 | B | \$ | 38,314.10 |
| Increased by: | | | |
| Transferred from Reserves | B-13 | | 55,215.17 |
| | | \$ | <u>93,529.27</u> |
| Decreased by | | | |
| Disbursements | B-2 | | |
| Transferred to Reserves | B-9:B-13 | | 38,314.10 |
| | | | <u>38,314.10</u> |
| Balance, December 31, 2012 | B | \$ | <u><u>55,215.17</u></u> |

"B-11"

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

| | <u>REF.</u> | | |
|----------------------------|-------------|----|-------------------------|
| Balance, December 31, 2011 | B | \$ | 59,667.64 |
| Increased by: | | | |
| Budget Appropriation | | \$ | 30,000.00 |
| Payroll Deductions | | | <u>24,073.05</u> |
| | B-2 | | 54,073.05 |
| | | \$ | <u>113,740.69</u> |
| Decreased by: | | | |
| Disbursements | B-2 | | <u>56,573.74</u> |
| Balance, December 31, 2012 | B | \$ | <u><u>57,166.95</u></u> |

"B-12"

SCHEDULE OF RESERVE FOR PAYROLL DEDUCTIONS PAYABLE

| | | | |
|----------------------------|-----|----|--------------------------|
| Balance, December 31, 2011 | B | \$ | 122,295.88 |
| Increased by: | | | |
| Cash Receipts | B-2 | | 16,519,677.62 |
| | | \$ | <u>16,641,973.50</u> |
| Decreased by: | | | |
| Disbursements | B-2 | | <u>16,508,292.41</u> |
| Balance, December 31, 2012 | B | \$ | <u><u>133,681.09</u></u> |

TOWNSHIP OF OCEAN

TRUST FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS AND RESERVES

| | BALANCE DECEMBER 31, 2011 | MODIFIED | CASH RECEIPTS | CASH DISBURSEMENTS | ENCUMBRANCES | BALANCE DECEMBER 31, 2012 |
|--|---------------------------------|------------------------|------------------------|------------------------|---------------------|---------------------------------|
| Review Fees | \$ 203,187.15 | \$ 203,187.15 | \$ 138,775.35 | \$ 121,074.10 | | \$ 220,888.40 |
| Inspection Fees | 419,781.69 | 419,781.69 | 152,420.87 | 138,330.46 | | 433,872.10 |
| Performance Bonds | 2,446,787.75 | 2,446,787.75 | 380,372.57 | 671,888.71 | | 2,155,271.61 |
| Public Defender | 118,143.37 | 118,143.37 | 18,081.50 | 131,000.50 | | 5,224.37 |
| Joint Insurance Fund Refunds | 173,062.97 | 173,656.97 | 47,188.12 | 30,444.84 | 11,127.03 | 179,273.22 |
| Rezoning Requests | 5,601.25 | 5,601.25 | | | | 5,601.25 |
| Parking Offense Adjudication Act | 1,979.10 | 1,979.10 | 176.00 | 6.00 | | 2,149.10 |
| Tax Sale Premium | 253,700.00 | 259,300.00 | 332,600.00 | 85,600.00 | 19,900.00 | 486,400.00 |
| Shade Trees | 95,980.17 | 95,980.17 | 10,554.25 | 12,158.50 | | 94,375.92 |
| Deferred Vacation | 66,155.04 | 66,155.04 | 100,000.00 | 100,591.84 | | 65,563.20 |
| Deferred Sick Leave | 20,593.14 | 20,593.14 | 250,020.00 | 152,505.62 | | 118,107.52 |
| Street Opening | 32,000.00 | 32,000.00 | 3,000.00 | 2,000.00 | | 33,000.00 |
| Municipal Alliance | 4,131.35 | 4,131.35 | | | | 4,131.35 |
| Bid Deposits | 31,019.89 | 31,019.89 | | 2,400.00 | | 28,619.89 |
| Affordable Housing | 0.24 | 38.38 | | | 38.14 | 0.24 |
| Unclaimed Monies | 2,272.01 | 2,272.01 | 474.51 | 189.94 | | 2,556.58 |
| Multiple Dwellings | 173,940.64 | 173,940.64 | 102.60 | | | 174,043.24 |
| Workers Compensation | 99.64 | 99.64 | 62,532.33 | 62,069.49 | | 562.48 |
| Law Enforcement | 79,324.33 | 80,367.43 | 22,741.76 | 58,055.89 | 2,605.88 | 42,447.42 |
| TORTA (Recreation Trust) | 152,858.12 | 154,515.05 | 98,627.22 | 78,234.52 | 3,262.78 | 171,644.97 |
| TTL's (Outside Liens) | 14,358.61 | 43,740.54 | 388,970.02 | 380,488.28 | 18,281.34 | 33,940.94 |
| Off Duty Police | 28,618.50 | 28,618.50 | 359,365.00 | 355,796.25 | | 32,187.25 |
| Development Impact Fees | 187,700.00 | 187,700.00 | | | | 187,700.00 |
| Snow Removal | 5,223.24 | 5,223.24 | | | | 5,223.24 |
| Animal House Bond | 4,000.00 | 4,000.00 | | | | 4,000.00 |
| Stormwater Management | 67,812.91 | 67,812.91 | 32,698.73 | 25.82 | | 100,485.82 |
| Margaret Crawford Donation | 300.00 | 300.00 | | | | 300.00 |
| Joe Palaia Park - Cell Tower Lease | 197,317.11 | 197,317.11 | 38,020.46 | | | 235,337.57 |
| Sales and Use Tax | 498.04 | 498.04 | 5,706.16 | 6,204.20 | | |
| Logan Road Paving | 11,150.00 | 11,150.00 | | | | 11,150.00 |
| Colonial Terrace Golf Course Donations | 1,099.11 | 1,099.11 | | | | 1,099.11 |
| | <u>\$ 4,798,695.37</u> | <u>\$ 4,837,009.47</u> | <u>\$ 2,442,427.45</u> | <u>\$ 2,389,064.96</u> | <u>\$ 55,215.17</u> | <u>\$ 4,835,156.79</u> |
| REF. | B | | B-2 | B-2 | B-10 | B |
| Reserves | B-13 | \$ 4,798,695.37 | | | | |
| Reserve for Encumbrances | B-10 | 38,314.10 | | | | |
| | | <u>\$ 4,837,009.47</u> | | | | |

TOWNSHIP OF OCEAN
TRUST FUND
SCHEDULE OF DUE CURRENT FUND

| | <u>REF.</u> | <u>ASSESSMENT TRUST FUND</u> | <u>ANIMAL CONTROL TRUST FUND</u> | <u>TRUST OTHER FUND</u> |
|-----------------------------|-------------|----------------------------------|--|---------------------------------|
| Balance, December 31, 2011: | | | | |
| Interfunds Receivable | A | \$ | | |
| Interfunds Payable | B | | \$ | 170,291.86 |
| | | 0.57 | 10,478.01 | |
| Receipts | B-2 | 10.50 | | |
| Statutory Excess | B-9 | | 5.03 | 170,448.11 |
| | | | 6,718.20 | |
| Disbursements | B-2 | 9.64 | 10,482.36 | 136.08 |
| Balance, December 31, 2012: | | | | |
| Interfunds Payable | B | \$ | \$ | 20.17 |
| | | 1.43 | 6,718.88 | |

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH

| | <u>REF.</u> | | |
|-----------------------------|-------------|----|-----------------------------|
| Balance, December 31, 2011 | C | \$ | 4,373,728.76 |
| Increased by Receipts: | | | |
| 2012 Budget Appropriations: | | | |
| Capital Improvement Fund | C-7 | \$ | 200,000.00 |
| Premium on Sale of Notes | C-1 | | 147,593.00 |
| Bond Anticipation Note | C-11 | | 17,141,890.00 |
| Various Reserves | C-14 | | 231,290.30 |
| Grants Receivable | C-15 | | 120,000.00 |
| Due Assessment Trust Fund | C-9 | | 224,016.48 |
| Due Current Fund | C-4 | | <u>1,044,559.96</u> |
| | | | 19,109,349.74 |
| | | \$ | <u>23,483,078.50</u> |
| Decreased by Disbursements: | | | |
| Contracts Payable | C-13 | \$ | 2,479,670.29 |
| Due Current Fund | C-4 | | 1,045,083.02 |
| Bond Anticipation Note | C-11 | | <u>7,880,305.00</u> |
| | | | <u>11,405,058.31</u> |
| Balance, December 31, 2012 | C | \$ | <u><u>12,078,020.19</u></u> |

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS

| | | BALANCE DECEMBER <u>31, 2012</u> |
|---|-------------|--|
| Fund Balance | \$ | 334,519.03 |
| Capital Improvement Fund | | 171,981.72 |
| Improvement Authorizations Funded as Set Forth on "C-8" | | 32,035.55 |
| Unexpended Proceeds of Bond Anticipation Notes | | 8,551,879.95 |
| Unfunded Improvements Expended - Listed on "C-6" | | (101,650.00) |
| Due Current Fund | | 411.03 |
| Due Grant Fund | | (136,000.00) |
| Grants Receivable | | (215,000.00) |
| Various Reserves | | 548,514.96 |
| Contracts Payable | | <u>2,891,327.95</u> |
| | \$ | <u><u>12,078,020.19</u></u> |
| | <u>REF.</u> | C |

"C-4"

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF DUE CURRENT FUND

| | <u>REF.</u> | | |
|---------------------------------------|-------------|----|----------------------|
| Balance, December 31, 2011 (Due From) | C | \$ | 934.09 |
| Increased by: | | | |
| Cash Receipts | C-2 | \$ | <u>1,044,559.96</u> |
| | | \$ | <u>1,045,494.05</u> |
| Decreased by: | | | |
| Cash Disbursements | C-2 | | <u>1,045,083.02</u> |
| Balance, December 31, 2012 (Due To) | C | \$ | <u><u>411.03</u></u> |

"C-5"

SCHEDULE OF DEFERRED CHARGES TO FUTURE
TAXATION-FUNDED

| | | | |
|--|------|----|-----------------------------|
| Balance, December 31, 2011 | C | \$ | 16,059,384.23 |
| Decreased by: | | | |
| 2012 Budget Appropriation to Pay Bonds | C-10 | \$ | 1,778,000.00 |
| 2012 Budget Appropriation to Pay Loans | C-12 | | <u>18,506.13</u> |
| | | | <u>1,796,506.13</u> |
| Balance, December 31, 2012 | C | \$ | <u><u>14,262,878.10</u></u> |

TOWNSHIP OF OCEAN
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | BALANCE DECEMBER 31, 2011 | INCREASED BY NEW ORDINANCES | NOTES PAID BY BUDGET | BALANCE DECEMBER 31, 2012 | ANALYSIS OF BALANCE, DECEMBER 31, 2012 | | |
|--|--|---------------------------|-----------------------------|----------------------|---------------------------|--|----------------------|---------------------------------------|
| | | | | | | BOND ANTICIPATION NOTE | EXPENDITURES | UNEXPENDED IMPROVEMENT AUTHORIZATIONS |
| 1990 | Curbs, Sidewalks and Driveway Aprons | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2021 | Sidewalk, Curb and Driveway Apron Improvements | | | | | | | |
| 2022 | Sidewalk, Curb and Driveway Apron Improvements | 16,150.00 | | | 16,150.00 | | 16,150.00 | |
| 2100 | Various Capital Improvements | 1,487,360.00 | | 62,864.00 | 1,424,496.00 | 1,424,496.00 | | |
| 2107 | Curb and Sidewalk Improvements | 128.16 | | | 128.16 | | | 128.16 |
| 2127 | Various Improvements | 1,630,802.00 | | | 1,630,802.00 | 1,630,802.00 | | |
| 2131,2136 | Curb and Sidewalk Improvements | 74,100.00 | | | 74,100.00 | | | 74,100.00 |
| 2133 | Acquisition of Machinery & Equipment | 761,900.00 | | 84,666.00 | 677,234.00 | 677,234.00 | | |
| 2145 | Various Improvements | 1,859,603.00 | | | 1,859,603.00 | 1,859,603.00 | | |
| 2146 | Curb and Sidewalk Improvements | 123,055.36 | | | 123,055.36 | | | 123,055.36 |
| 2156 | Curb and Sidewalk Improvements | 389,500.00 | | | 389,500.00 | 389,500.00 | | |
| 2171 | Various Capital Improvements | 1,898,670.00 | | | 1,898,670.00 | 1,898,670.00 | | |
| 2174 | Curb and Sidewalk Improvements | 85,500.00 | | | 85,500.00 | | 85,500.00 | |
| 2183 | Various Improvements | | 1,861,585.00 | | 1,861,585.00 | 1,861,585.00 | | |
| 2189 | Curb and Sidewalk Improvements | | 123,500.00 | | 123,500.00 | | | 123,500.00 |
| 2190 | Various Improvements | | 7,400,000.00 | | 7,400,000.00 | 7,400,000.00 | | |
| | | <u>\$ 8,326,768.52</u> | <u>\$ 9,385,085.00</u> | <u>\$ 147,530.00</u> | <u>\$ 17,564,323.52</u> | <u>\$ 17,141,890.00</u> | <u>\$ 101,650.00</u> | <u>\$ 320,783.52</u> |
| REF. | | C | C-8 | C-11 | C | C-11 | C-3 | |
| Improvement Authorizations Unfunded | | C-8 | | | | | | \$ 8,872,663.47 |
| Unexpended Proceeds of Bond Anticipation Notes | | C-3 | | | | | | <u>8,551,879.95</u> |
| | | | | | | | | <u>\$ 320,783.52</u> |

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

| | <u>REF.</u> | | |
|--|-------------|----|--------------------------|
| Balance, December 31, 2011 | C | \$ | 118,781.72 |
| Increased by: | | | |
| 2012 Appropriations | C-2 | \$ | <u>200,000.00</u> |
| | | | 318,781.72 |
| Decreased by: | | | |
| Appropriated to Finance Improvement Authorizations | C-8 | | <u>146,800.00</u> |
| Balance, December 31, 2012 | C | \$ | <u><u>171,981.72</u></u> |

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2012 | | INTEREST RATE | BALANCE DECEMBER 31, 2011 | DECREASED | BALANCE DECEMBER 31, 2012 |
|---------------------------|---------------|------------------|---|-----------------|---------------|---------------------------|------------------------|---------------------------|
| | | | DATE | AMOUNT | | | | |
| General Improvement Bonds | 5/1/2002 | \$ 10,925,000.00 | 5/1/2013 | \$ 1,150,000.00 | 4.10% | \$ 3,400,000.00 | \$ 1,125,000.00 | \$ 2,275,000.00 |
| | | | 5/1/2014 | 1,125,000.00 | 4.10% | | | |
| Loan Revenue Bonds | 12/1/2007 | 15,342,000.00 | 12/1/2013 | 684,000.00 | 5.000% | | | |
| | | | 12/1/2014 | 718,000.00 | 5.000% | | | |
| | | | 12/1/2015 | 753,000.00 | 5.000% | | | |
| | | | 12/1/2016 | 793,000.00 | 5.000% | | | |
| | | | 12/1/2017 | 831,000.00 | 5.000% | | | |
| | | | 12/1/2018 | 874,000.00 | 5.250% | | | |
| | | | 12/1/2019 | 918,000.00 | 4.000% | | | |
| | | | 12/1/2020 | 954,000.00 | 4.000% | | | |
| | | | 12/1/2021 | 992,000.00 | 5.250% | | | |
| | | | 12/1/2022 | 1,047,000.00 | 4.250% | | | |
| | | | 12/1/2023 | 1,087,000.00 | 4.250% | | | |
| | | | 12/1/2024 | 1,133,000.00 | 4.250% | | | |
| | | | 12/1/2025 | 1,185,000.00 | 4.250% | | | |
| | | | | | | <u>12,622,000.00</u> | <u>653,000.00</u> | <u>11,969,000.00</u> |
| | | | | | | <u>\$ 16,022,000.00</u> | <u>\$ 1,778,000.00</u> | <u>\$ 14,244,000.00</u> |
| | | | | | | REF. C | C-5 | C |

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

| <u>ORDINANCE</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF ISSUE OF ORIGINAL NOTE</u> | <u>DATE OF ISSUE</u> | <u>DATE OF MATURITY</u> | <u>INTEREST RATE</u> | <u>BALANCE DECEMBER 31, 2011</u> | <u>INCREASED</u> | <u>DECREASED</u> | <u>BALANCE DECEMBER 31, 2012</u> |
|-----------------------|--|---|--------------------------|-----------------------------|--------------------------|--|-------------------------|------------------------|--|
| General Improvements: | | | | | | | | | |
| 2100 | Various Capital Improvements | 12/23/08 | 12/20/11 | 12/19/12 | 1.50% | \$ 1,487,360.00 | | \$ 1,487,360.00 | \$ |
| 2100 | Various Capital Improvements | 12/23/08 | 12/19/12 | 12/18/13 | 1.50% | | 1,424,496.00 | | 1,424,496.00 |
| 2133 | Acquisition of Machinery and Equipment | 12/22/09 | 12/20/11 | 12/19/12 | 1.50% | 761,900.00 | | 761,900.00 | |
| 2133 | Acquisition of Machinery and Equipment | 12/22/09 | 12/19/12 | 12/18/13 | 1.50% | | 677,234.00 | | 677,234.00 |
| 2145 | Various Improvements | 12/21/10 | 12/20/11 | 12/19/12 | 1.50% | 1,859,603.00 | | 1,859,603.00 | |
| 2145 | Various Improvements | 12/21/10 | 12/19/12 | 12/18/13 | 1.50% | | 1,859,603.00 | | 1,859,603.00 |
| 2156 | Curb and Sidewalk Improvements | 12/21/10 | 12/20/11 | 12/19/12 | 1.50% | 389,500.00 | | 389,500.00 | |
| 2156 | Curb and Sidewalk Improvements | 12/21/10 | 12/19/12 | 12/18/13 | 1.50% | | 389,500.00 | | 389,500.00 |
| 2127 | Various Improvements | 12/20/11 | 12/20/11 | 12/19/12 | 1.50% | 1,630,802.00 | | 1,630,802.00 | |
| 2127 | Various Improvements | 12/20/11 | 12/19/12 | 12/18/13 | 1.50% | | 1,630,802.00 | | 1,630,802.00 |
| 2171 | Various Improvements | 12/20/11 | 12/20/11 | 12/19/12 | 1.50% | 1,898,670.00 | | 1,898,670.00 | |
| 2171 | Various Improvements | 12/20/11 | 12/19/12 | 12/18/13 | 1.50% | | 1,898,670.00 | | 1,898,670.00 |
| 2183 | Various Improvements | 12/19/12 | 12/19/12 | 12/18/13 | 1.50% | | 1,861,585.00 | | 1,861,585.00 |
| 2190 | Various Improvements | 12/19/12 | 12/19/12 | 12/18/13 | 1.50% | | 7,400,000.00 | | 7,400,000.00 |
| | | | | | | <u>\$ 8,027,835.00</u> | <u>\$ 17,141,890.00</u> | <u>\$ 8,027,835.00</u> | <u>\$ 17,141,890.00</u> |
| | | | | | <u>REF.</u> | C | C-2 | | C |
| | Cash Disbursements | | | | C-2 | | | \$ 7,880,305.00 | |
| | Notes Paid By Budget | | | | C-6 | | | <u>147,530.00</u> | |
| | | | | | | | | <u>\$ 8,027,835.00</u> | |

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOAN PAYABLE

| <u>PURPOSE</u> | <u>DATE OF ISSUE</u> | <u>ORIGINAL ISSUE</u> | <u>MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2012</u> | | <u>INTEREST RATE</u> | <u>BALANCE DECEMBER 31, 2011</u> | <u>DECREASED</u> | <u>BALANCE DECEMBER 31, 2012</u> |
|----------------------|----------------------|-----------------------|--|---------------|----------------------|----------------------------------|------------------|----------------------------------|
| | | | <u>DATE</u> | <u>AMOUNT</u> | | | | |
| General Improvements | 05/08/94 | \$ 308,150.00 | 05/08/13 | \$ 9,392.09 | 2.00% | \$ 37,384.23 | \$ 18,506.13 | \$ 18,878.10 |
| | | | 11/08/13 | 9,486.01 | | | | |
| | | | | | | \$ 37,384.23 | \$ 18,506.13 | \$ 18,878.10 |
| | | | | | <u>REF.</u> | C | C-5 | C |

TOWNSHIP OF OCEAN
GENERAL CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

| | <u>REF.</u> | | |
|----------------------------|-------------|----|----------------------------|
| Balance, December 31, 2011 | C | \$ | 1,190,268.11 |
| Increased by: | | | |
| Contracts Payable | | | |
| Improvement Authorizations | C-8 | \$ | 4,155,014.50 |
| Various Reserves | C-14 | | <u>25,715.63</u> |
| | | \$ | <u>4,180,730.13</u> |
| | | | 5,370,998.24 |
| Decreased by: | | | |
| Cash Disbursements | C-2 | \$ | <u>2,479,670.29</u> |
| | | | <u>2,479,670.29</u> |
| Balance, December 31, 2012 | C | \$ | <u><u>2,891,327.95</u></u> |

TOWNSHIP OF OCEAN
GENERAL CAPITAL FUND
SCHEDULE OF VARIOUS RESERVES

| | BALANCE DECEMBER <u>31, 2011</u> | <u>INCREASED</u> | <u>DECREASED</u> | BALANCE DECEMBER <u>31, 2012</u> |
|-------------------------------|--|----------------------|----------------------|--|
| Reserve For: | | | | |
| Purchase of EDP Equipment | \$ 1,041.63 | \$ | \$ 1,041.63 | \$ |
| Contribution For Road Repairs | 66,588.98 | | | 66,588.98 |
| Payment of Bonds | 345,429.68 | 146,170.30 | 24,674.00 | 466,925.98 |
| Paving of Logan Road | 117,684.00 | | 117,684.00 | |
| Drainage Improvements | 5,000.00 | | | 5,000.00 |
| Traffic Improvements | 10,000.00 | | | 10,000.00 |
| Reserve for Paving | | <u>85,120.00</u> | <u>85,120.00</u> | |
| | <u>\$ 545,744.29</u> | <u>\$ 231,290.30</u> | <u>\$ 228,519.63</u> | <u>\$ 548,514.96</u> |
| <u>REF.</u> | C | C-2 | | C |
| Contracts Payable | C-13 | | \$ 25,715.63 | |
| Improvement Authorizations | C-8 | | <u>202,804.00</u> | |
| | | | <u>\$ 228,519.63</u> | |

TOWNSHIP OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE DECEMBER 31, 2012</u> |
|-----------------------------|--|--|
| 2022 | Sidewalk, Curb and Driveway Apron Improvements | \$ 16,150.00 |
| 2107 | Curb and Sidewalk Improvements | 128.16 |
| 2131;2136 | Curb and Sidewalk Improvements | 74,100.00 |
| 2146 | Curb and Sidewalk Improvements | 123,055.36 |
| 2174 | Curb and Sidewalk Improvements | 85,500.00 |
| 2189 | Curb and Sidewalk Improvements | <u>123,500.00</u> |
| | | \$ <u><u>422,433.52</u></u> |

TOWNSHIP OF OCEAN

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND
RECONCILIATION PER N.J.S.A. 40A:5-5

| | <u>REF.</u> | | |
|--|-------------|----|------------------|
| Balance, December 31, 2012 and May 31, 2013 | E-1 | \$ | <u>62,693.81</u> |

| <u>RECONCILIATION - MAY 31, 2013</u> | <u>P.A.T.F. I ACCOUNT</u> | | <u>TOTAL</u> |
|--|-------------------------------|------------------|---------------------|
| Balance on Deposit Per Statement of: TD Bank Account #36551228 | \$ | <u>62,693.81</u> | \$ <u>62,693.81</u> |
| Balance, May 31, 2013 | \$ | <u>62,693.81</u> | \$ <u>62,693.81</u> |

TOWNSHIP OF OCEAN
PUBLIC ASSISTANCE TRUST FUND
SCHEDULE OF PUBLIC ASSISTANCE CASH AND
RECONCILIATION FOR THE YEAR ENDED DECEMBER 31, 2012

Balance, December 31, 2011 and
December 31, 2012 \$ 62,693.81

| RECONCILIATION - DECEMBER 31, 2012 | <u>P.A.T.F. II</u> <u>ACCOUNT</u> | <u>TOTAL</u> |
|--|--------------------------------------|----------------------------|
| Balance on Deposit Per Statement of: TD Bank Account #36551228 | \$ <u>62,693.81</u> | \$ <u>62,693.81</u> |
| Balance, December 31, 2012 | \$ <u><u>62,693.81</u></u> | \$ <u><u>62,693.81</u></u> |

TOWNSHIP OF OCEAN

PART II

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

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and Members
of the Township Committee
Township of Ocean
County of Monmouth
Oakhurst, New Jersey 07755-1589

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Ocean, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated June 28, 2013. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Ocean prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the regulatory financial statements, we considered the Township's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of Township's internal control.

SUPLEE, CLOONEY & COMPANY

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from 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*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 439

June 28, 2013

TOWNSHIP OF OCEAN

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED DECEMBER 31, 2012

| FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE | FEDERAL CFDA NUMBER | GRANTORS NUMBER | GRANT AWARD AMOUNT | GRANT PERIOD | | RECEIVED FISCAL YEAR 2012 | EXPENDITURES FISCAL YEAR 2012 | CUMULATIVE EXPENDITURES JUNE 30, 2012 |
|--|---------------------|---------------------|--------------------|--------------|----------|---------------------------|-------------------------------|---------------------------------------|
| | | | | FROM | TO | | | |
| Department of Housing and Urban Development Pass Through From County of Monmouth: <u>Community Development Block Grant</u> | | | | | | | | |
| ADA Improvements | 14.218 | G-14-56-892-060-282 | \$ 187,891.00 | 8/23/07 | 8/23/08 | \$ -0- | \$ -0- | \$ 116,274.85 |
| ADA Improvements to Sunset and Brielle Avenues | 14.218 | G-14-5-892-090-466 | 118,250.00 | 11/20/09 | 11/20/10 | -0- | -0- | 110,831.00 |
| | | | | | | <u>\$ -0-</u> | <u>\$ -0-</u> | <u>\$ 227,105.85</u> |
| U.S. Department of Transportation Pass Through the State of New Jersey: <u>Division of Highway Traffic Safety</u> | | | | | | | | |
| You Drink, You Drive, You Lose | 20.602 | AL07-10-04-26 | 5,000.00 | 12/4/06 | 2/17/07 | \$ -0- | \$ -0- | \$ 200.00 |
| Over the Limit, Under Arrest - 2007 | 20.601 | AL08-10-04-42 | 5,000.00 | 12/7/07 | 2/15/08 | -0- | -0- | 4,850.00 |
| Over the Limit, Under Arrest - 2009 | 20.601 | AL09-10-04-56 | 6,000.00 | 8/21/09 | 9/7/09 | -0- | -0- | 5,800.00 |
| | | | | | | <u>\$ 0.00</u> | <u>\$ 0.00</u> | <u>\$ 10,850.00</u> |
| U.S. Department of Health and Human Services Pass Through the State of New Jersey: <u>Department of Health and Senior Services</u> | | | | | | | | |
| Health Community Development Grant - FY2010 | 93.993 | 4535-129-6140-2070 | 4,572.00 | 6/25/10 | 6/24/11 | \$ -0- | \$ -0- | \$ 754.96 |
| Health Community Development Grant - FY2011 | 93.993 | 4535-459-6140-2180 | 4,573.00 | 6/25/10 | 6/24/11 | -0- | -0- | -0- |
| | | | | | | <u>\$ -0-</u> | <u>\$ -0-</u> | <u>\$ 754.96</u> |
| U.S. Department of Justice: Pass Through the State of New Jersey: <u>Department of Law and Public Safety</u> | | | | | | | | |
| COPs in Shops Program - College/Fall Initiative | 16.710 | AL-08-10-05-01 | 3,200.00 | 11/15/07 | 6/15/08 | \$ -0- | \$ -0- | \$ 3,175.00 |
| Bulletproof Vest Program - 2004 | 16.607 | | 8,025.00 | 1/1/04 | 12/31/04 | -0- | -0- | 7,974.52 |
| Bulletproof Vest Program - 2009 | 16.607 | | 7,589.08 | 1/1/08 | 12/31/08 | 3,142.91 | 2,994.37 | 6,308.20 |
| Passed Through the County of Monmouth: Edward J. Byrne Memorial Justice Assistance Grant | 16.579 | | 25,845.00 | | | | -0- | 25,212.00 |
| | | | | | | <u>\$ 3,142.91</u> | <u>\$ 2,994.37</u> | <u>\$ 42,669.72</u> |
| | | | | | | <u>\$ 3,142.91</u> | <u>\$ 2,994.37</u> | <u>\$ 281,380.53</u> |

TOWNSHIP OF OCEAN

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED DECEMBER 31, 2012

| STATE GRANTOR/PROGRAM TITLE | STATE ACCOUNT NUMBER | GRANT PERIOD | | GRANT AWARD AMOUNT | RECEIVED | EXPENDITURES | CUMULATIVE |
|---|---------------------------------|--------------|------------|--------------------|------------------|------------------|-------------------|
| | | FROM | TO | | FISCAL YEAR 2012 | FISCAL YEAR 2012 | EXPENDITURES 2012 |
| <u>Pass Through From County of Monmouth</u> | | | | | | | |
| Alliance to Prevent Alcoholism and Drug Abuse | 11A-18 | 1/1/11 | 12/31/11 | \$ 33,482.00 | \$ 10,808.40 | \$ -0- | \$ 33,481.90 |
| Alliance to Prevent Alcoholism and Drug Abuse | 11A-18 | 1/1/12 | 12/31/12 | 33,482.00 | 19,152.68 | 33,481.94 | 33,481.94 |
| Drug Abuse Council | 200-475-99151120-60 | 1/1/08 | 12/31/08 | 47,584.00 | -0- | -0- | 46,651.00 |
| Drug Abuse Council | 200-475-99151120-60 | 1/1/11 | 12/31/11 | 44,499.00 | 11,980.46 | -0- | 42,812.00 |
| Drug Abuse Council | 200-475-99151120-60 | 1/1/12 | 12/31/12 | 44,499.00 | 31,020.75 | 39,812.00 | 39,812.00 |
| | | | | | \$ 72,962.29 | \$ 73,293.94 | \$ 196,238.84 |
| <u>Department of Environmental Protection</u> | | | | | | | |
| Clean Communities Program | 4900-765-042004-6020 | 1/1/05 | 12/31/05 | 27,403.95 | \$ -0- | \$ 36.69 | \$ 27,403.95 |
| Clean Communities Program | 4900-765-042004-6020 | 1/1/06 | 12/31/06 | 28,732.03 | -0- | 148.55 | 28,732.03 |
| Clean Communities Program | 4900-765-042004-6020 | 1/1/07 | 12/31/07 | 36,237.19 | -0- | 4,253.03 | 36,237.19 |
| Clean Communities Program | 4900-765-042004-6020 | 1/1/09 | 12/31/09 | 82,405.55 | -0- | 14,271.71 | 82,405.55 |
| Clean Communities Program | 4900-765-042004-6020 | 1/1/10 | 12/31/10 | 51,244.32 | -0- | 13,029.00 | 51,244.32 |
| Clean Communities Program | 4900-765-042004-6020 | 1/1/11 | 12/31/11 | 50,406.55 | -0- | 37,869.05 | 43,374.20 |
| Clean Communities Program | 4900-765-042004-6020 | 1/1/12 | 12/31/12 | 50,555.67 | 49,546.10 | -0- | -0- |
| Recycling Tonnage Grant - 2010 | 4900-752-042-4900 | | Continuous | 55,235.00 | -0- | -0- | 11,909.92 |
| Recycling Tonnage Grant - 2011 | 4900-752-042-4900 | | Continuous | 57,682.10 | -0- | -0- | -0- |
| Municipal Stormwater Regulation Program | 04-100-042-4850-118 | 3/1/04 | 2/28/07 | 20,619.00 | -0- | -0- | 14,734.17 |
| 2008 Green Communities Phase I Grant | 07-100-042-4870-038 | 7/1/08 | 6/30/10 | 3,000.00 | -0- | -0- | 3,000.00 |
| | | | | | \$ 49,546.10 | \$ 69,608.03 | \$ 299,041.33 |
| <u>Department of Law and Public Safety</u> | | | | | | | |
| Drunk Driving Enforcement Fund - Prior | 1110-101-030000-129040 | | Continuous | 27,320.23 | \$ -0- | \$ 17,602.42 | \$ 21,580.50 |
| Drunk Driving Enforcement Fund - 2012 | 1110-101-030000-129040 | | Continuous | 10,478.00 | -0- | 106.11 | 106.11 |
| Safe and Secure Communities Program | 11-100-066-1020-232 | 5/4/11 | 5/3/12 | 55,837.00 | 34,615.39 | 21,475.80 | 55,837.00 |
| Safe and Secure Communities Program | 12-100-066-1020-232 | | | 60,000.00 | 21,475.77 | 34,361.28 | 34,361.28 |
| Body Armor Replacement Fund - Prior | 1020-718-066-1020-001-YCJS-6120 | | Continuous | 25,598.38 | -0- | 2,994.38 | 11,305.64 |
| Body Armor Replacement Fund - 2012 | 1020-718-066-1020-001-YCJS-6120 | | Continuous | 5,783.00 | -0- | -0- | -0- |
| | | | | | \$ 56,091.16 | \$ 76,539.99 | \$ 123,190.53 |
| <u>Department of Community Affairs</u> | | | | | | | |
| Alcohol Education and Rehabilitation Fund | 9735-760-098-6020 | | Continuous | 351.91 | \$ -0- | \$ 50.00 | \$ 351.91 |
| | | | | | \$ -0- | \$ 50.00 | \$ 351.91 |
| <u>Department of Human Services</u> | | | | | | | |
| ASAM Level I - Outpatient Services | 11S-13 | 1/1/11 | 12/31/11 | 49,440.00 | \$ -0- | \$ -0- | \$ 47,749.98 |
| ASAM Level II - Intensive Outpatient Services | 11S-13 | 1/1/11 | 12/31/11 | 75,000.00 | 14,686.54 | -0- | 75,000.00 |
| ASAM Level I - Outpatient Services | 11S-13 | 1/1/12 | 12/31/12 | 49,440.00 | 37,080.00 | 44,959.98 | 44,959.98 |
| ASAM Level II - Intensive Outpatient Services | 11S-13 | 1/1/12 | 12/31/12 | 75,000.00 | 74,960.00 | 68,675.86 | 68,675.86 |
| | | | | | \$ 126,726.54 | \$ 113,635.84 | \$ 236,385.82 |
| <u>Department of Transportation</u> | | | | | | | |
| Improvements to Sunset Avenue Phase II | 09-480-078-6320-AKE-6010 | | Continuous | 165,000.00 | \$ 41,250.00 | \$ -0- | \$ 165,000.00 |
| Improvements to Sunset Avenue Phase III | 10-480-078-6320-AKN-6010 | | Continuous | 130,000.00 | 32,500.00 | -0- | 130,000.00 |
| Improvements to Sunset Avenue Phase IV | 11-480-078-6320-AK3-6010 | | Continuous | 160,000.00 | 120,000.00 | 160,000.00 | 160,000.00 |
| Improvements to Sunset Avenue Phase V | 12-480-078-6320-ALC-6010 | | Continuous | 175,000.00 | -0- | -0- | -0- |
| | | | | | \$ 193,750.00 | \$ 160,000.00 | \$ 455,000.00 |
| | | | | | \$ 499,076.09 | \$ 493,127.80 | \$ 1,310,208.43 |

TOWNSHIP OF OCEAN

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2012 AND 2011

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial assistance present the activity of all federal and state financial assistance programs of the Township of Ocean, County of Monmouth, New Jersey. All federal and state financial assistance received directly from federal or state agencies, as well as federal and state financial assistance passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than generally accepted accounting principles. The basis of accounting, with exceptions, is described in Note 1 to the Township's financial statements - regulatory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory basis financial statements. These amounts are reported in the Grant Fund.

Revenues:

| | <u>Federal</u> | <u>State</u> | <u>Other</u> | <u>Total</u> |
|----------------------|--------------------|----------------------|---------------------|----------------------|
| Grant Fund | \$ 3,142.91 | \$ 379,076.09 | \$ 10,094.38 | \$ 392,313.38 |
| General Capital Fund | | <u>120,000.00</u> | | <u>120,000.00</u> |
| | <u>\$ 3,142.91</u> | <u>\$ 499,076.09</u> | <u>\$ 10,094.38</u> | <u>\$ 512,313.38</u> |

Expenditures:

| | <u>Federal</u> | <u>State</u> | <u>Other</u> | <u>Total</u> |
|--|--------------------|----------------------|----------------------|----------------------|
| Grant Fund | \$ 2,994.37 | \$ 331,437.80 | \$ 233,331.97 | \$ 567,764.14 |
| General Capital Fund | | 160,000.00 | | |
| Prior Year Accounts Payables Cancelled | | <u>1,690.00</u> | | <u>1,690.00</u> |
| | <u>\$ 2,994.37</u> | <u>\$ 493,127.80</u> | <u>\$ 233,331.97</u> | <u>\$ 569,454.14</u> |

NOTE 5. OTHER

Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.

PART III
TOWNSHIP OF OCEAN
STATISTICAL DATA
LIST OF OFFICIALS
COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2012

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

| | YEAR 2012 | | YEAR 2011 | |
|--|--------------------------|----------------|--------------------------|----------------|
| | AMOUNT | % | AMOUNT | % |
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | | |
| Fund Balance Utilized | \$ 6,840,000.00 | 6.32% | \$ 7,249,437.00 | 6.64% |
| Miscellaneous-From Other Than Local | | | | |
| Property Tax Levies | 8,809,893.93 | 8.14% | 9,549,461.85 | 8.74% |
| Collection of Delinquent Taxes and Tax | | | | |
| Title Liens | 1,076,853.35 | 0.99% | 1,394,019.99 | 1.28% |
| Collection of Current Tax Levy | <u>91,568,441.20</u> | <u>84.55%</u> | <u>91,065,595.98</u> | <u>83.35%</u> |
| <u>Total Income</u> | <u>\$ 108,295,188.48</u> | <u>100.00%</u> | <u>\$ 109,258,514.82</u> | <u>100.00%</u> |
| <u>EXPENDITURES</u> | | | | |
| Budget Expenditures: | | | | |
| Municipal Purposes | \$ 28,504,851.56 | 27.86% | \$ 28,616,988.67 | 27.99% |
| County Taxes | 13,923,828.94 | 13.61% | 14,277,358.57 | 13.96% |
| Local School Taxes | 57,134,743.22 | 55.84% | 56,096,822.54 | 54.87% |
| Fire District Taxes | 2,746,926.00 | 2.68% | 2,615,957.00 | 2.56% |
| Other Expenditures | <u>3,516.73</u> | <u>0.00%</u> | <u>630,771.62</u> | <u>0.62%</u> |
| <u>Total Expenditures</u> | <u>\$ 102,313,866.45</u> | <u>100.00%</u> | <u>\$ 102,237,898.40</u> | <u>100.00%</u> |
| Excess in Revenue | \$ 5,981,322.03 | | \$ 7,020,616.42 | |
| Fund Balance, January 1 | <u>7,980,475.22</u> | | <u>8,209,295.80</u> | |
| | \$ 13,961,797.25 | | \$ 15,229,912.22 | |
| Less: Utilization as Anticipated Revenue | <u>6,840,000.00</u> | | <u>7,249,437.00</u> | |
| <u>Fund Balance, December 31</u> | <u>\$ 7,121,797.25</u> | | <u>\$ 7,980,475.22</u> | |

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

| | | | |
|----------------------------|--------------|--------------|--------------|
| | <u>2012</u> | <u>2011</u> | <u>2010</u> |
| Tax Rate | <u>2.111</u> | <u>2.082</u> | <u>2.041</u> |
| Apportionment of Tax Rate: | | | |
| Municipal | 0.456 | 0.446 | 0.428 |
| County | 0.324 | 0.331 | 0.350 |
| Regional School | 1.331 | 1.305 | 1.263 |

ASSESSED VALUATIONS:

| | | | |
|------|---------------------------|---------------------------|---------------------------|
| 2012 | <u>\$4,291,726,320.00</u> | | |
| 2011 | | <u>\$4,300,144,068.00</u> | |
| 2010 | | | <u>\$4,320,258,852.00</u> |

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

| <u>YEAR</u> | <u>TAX LEVY</u> | <u>CASH COLLECTION</u> | <u>CURRENTLY PERCENTAGE OF COLLECTIONS</u> |
|-------------|-----------------|------------------------|--|
| 2012 | \$93,607,386.06 | \$91,733,414.18 | 97.99% |
| 2011 | 92,386,823.18 | 91,065,595.98 | 98.56% |
| 2010 | 90,987,168.02 | 89,327,065.25 | 98.17% |

DELINQUENT TAXES AND TAX TITLE LIENS

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

| <u>YEAR</u> | <u>AMOUNT OF TAX TITLE LIENS</u> | <u>AMOUNT OF DELINQUENT TAXES</u> | <u>TOTAL DELINQUENT</u> | <u>PERCENTAGE OF TAX LEVY</u> |
|-------------|--------------------------------------|---|-----------------------------|-----------------------------------|
| 2012 | \$464,318.21 | \$1,403,071.40 | \$1,867,389.61 | 1.99% |
| 2011 | 426,341.46 | 1,108,375.14 | 1,534,716.60 | 1.66% |
| 2010 | 390,218.95 | 1,394,363.41 | 1,784,582.36 | 1.96% |

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

| <u>YEAR</u> | <u>AMOUNT</u> |
|-------------|---------------|
| 2012 | \$849,381.00 |
| 2011 | \$849,381.00 |
| 2010 | \$855,981.00 |

COMPARATIVE SCHEDULE OF FUND BALANCES

| | <u>YEAR</u> | <u>BALANCE DECEMBER 31</u> | <u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u> |
|--------------|-------------|--------------------------------|--|
| Current Fund | 2012 | \$7,121,797.25 | \$6,700,000.00 |
| | 2011 | 7,980,475.22 | 6,840,000.00 |
| | 2010 | 8,209,295.80 | 7,249,437.00 |
| | 2009 | 9,365,697.50 | 7,487,690.00 |
| | 2008 | 10,103,009.60 | 7,401,146.00 |

OFFICIALS IN OFFICE AND SURETY BONDS

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

| <u>NAME</u> | <u>TITLE</u> | <u>AMOUNT</u> |
|--------------------------|-------------------------------------|---------------|
| William F. Larkin | Mayor | * |
| Christopher P. Siciliano | Deputy Mayor | |
| William J. Garofalo | Councilmember | * |
| Donna L. Schepiga | Councilmember | * |
| W. Michael Evans | Councilmember | * |
| Andrew G. Brannen | Township Manager | * |
| Vincent Buttigieri | Township Clerk | * |
| Stephen O. Gallagher | Director of Finance/Chief Financial | * |
| Stephen O. Gallagher | Tax Collector | * |
| Antonio V. Amodio Jr. | Chief of Police to 03/01/12 | * |
| Steven Peters | Chief of Police from 03/01/12 | |
| William McMahon | Director of Public Works | * |
| Dr. Richard Ponton | Director of Human Services | * |
| Marianne Wilensky | Director of Community Development | * |
| Joel Kreizman | Municipal Court Judge | * |
| Jacqueline Dowd | Court Administrator | * |
| Lillian Specht | Deputy Court Administrator | * |
| Gloria Walker | Deputy Court Administrator | * |
| Paul Vitale | Construction Official | * |
| Edward Mullane | Tax Assessor | * |
| Kathy Reiser | Recreation Administrator | * |

*Public employees bonded by blanket performance bonds of the Mid-Jersey Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund in force covering each employee for a total of \$1,000,000.00. All of the bonds were examined and were properly executed.

COMMENTS AND RECOMMENDATIONS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (C.40A:11-3), except by contract or agreement.

Effective January 1, 2011, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$17,500.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

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

- Road Construction Materials
- HVAC Renovations at Municipal Building
- Three (3) 4x4 Six Cubic Yard Dump Trucks
- Police Department Uniforms
- Bituminous Concrete Mix
- Asphalt Patch Truck
- Public Works Uniforms
- Heating and Air Conditioning Services
- Recapping of Tires, Accessories and Road Service
- Improvements to the DPW/Recycling Center
- Improvements to Various Streets and Roads

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

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$17,500.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4
(CONTINUED)

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" as required by N.J.S.A. 40:11-14:

Planner
Engineering Services
Attorney
Appraisal Services
Architect
Labor Council
Bond Council

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 25, 2012 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

"NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Ocean County of Monmouth that:

The rate of interest on unpaid taxes, assessments or other municipal charges shall be eight (8%) percent per annum on the first One Thousand Five Hundred (\$1,500.00) Dollars of delinquent taxes, assessments or other municipal charges that become delinquent after the due date and eighteen (18%) percent per annum on any amount in excess of One Thousand Five Hundred (\$1,500.00) Dollars to be calculated from the date the tax, assessments or other municipal charges was payable until the date of actual payment, provided that no interest shall be charged if payment of any installment is made on or before the tenth calendar day following the date upon which the same became payable and, where the 10th falls on a Saturday, Sunday or legal holiday, than they will be payable the next working day; and,

In addition to the interest provided above, on all delinquencies in excess of Ten Thousand (\$10,000.00) Dollars not paid prior to the end of the fiscal year, the Tax Collector shall also collect a penalty of six (6%) percent of the amount of the delinquency in excess of Ten Thousand (\$10,000.00)

For all taxes, assessments, and other municipal charges sold as tax liens to outside lien holders or struck to the Township of Ocean, a redemption penalty shall be charge for an additional two (2%) percent when the redemption is over \$200.00 but not over \$5,000.00; four (4%) percent when the redemption is over \$5,000.00 but less than \$10,000.00 and six (6%) percent for redemptions in excess of \$10,000.

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

| <u>TYPE</u> | |
|------------------------|----|
| Payments of 2013 Taxes | 25 |
| Payments of 2012 Taxes | 25 |
| Delinquent Taxes | 25 |

TAX TITLE LIENS

The last tax sale was held on October 18, 2012 and was complete.

An examination of the tax sale certificates revealed all certificates were on file and available for audit.

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

| <u>YEAR</u> | <u>NUMBER OF LIENS</u> |
|-------------|------------------------|
| 2012 | 7 |
| 2011 | 6 |
| 2010 | 6 |

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax paying basis.

OTHER COMMENTS

Interfund Balances

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. Reference to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year. It is the Township's policy to review and liquidate all interfund balances on a periodic basis.