

Report of Audit

on the

Financial Statements
and Supplementary Schedules

of the

Borough of Tuckerton

in the

County of Ocean
New Jersey

for the

Year Ended
December 31, 2014

BOROUGH OF TUCKERTON

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BOROUGH OF TUCKERTON

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, 2014



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

Honorable Mayor and Members
of the Borough Council
Borough of Tuckerton
County of Ocean
Tuckerton, New Jersey 08087

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Borough of Tuckerton, as of December 31, 2014 and 2013, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and the statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough'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 misstatement, 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.

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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 Borough of Tuckerton 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 groups of the Borough of Tuckerton as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2014.

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 balance sheets of the various individual funds and account group as of December 31, 2014 and 2013, the regulatory basis statements of operations and changes in fund balance for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2014 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.

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Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Tuckerton'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 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, 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 September 15, 2015 on our consideration of the Borough of Tuckerton'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 Borough of Tuckerton's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

September 15, 2015

CURRENT FUND

BOROUGH OF TUCKERTON

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
<u>ASSETS</u>			
Current Fund:			
Cash and Cash Equivalents	A-4	\$ 2,434,873.71	\$ 1,723,615.87
Change Fund	A-4	75.00	25.00
Prepaid Debt Service	A-4	290,000.00	280,000.00
		<u>2,724,948.71</u>	<u>2,003,640.87</u>
Receivables with Full Reserves:			
Taxes Receivable	A-5	238,713.66	306,672.25
Tax Title Liens Receivable	A-6	113,166.33	105,915.18
6% YEP Receivable	A-7		1,847.56
Property Acquired for Taxes at Assessed Valuation	A-8	330,250.00	330,250.00
Revenue Accounts Receivable	A-9	5,486.98	4,626.71
Interfunds Receivable	A-22	246,253.33	535,935.82
Due from Magistrate	A-1	42.00	60.00
		<u>933,912.30</u>	<u>1,285,307.52</u>
Deferred Charges:			
Overexpenditure of Appropriations	A-11	34,380.84	
Expenditure without Appropriation	A-11	8,687.33	
Overexpenditure of Appropriation Reserves	A-11	30.00	
Special Emergency Authorizations (40A:4-53)	A-10	279,395.07	459,395.07
		<u>322,493.24</u>	<u>459,395.07</u>
		<u>3,981,354.25</u>	<u>3,748,343.46</u>
Federal and State Grant Fund:			
Interfunds Receivable	A-25	80,914.45	67,629.22
Grants Receivable	A-26	605,100.00	32,500.00
Deferred Charge - Overexpended Grants Appropriated	A-27	3,336.70	
		<u>689,351.15</u>	<u>100,129.22</u>
		<u>\$ 4,670,705.40</u>	<u>\$ 3,848,472.68</u>

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

BOROUGH OF TUCKERTON

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Current Fund:			
Appropriation Reserves	A-3:A-19	\$ 465,341.47	\$ 304,548.96
Due to State of New Jersey (Ch. 20, P.L. 1971)	A-12	6,424.10	6,174.10
Due to State of New Jersey Other	A-12		3,230.00
Tax Overpayments	A-13	24,914.35	17,628.89
Prepaid Taxes	A-14	99,464.19	103,585.08
Accounts Payable	A-15	13,731.17	56,720.21
Due County - Added and Omitted Taxes	A-16	7,060.47	9,542.95
Local District School Tax Payable	A-17	240,886.44	487,383.96
Regional School District Taxes Payable	A-18	35,168.36	15,376.89
Interfunds Payable	A-22:A-25	80,914.45	113,091.95
Deferred Revenue	A-23	279,395.07	
Emergency Note Payable	A-24	540,000.00	720,000.00
Reserve for:			
Encumbrances	A-20	38,581.24	57,305.87
Miscellaneous Reserves	A-21	168,366.26	128,809.71
		<u>2,000,247.57</u>	<u>2,023,398.57</u>
Reserve for Receivables		933,912.30	1,285,307.52
Fund Balance	A-1	1,047,194.38	439,637.37
		<u>3,981,354.25</u>	<u>3,748,343.46</u>
Federal and State Grant Fund:			
Reserve for Encumbrances	A-20	37,500.00	1,961.04
Grants - Appropriated	A-27	635,916.64	98,168.18
Grants - Unappropriated	A-28	15,934.51	
		<u>689,351.15</u>	<u>100,129.22</u>
		<u>\$ 4,670,705.40</u>	<u>\$ 3,848,472.68</u>

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED <u>2014</u>	YEAR ENDED <u>2013</u>
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-2	\$ 405,000.00	\$ 534,500.00
Miscellaneous Revenue Anticipated	A-2	1,967,240.23	1,231,022.48
Receipts from Delinquent Taxes	A-2	324,133.93	345,325.10
Receipts from Current Taxes	A-2	8,991,914.00	8,778,798.55
Non-Budget Revenues	A-2	79,156.17	387,953.58
Premium on Issuance of Emergency Note			3,613.00
Other Credits to Income:			
Cancelled Due State of New Jersey	A-12	178.00	
Cancelled Accounts Payable	A-15	312.71	435.20
Cancelled County Taxes Payable	A-16	7,332.06	
Unexpended Balance of Appropriation Reserves	A-19	175,806.71	166,179.34
Prior Year Interfunds Returned	A-22	289,682.49	
Cancelled Grant Appropriated Reserves	A-25	2,553.87	
<u>Total Income</u>		<u>12,243,310.17</u>	<u>11,447,827.25</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Salaries and Wages		1,657,750.00	1,595,740.00
Other Expenses		2,111,270.45	1,346,090.64
Capital Improvements		111,157.00	
Municipal Debt Service		352,154.99	358,261.24
Deferred Charges and Statutory Expenditures		545,447.68	699,016.08
	A-3	<u>4,777,780.12</u>	<u>3,999,107.96</u>
Refund of Prior Year Revenue	A-4	4,966.39	6,687.74
Senior Citizen Deductions Disallowed			
Prior Year Taxes	A-5:A-12	3,000.00	2,500.00
County Taxes Payable	A-5:A-16	1,714,136.02	1,714,426.35
Added and Omitted County Taxes Payable	A-5:A-16	7,060.47	9,542.95
Local District School Tax Payable	A-17	2,475,065.00	2,699,395.00
Regional School District Taxes Payable	A-5:A-18	2,278,879.00	2,179,195.00
Interfund Advances	A-21:A-24		535,535.82
Cancelled Grant Receivables	A-25	4,247.00	
<u>Total Expenditures</u>		<u>\$ 11,265,134.00</u>	<u>\$ 11,146,390.82</u>

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED <u>2014</u>	YEAR ENDED <u>2013</u>
<u>EXPENDITURES (CONTINUED)</u>			
Excess in Revenue		\$ 978,176.17	\$ 301,436.43
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Years	A	<u>34,380.84</u>	<u> </u>
Statutory Excess to Fund Balance		<u>1,012,557.01</u>	<u>301,436.43</u>
<u>Fund Balance</u>			
Balance, January 1	A	<u>439,637.37</u>	<u>672,700.94</u>
		<u>1,452,194.38</u>	<u>974,137.37</u>
Decreased by:			
Utilized as Anticipated Revenue	A-1	<u>405,000.00</u>	<u>534,500.00</u>
Fund Balance, December 31	A	<u>\$ 1,047,194.38</u>	<u>\$ 439,637.37</u>

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

REF.	BUDGET	ANTICIPATED		EXCESS OR (DEFICIT)
		SPECIAL N.J.S.A. 40A:4-87	REALIZED	
A-1	\$ 405,000.00	\$	\$ 405,000.00	\$
A-9	10,000.00		10,365.00	365.00
A-9	60,000.00		73,168.13	13,168.13
A-9	85,000.00		39,559.98	(45,440.02)
A-9	1,000.00		244.37	(755.63)
A-9	10,000.00		13,392.00	3,392.00
A-9	10,500.00		12,750.00	2,250.00
A-9	14,500.00		13,183.54	(1,316.46)
A-9	324,612.00		324,612.00	0.00
A-9	144,563.13		251,838.50	107,275.37
A-9	180,000.00			(180,000.00)
A-9	600,000.00		600,000.00	0.00
A-26	1,527.49		1,343.51	0.00
A-26			7,502.01	0.00
A-26			37,500.00	0.00
A-26			20,000.00	0.00
A-26			180,000.00	0.00
A-26			350,000.00	0.00
A-26			4,025.00	0.00
A-26			15,000.00	0.00
A-26			8,628.70	0.00
A-26			2,600.00	0.00
A-1	\$ 1,441,702.62	\$ 626,599.22	\$ 1,967,240.23	\$ (101,061.61)

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

REF.	ANTICIPATED		SPECIAL N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
	BUDGET				
A-2	\$ 103,850.00	\$	\$	324,133.93	\$ 220,283.93
A-2	2,578,183.37			2,657,259.43	79,076.06
A-1:A-2	4,528,735.99		626,599.22	5,353,633.59	198,298.38
				79,156.17	79,156.17
	\$ 4,528,735.99	\$	626,599.22	5,432,789.76	\$ 277,454.55

REF. A-3 A-3

ANALYSIS OF REALIZED REVENUE

Current Tax Collections	\$ 8,991,914.00
Appropriation "Reserve for Uncollected Taxes"	411,910.92
	<u>9,403,824.92</u>
Less: Allocated to School and County Taxes	6,746,565.49
	<u>\$ 2,657,259.43</u>

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>REF.</u>	
<u>INTEREST AND COSTS ON TAXES</u>		
Delinquent Interest Collections		\$ 37,712.42
6% Year End Penalty Collections	A-7	<u>1,847.56</u>
	A-9	<u>\$ 39,559.98</u>
<u>RECEIPTS FROM DELINQUENT TAXES</u>		
Delinquent Tax Collections	A-5	\$ 290,730.85
Tax Title Liens	A-6	<u>33,403.08</u>
	A-1:A-2	<u>\$ 324,133.93</u>
<u>MISCELLANEOUS REVENUES</u>		
Revenue Accounts Receivable	A-9	\$ 1,339,113.52
Interfund - Federal and State Grant Fund	A-25	<u>628,126.71</u>
	A-1:A-2	<u>\$ 1,967,240.23</u>
<u>ANALYSIS OF NON-BUDGET REVENUE</u>		
Collector		\$ 13,139.86
Clerk/Registrar		9,122.65
OEM 966		3,336.70
Police		3,059.35
Recycling		8,765.20
Court		.93
Insurance Claim		28,801.93
Senior Citizens/Veterans 2% Administrative Fee		895.00
Unclassified		<u>12,034.55</u>
	A-1:A-2:A-4	<u>\$ 79,156.17</u>

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED	OVER-EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED		
<u>OPERATIONS WITHIN CAPS</u>							
<u>GENERAL GOVERNMENT</u>							
Mayor and Council:							
Salaries and Wages	\$ 26,000.00	\$ 26,000.00	\$ 25,306.80	\$ 693.20	\$	\$	
Other Expenses	2,000.00	2,000.00	1,446.00	554.00			
Administrative and Executive:							
Salaries and Wages	17,000.00	17,000.00	16,910.37	89.63			
Municipal Clerk:							
Salaries and Wages	65,000.00	65,000.00	64,903.30	96.70			
Other Expenses	26,000.00	26,000.00	23,447.01	1,963.95			
Financial Administration (Treasury):							
Salaries and Wages	65,000.00	65,000.00	64,437.42	562.58			
Other Expenses	14,000.00	14,000.00	11,624.46	1,117.04			
Audit Services:							
Other Expenses	24,000.00	24,000.00	23,770.00	230.00			
Revenue Administration (Tax Collection):							
Salaries and Wages	40,000.00	40,000.00	39,995.72	4.28			
Other Expenses	9,000.00	9,000.00	8,781.02	218.98			
Tax Assessment Administration:							
Salaries and Wages	37,000.00	27,100.00	21,012.00	6,088.00			
Other Expenses	8,000.00	8,000.00	3,871.48	4,098.06			
Legal Services (Legal Department):							
Other Expenses	40,000.00	47,500.00	44,365.04	3,134.96			
Engineering Services:							
Other Expenses	40,000.00	40,000.00	6,011.35	33,988.65			
Economic Development Committee:							
Salaries and Wages	900.00	900.00		900.00			
Other Expenses	4,000.00	4,000.00	3,522.50	477.50			
Landmarks Commission (N.J.S.A. 40:55-10 et seq.):							
Other Expenses	1,500.00	1,500.00	998.99	501.01			
<u>LAND USE ADMINISTRATION</u>							
Land Use Board:							
Salaries and Wages	12,000.00	12,000.00	12,000.00				
Other Expenses	8,000.00	8,000.00	2,330.00	150.00			
Environmental Commission:							
Salaries and Wages	900.00	900.00	825.00	75.00			
Other Expenses	1,100.00	1,100.00		1,100.00			
Waterways Commission:							
Salaries and Wages	900.00	900.00	675.00	75.00			
Other Expenses	1,100.00	1,100.00		150.00			

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED	OVER-EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED		
Zoning Board of Adjustment:							
Salaries and Wages	\$ 12,000.00	\$ 12,000.00	\$ 11,878.54	\$	\$ 121.46	\$	\$
Other Expenses	2,000.00	2,000.00			2,000.00		
<u>INSURANCE</u>							
General Liability	59,418.98	59,418.98	28,950.62		30,468.36		
Workmen's Compensation	71,136.76	71,136.76	56,620.96		14,515.80		
Employee Group Health	315,407.00	315,407.00	177,840.09	16,680.14	120,886.77		
Health Benefit Waiver	20,000.00	20,000.00	19,018.80		981.20		
<u>PUBLIC SAFETY</u>							
Police Department:							
Salaries and Wages	590,000.00	590,000.00	550,144.47		39,855.53		
Other Expenses	75,000.00	75,000.00	44,999.19	3,518.35	26,482.46		
Crime Prevention:							
Other Expenses	300.00	300.00			300.00		
Office of Emergency Management:							
Salaries and Wages	10,000.00	10,000.00	9,999.08		.92		
Other Expenses	4,000.00	4,000.00	2,035.83	257.20	1,706.97		
Aid to Volunteer Fire Company	54,500.00	54,500.00	54,500.00				
First Aid Organization Contribution							
Municipal Prosecutor's Office							
Municipal Court:							
Salaries and Wages	7,500.00	7,500.00	5,500.00	500.00	1,500.00		
Other Expenses	69,000.00	69,000.00	68,939.73		60.27		
Other Expenses	5,000.00	5,000.00	1,491.47	1,682.52	1,826.01		
Public Defender:							
Other Expenses	4,000.00	6,400.00	6,400.00				
Public Employees Occupational Safety and Health Act:							
Other Expenses	1,500.00	1,500.00			1,500.00		
Code Enforcement:							
Salaries and Wages	16,000.00	16,000.00	14,055.00		1,945.00		
Other Expenses	1,000.00	1,000.00			1,000.00		
<u>PUBLIC WORKS</u>							
Streets and Road Maintenance:							
Salaries and Wages	215,000.00	215,000.00	208,283.05		6,716.95		
Other Expenses	30,000.00	30,000.00	16,896.95	7,238.49	5,864.56		
Snow Removal:							
Salaries and Wages	5,000.00	5,000.00	3,110.52		1,889.48		
Other Expenses	3,000.00	3,000.00	3,000.00				
Shade Tree Commission:							
Other Expenses	1,000.00	1,000.00			1,000.00		

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	APPROPRIATED		BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET				ENCUMBERED	RESERVED		
Solid Waste Collection:								
Salaries and Wages	\$ 103,000.00	\$	103,000.00	\$ 102,007.41	\$	\$ 992.59	\$	
Other Expenses	6,000.00		6,000.00	5,984.62		15.38		
Public Buildings and Grounds:								
Other Expenses	30,000.00		30,000.00	18,405.73	1,551.22	10,043.05		
Vehicle Maintenance:								
Other Expenses	40,000.00		40,000.00	37,293.40	1,968.22	738.38		
Recycling:								
Salaries and Wages	1,300.00		1,300.00			1,300.00		
Condominium Community Cost:								
Other Expenses	10,000.00		10,000.00			10,000.00		
HEALTH AND HUMAN SERVICES								
Public Health Services (Board of Health):								
Salaries and Wages	4,750.00		4,750.00	2,736.80		2,013.20		
Other Expenses	3,000.00		3,000.00	141.00		2,859.00		
Vaccinations	1,000.00		1,000.00			1,000.00		
Animal Control Services:								
Other Expenses	9,000.00		9,000.00	8,520.00		480.00		
RECREATION AND EDUCATION								
Recreation Services and Programs:								
Other Expenses	500.00		500.00			500.00		
Municipal Alliance - Local Supplement	9,000.00		9,000.00	9,000.00		-		
Participation in Free County Library:								
Other Expenses	5,000.00		5,000.00	5,000.00				
Celebration of Public Events:								
Other Expenses	2,500.00		2,500.00	2,500.00				
Pride and Celebration Committee:								
Salaries and Wages	900.00		900.00	882.34		17.66		
Other Expenses	6,600.00		6,600.00	5,956.56		643.44		
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY								
<u>DEDICATED REVENUES (N.J.A.C. 5:23-4.17)</u>								
Uniform Construction Code Enforcement Functions:								
Salaries and Wages	140,000.00		140,000.00	118,952.43		21,047.57		
Other Expenses	10,000.00		10,000.00	3,084.34	565.92	6,329.74		
UNCLASSIFIED								
Electricity	25,000.00		25,000.00	8,089.75		16,910.25		
Street Lighting	40,000.00		40,000.00	39,972.03		27.97		
Telephone	25,000.00		25,000.00	16,798.96	923.26	7,277.78		

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED	OVER-EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED		
UNCLASSIFIED (CONTINUED)							
Natural Gas and Fuel Oil	\$ 9,000.00	\$ 9,000.00	\$ 4,502.18	\$	\$ 4,497.82	\$	\$
Telecommunications	7,000.00	7,000.00	5,432.83		208.68		
Gasoline	65,000.00	65,000.00	45,631.96		1,364.24		
Landfill/Solid Waste Disposal Costs	200,000.00	200,000.00	182,993.64		17,006.36		
Accumulated Sick and Vacation	24,000.00	24,000.00	24,000.00				
Total Operations within Caps	2,792,712.74	2,792,712.74	2,307,783.74	38,581.24	446,347.76		
Detail:							
Salaries and Wages	1,464,650.00	1,454,750.00	1,370,054.98	75.00	84,620.02		
Other Expenses	1,328,062.74	1,337,962.74	937,728.76	38,506.24	361,727.74		
DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN CAPS							
Statutory Expenditures:							
Contribution to:							
Public Employees Retirement System	62,914.84	62,914.84	62,914.84				
Social Security System (O.A.S.I.)	120,000.00	120,000.00	113,586.33				
Police and Firemen's Retirement System of NJ	136,652.00	136,652.00	171,032.84		6,411.67		34,380.84
Defined Contribution Retirement Program	1,500.00	1,500.00	852.00		648.00		
Unemployment and Disability Insurance	10,000.00	10,000.00	1,751.64		8,248.36		
Total Deferred Charges and Statutory Expenditures within Caps	331,066.84	331,066.84	350,139.65		15,308.03		34,380.84
Total Appropriations within Caps	3,123,779.58	3,123,779.58	2,657,923.39	38,581.24	461,655.79		34,380.84
OPERATIONS EXCLUDED FROM CAPS							
Insurance:							
Employee Group Health	7,181.00	7,181.00	7,181.00				
911 Emergency Services:							
Salaries and Wages	203,000.00	203,000.00	199,314.32		3,685.68		
Shared Services Agreements:							
Dispatching Services - County of Ocean	86,000.00	86,000.00	86,000.00				
Auto Mechanic - Township of Barnegat	10,000.00	10,000.00	10,000.00				
Chief Financial Officer of Little Egg Harbor	42,000.00	42,000.00	42,000.00				
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES							
Body Armor Replacement Fund	1,527.49	2,871.00	2,871.00				
Clean Communities Program (40A:4-87 + 7,502.01)		7,502.01	7,502.01				
Community Facilities Grant Program (40A:4-87 + 37,500.00)		37,500.00	37,500.00				
DCA Post Sandy (40A:4-87 + 20,000.00)		20,000.00	20,000.00				
DOT 2013 (40A:4-87 + 180,000.00)		180,000.00	180,000.00				
DOT 2014 (40A:4-87 + 350,000.00)		350,000.00	350,000.00				
Drunk Driving Enforcement Fund (40A:4-87 + 4,025.00)		4,025.00	4,025.00				
Municipal Public Access Grant (40A:4-87 + 15,000.00)		15,000.00	15,000.00				
OEM 966 (40A:4-87 + 8,628.70)		8,628.70	8,628.70				
Recycling (40A:4-87 + 2,600.00)		2,600.00	2,600.00				

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED		
Total Operations Excluded from Caps	\$ 349,708.49	\$ 976,307.71	\$ 972,622.03	\$	\$ 3,685.68	\$	\$
Detail:							
Salaries and Wages	203,000.00	203,000.00	199,314.32		3,685.68		
Other Expenses	146,708.49	773,307.71	773,307.71				
CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS							
Town Hall Renovations and Equipment	111,157.00	111,157.00	111,157.00				
Total Capital Improvements Excluded from Caps	111,157.00	111,157.00	111,157.00				
MUNICIPAL DEBT SERVICE EXCLUDED FROM CAPS							
Payment of Bond Principal	280,000.00	280,000.00	280,000.00				
Interest on Bonds	63,180.00	63,180.00	63,180.00				
Interest on Notes	9,000.00	9,000.00	8,974.99			25.01	
Total Municipal Debt Service Excluded from Caps	352,180.00	352,180.00	352,154.99			25.01	
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM CAPS							
DEFERRED CHARGES:							
Special Emergency Authorizations - 5 Years (N.J.S.A. 40A:4-55)	180,000.00	180,000.00	180,000.00				
Total Deferred Charges - Municipal Excluded from Caps	180,000.00	180,000.00	180,000.00				
Total General Appropriations Excluded from Caps	993,045.49	1,619,644.71	1,615,934.02		3,685.68	25.01	
Subtotal General Appropriations	4,116,825.07	4,743,424.29	4,273,857.41	38,581.24	465,341.47	25.01	34,380.84
Reserve for Uncollected Taxes	411,910.92	411,910.92	411,910.92				
	\$ 4,528,735.99	\$ 5,155,335.21	\$ 4,685,768.33	\$ 38,581.24	\$ 465,341.47	\$ 25.01	\$ 34,380.84

REF.

A-2:A-3

A-3

A1:A-3

A-1:A20

A, A-1

A-1

A-1

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

BOROUGH OF TUCKERTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>REF.</u>	<u>APPROPRIATED BUDGET AFTER MODIFICATION</u>
Appropriation by 40A:4-87	A-2	\$ 626,599.22
Budget	A-3	<u>4,528,735.99</u>
		<u>\$ 5,155,335.21</u>
		<u>EXPENDED PAID OR CHARGED</u>
Reserve for Uncollected Taxes	A-2	\$ 411,910.92
Disbursements	A-4	3,465,730.70
Deferred Charge - Special Emergency 40A:4-53	A-10	180,000.00
Interfund - Federal and State Grant Fund	A-25	<u>628,126.71</u>
		<u>\$ 4,685,768.33</u>

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

TRUST FUND

BOROUGH OF TUCKERTON

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
Animal Control Trust Fund:			
Cash and Cash Equivalents	B-1	\$ <u>1,052.28</u>	\$ <u>897.47</u>
Trust - Other:			
Cash and Cash Equivalents	B-1	492,620.09	525,299.21
Deferred Charge - Deficit in Payroll Trust Reserve	B-6	<u>17,818.46</u>	<u>525,299.21</u>
		<u>510,438.55</u>	<u>525,299.21</u>
		\$ <u>511,490.83</u>	\$ <u>526,196.68</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Animal Control Trust Fund:			
Reserve for Animal Control Trust Fund Expenditures	B-2	\$ 1,051.08	\$ 580.67
Due State of New Jersey	B-3	<u>1.20</u>	<u>316.80</u>
		<u>1,052.28</u>	<u>897.47</u>
Trust - Other:			
Interfunds Payable	B-4	146,730.95	109,530.59
Reserve for Encumbrances	B-5	210.50	270.39
Miscellaneous Reserves	B-6	<u>363,497.10</u>	<u>415,498.23</u>
		<u>510,438.55</u>	<u>525,299.21</u>
		\$ <u>511,490.83</u>	\$ <u>526,196.68</u>

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

GENERAL CAPITAL FUND

BOROUGH OF TUCKERTON

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2014</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 282,057.67	\$ 282,469.20
Deferred Charges to Future Taxation:			
Funded	C-4	913,000.00	1,193,000.00
Unfunded	C-5	553,158.01	553,158.01
Interfunds Receivable	C-11		45,462.73
		<u>\$ 1,748,215.68</u>	<u>\$ 2,074,089.94</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Improvement Authorizations:			
Funded	C-6	\$ 234,647.20	\$ 263,855.81
Unfunded	C-6	33,238.03	553,158.01
Serial Bonds Payable	C-7	913,000.00	1,193,000.00
Bond Anticipation Notes Payable	C-8	522,500.00	
Capital Improvement Fund	C-9	17,335.71	17,335.71
Miscellaneous Reserves	C-10	12,525.00	12,525.00
Interfunds Payable	C-11	6,770.72	
Reserve for Encumbrances	C-12	4,296.61	31,502.00
Fund Balance	C-1	3,902.41	2,713.41
		<u>\$ 1,748,215.68</u>	<u>\$ 2,074,089.94</u>

There were bonds and notes authorized but not issued on December 31, 2014 of \$30,658.01 (Schedule C-13).

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

BOROUGH OF TUCKERTON

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2013	C	\$ 2,713.41
Increased by:		
Premium on Bond Anticipation Notes Issued	C-2	<u>1,189.00</u>
Balance, December 31, 2014	C	<u>\$ 3,902.41</u>

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

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WATER-SEWER UTILITY FUND

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY FUND
BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	D-5	\$ 268,603.59	\$ 466,218.25
Change Fund	D-5	50.00	100.00
Prepaid Debt Service	D-5:D-4	165,000.00	155,000.00
Prepaid Payroll	D-4		13,734.01
Interfunds Receivable	D-13	13.75	13.90
		<u>433,667.34</u>	<u>635,066.16</u>
Receivables with Full Reserves:			
Water Rents Receivable	D-7	46,465.93	55,388.08
Sewer Rents Receivable	D-8	99,129.38	109,677.61
Water-Sewer Utility Liens	D-9	1,587.42	
		<u>147,182.73</u>	<u>165,065.69</u>
<u>Total Operating Fund</u>		<u>580,850.07</u>	<u>800,131.85</u>
Capital Fund:			
Cash and Cash Equivalents	D-5	221,023.41	289,015.18
Fixed Capital	D-16	19,034,419.93	18,975,817.31
Fixed Capital Authorized and Uncompleted	D-17	4,646,755.97	174,907.10
<u>Total Capital Fund</u>		<u>23,902,199.31</u>	<u>19,439,739.59</u>
		<u>\$ 24,483,049.38</u>	<u>\$ 20,239,871.44</u>

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

Prepaid Payroll Debt Service

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY FUND
BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2014</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-4:14	\$ 114,262.68	\$ 12,118.25
Water-Sewer Overpayments	D-1:D-5:D-15	2,758.03	1,182.56
Deferred Revenue	D-10	58,997.44	65,780.68
Accounts Payable	D-11	84.65	1,003.60
Accrued Interest on Bonds and Loans	D-12	100,744.99	85,700.39
Interfunds Payable	D-13	92,751.66	426,405.23
Reserve for Encumbrances	D-15	17,509.34	9,377.46
		<u>387,108.79</u>	<u>601,568.17</u>
Reserve for Receivables		147,182.73	165,065.69
Fund Balance	D-1	46,558.55	33,497.99
<u>Total Operating Fund</u>		<u>580,850.07</u>	<u>800,131.85</u>
Capital Fund:			
Reserve for Encumbrances	D-15		9,389.00
Interfunds Payable	D-18	13.75	13.90
Serial Bonds Payable	D-19	5,253,248.37	5,567,793.80
Bond Anticipation Notes Payable	D-20	450,000.00	500,000.00
New Jersey Environmental Infrastructure Trust Loan Payable	D-21	1,047,083.32	1,138,784.58
Improvement Authorizations:			
Funded	D-22	167,907.10	167,907.10
Unfunded	D-22	4,473,397.38	7,000.00
Capital Improvement Fund	D-23	105,989.26	105,989.26
Reserve for Improvements to Water System	D-24	5,451.49	5,451.49
Reserve for Amortization	D-25	12,225,485.62	11,769,238.93
Deferred Reserve for Amortization	D-26	173,358.59	167,907.10
Fund Balance	D-2	264.43	264.43
<u>Total Capital Fund</u>		<u>23,902,199.31</u>	<u>19,439,739.59</u>
		<u>\$ 24,483,049.38</u>	<u>\$ 20,239,871.44</u>

There were bonds and notes authorized but not issued on December 31, 2014 of \$4,532,000.00 (Schedule D-27).

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

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN OPERATING FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2014</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2013</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-3	\$ 28,934.86	\$ 52,947.24
Water Rents	D-3	746,749.41	735,855.30
Sewer Rents	D-3	1,366,298.81	1,373,519.35
Miscellaneous	D-3	34,504.87	28,197.21
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-14	7,518.87	33,987.04
Accounts Payable Cancelled	D-11	1,003.60	
Cancelled Water-Sewer Overpayments			3.59
		<u>2,185,010.42</u>	<u>2,224,509.73</u>
<u>TOTAL INCOME</u>			
 <u>EXPENDITURES</u>			
Operating	D-4	1,273,911.35	1,394,250.00
Capital Improvements	D-4		500,000.00
Debt Service	D-4	795,250.00	726,161.74
Statutory Expenditures	D-4	69,148.16	70,600.00
	D-4	<u>2,138,309.51</u>	<u>2,691,011.74</u>
Refund of Prior Year Revenue	D-5	4,705.49	
		<u>2,143,015.00</u>	<u>2,691,011.74</u>
Excess/(Deficit) in Revenue		41,995.42	(466,502.01)
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year	D-4		500,000.00
Statutory Excess to Fund Balance		41,995.42	33,497.99
Fund Balance January 1	D	33,497.99	52,947.24
		75,493.41	86,445.23
Prepaid Payroll Debt Service			
Less: Utilized as Anticipated Revenue	D-1	28,934.86	52,947.24
Fund Balance December 31	D	\$ <u>46,558.55</u>	\$ <u>33,497.99</u>

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

"D-2"

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

STATEMENT OF UTILITY CAPITAL FUND BALANCE - REGULATORY BASIS

REF.

Balance December 31, 2013 and 2014	D		\$	<u>264.43</u>
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"D-3"

WATER-SEWER UTILITY OPERATING FUND

STATEMENTS OF REVENUES - REGULATORY BASIS

		<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	D-1	\$ <u>28,934.86</u>	\$ <u>28,934.86</u>	\$ _____
Rents - Water	D-1:D-7	735,855.30	746,749.41	10,894.11
Rents - Sewer	D-1:D-8	<u>1,373,519.35</u>	<u>1,366,298.81</u>	<u>(7,220.54)</u>
Budget Totals		\$ <u>2,138,309.51</u>	\$ <u>2,141,983.08</u>	\$ <u>3,673.57</u>
Non-Budget Revenues	D-1:D-3	_____	<u>34,504.87</u>	<u>34,504.87</u>
		\$ <u>2,138,309.51</u>	\$ <u>2,176,487.95</u>	\$ <u>3,673.57</u>

REF.

D-4

ANALYSIS OF MISCELLANEOUS REVENUE

Connections		\$ 14,720.00
Prepaid Payroll Debt Service		2,201.31
Interest on Delinquent User Charges		13,538.21
Interest on Investments		123.79
Miscellaneous		<u>3,921.56</u>
	D-3:D-5	\$ <u>34,504.87</u>

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

BOROUGH OF TUCKERTON

WATER - SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		RESERVED
	2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	
Operating:					
Salaries and Wages	\$ 290,000.00	\$ 280,000.00	\$ 238,525.40	\$ 17,271.20	\$ 41,474.60
Other Expenses	331,500.00	341,500.00	317,665.58		6,563.22
Ocean County Utilities Authority	553,000.00	553,000.00	496,394.57		56,605.43
Group Insurance	70,812.00	70,812.00	70,812.00		
Other Insurance	28,599.35	28,599.35	28,599.35		
Debt Service:					
Payment of Bond Principal	320,000.00	314,545.43	314,545.43		
Payment of Bond Anticipation and Capital Notes	50,000.00	50,000.00	50,000.00		
Interest on Bonds	299,000.00	305,443.93	305,443.93		
Interest on Notes	6,250.00	6,250.00	6,250.00		
NJ Environmental Infrastructure Trust Loan					
Repayments for Principal and Interest	120,000.00	119,010.64	119,010.64		
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	36,548.16	36,548.16	36,548.16		
Social Security System (O.A.S.I.)	30,000.00	30,000.00	22,464.49		7,535.51
Unemployment Compensation Insurance	2,600.00	2,600.00	516.08		2,083.92
	<u>\$ 2,138,309.51</u>	<u>\$ 2,138,309.51</u>	<u>\$ 2,006,775.63</u>	<u>\$ 17,271.20</u>	<u>\$ 114,262.68</u>
REF.	D-3		D-1	D-1:D-15	D:D-1
Prepaid Debt Service			\$ 155,000.00		
Prepaid Payroll Debt Service			13,734.01		
Disbursements			1,499,038.31		
Accrued Interest on Bonds and Notes			339,003.31		
			<u>\$ 2,006,775.63</u>		

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

GENERAL FIXED ASSETS ACCOUNT GROUP

BOROUGH OF TUCKERTON
GENERAL FIXED ASSETS ACCOUNT GROUP
BALANCE SHEETS - REGULATORY BASIS

	<u>DECEMBER</u> <u>31, 2014</u>	<u>DECEMBER</u> <u>31, 2013</u>
General Fixed Assets:		
Land and Buildings	\$ 8,925,034.00	\$ 8,153,534.00
Office and Other Equipment	157,728.50	217,832.00
Vehicles	<u>1,436,353.52</u>	<u>1,939,444.48</u>
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 10,519,116.02</u>	<u>\$ 10,310,810.48</u>
Investment in General Fixed Assets	<u>\$ 10,519,116.02</u>	<u>\$ 10,310,810.48</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF TUCKERTON

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Tuckerton is an instrumentality of the State of New Jersey established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough.

Except as noted below, the financial statements of the Borough of Tuckerton include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough of Tuckerton, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough of Tuckerton do not include the operations of the municipal library, first aid organization, volunteer fire companies, the local school district or the regional school district, in as much as their activities are administered by separate boards.

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 the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds as well as government-wide financial reporting that must 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 Borough of Tuckerton 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 Borough of Tuckerton are organized on the basis of funds and account groups 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 governmental activity. As required by the Division of Local Government Services, the Borough 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 of 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.

Water-Sewer Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally-owned water-sewer utility.

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. Federal and state grants are realized as revenue when anticipated in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough 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.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures (Continued) - Outstanding encumbrances, at December 31, are reported as a cash liability in the financial statements and constitute part of the Borough'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 - 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 - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

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 Borough 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. No depreciation has been provided on general fixed assets or reported in the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets (Continued) - The Borough has developed a fixed assets accounting and reporting system based upon an inspection and historical cost analysis except for land and buildings acquired prior to December 31, 1985 which are stated at current replacement values as permitted by N.J.A.C. 5:30-5.6. Except for land and buildings, fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

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 capitals 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.

Fixed Capital - Water-Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water-Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization account in the utility capital fund represents charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

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 held in accordance with GAAP. The Borough 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 Borough 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 of 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 require 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 Borough of Tuckerton had the following cash and cash equivalents at December 31, 2014:

	<u>CHANGE FUND</u>	<u>CASH IN BANK</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>RECONCILED BALANCE</u>
Current Fund	\$75.00	\$1,660,283.82	\$886,922.17	\$112,332.48	\$2,434,948.51
Animal Control Trust Fund		1,052.28			1,052.28
Trust Other Fund		514,873.26		22,253.17	492,620.09
General Capital Fund		253,556.24	28,501.43		282,057.67
Water-Sewer Operating Fund	50.00	1,096,895.81	40,158.77	868,450.99	268,653.59
Water-Sewer CapitalFund		270,421.39		49,397.98	221,023.41
	<u>\$125.00</u>	<u>\$3,797,082.80</u>	<u>\$955,582.37</u>	<u>\$1,052,434.62</u>	<u>\$3,700,355.55</u>

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 Borough 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, 2014, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on deposit in the bank, \$250,000.00 was covered by Federal Depository Insurance and \$3,547,082.80 was covered by NJ GUDPA.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Borough 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 type 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.
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

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2014</u>	<u>YEAR 2013</u>	<u>YEAR 2012</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 1,435,500.00	\$ 1,193,000.00	\$ 1,193,000.00
Water - Sewer Utility:			
Bonds, Notes and Loans	<u>6,751,524.87</u>	<u>7,206,578.38</u>	<u>7,017,017.00</u>
Total Issued	<u>\$ 8,187,024.87</u>	<u>\$ 8,399,578.38</u>	<u>\$ 8,210,017.00</u>
Authorized But Not Issued:			
General:			
Bonds, Notes and Loans	\$ 30,658.01	\$ 553,158.01	\$ 48,155.09
Water-Sewer Utility:			
Bonds, Notes and Loans	<u>4,532,000.00</u>	<u>7,000.00</u>	<u>7,000.00</u>
Total Authorized But Not Issued	<u>\$ 4,562,658.01</u>	<u>\$ 560,158.01</u>	<u>\$ 55,155.09</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 12,749,682.88</u>	<u>\$ 8,959,736.39</u>	<u>\$ 8,265,172.09</u>

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

Equalized Valuation Basis* - December 31, 2014	<u>\$ 426,246,686.00</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 14,918,634.01
Net Debt	<u>1,466,158.01</u>
Remaining Borrowing Power	<u>\$ 13,452,476.00</u>

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

NOTE 3: MUNICIPAL DEBT (CONTINUED)

CALCULATION OF "SELF-LIQUIDATING PURPOSE"
WATER-SEWER UTILITY PER N.J.S.40A:2-45

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$ 2,176,487.95
Deductions:		
Operating and Maintenance Cost	\$ 1,343,059.51	
Debt Service per Water-Sewer Account	795,250.00	
Total Deductions		2,138,309.51
Excess in Revenue		\$ 38,178.44

LONG-TERM DEBT OBLIGATIONS:

General Capital Fund:

6.00% General Obligation Bonds Series 2009
issued January 7, 2009, installment maturities to
January 1, 2017 \$ 913,000.00

The General Capital Fund bonds mature serially in installments to the year 2017.
Aggregate debt service requirements during the next four fiscal years and
thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2015	\$ 290,000.00	\$ 46,080.00
2016	305,000.00	28,230.00
2017	318,000.00	9,540.00
Total	\$ <u>913,000.00</u>	\$ <u>83,850.00</u>

Water-Sewer Utility Capital Fund:

5.00% Water Improvement Bonds Series 1981
issued May 28, 1981, installment maturities to
December 1, 2020 \$495,475.61

6.375% Water Improvement Bonds Series 1988
issued October 20, 1988, installment maturities to
June 1, 2028 307,913.84

4.50% Water Improvement Bonds Series 1998
issued January 15, 1998, installment maturities to
July 15, 2038 620,771.65

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG-TERM DEBT OBLIGATIONS (CONTINUED):

Water-Sewer Utility Capital Fund (Continued)

4.50% Water Improvement Bonds Series 1999 issued March 24, 1999, installment maturities to September 24, 2039	319,063.34
4.50% Sewer System Improvement Bonds Series 1994 issued September 28, 1994, installment maturities to September 28, 2034	889,604.57
5.00% Sewer System Improvement Bonds Series 1988 issued October 20, 1988, installment maturities to December 1, 2027	284,232.67
5.00% Sewer System Improvement Bonds Series 1992 issued December 1, 1992, installment maturities to December 1, 2032	157,359.82
4.50% Sewer System Improvement Bonds Series 1998 issued January 15, 1998, installment maturities to January 15, 2038	195,826.87
Various % General Obligation Bonds Series 2009 issued January 7, 2009, installment maturities to January 1, 2024	<u>1,983,000.00</u>
	<u>\$ 5,253,248.37</u>

The Water-Sewer Utility Capital Fund bonds Mature serially in installments to the year 2039. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2015	\$ 331,295.60	\$ 273,113.40
2016	339,641.61	254,867.39
2017	358,410.94	235,898.05
2018	377,625.35	215,883.67
2019	397,307.66	194,801.33
2020-24	1,840,566.04	757,160.26
2025-29	715,760.34	344,259.68
2030-34	627,827.37	146,540.95
2035-39	<u>264,813.46</u>	<u>71,034.40</u>
Total	<u>\$ 5,253,248.37</u>	<u>\$ 2,493,559.13</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG-TERM DEBT OBLIGATIONS (CONTINUED):

Water-Sewer Utility Capital Fund (Continued):

New Jersey Environmental Infrastructure Trust Water Supply Well and an Additional Filter Loan:

The Borough received a \$632,164 low interest loan (variable rate) under the New Jersey Environmental Infrastructure Trust Loan Program. The balance December 31, 2014 was \$304,721. Loan payments are due semi-annually to the year 2022.

New Jersey Environmental Infrastructure Trust Renovations to Existing Pump Stations:

The Borough received a \$1,179,000 low interest loan (variable rate) under the New Jersey Environmental Infrastructure Trust Program. The balance December 31, 2014 was \$742,363. Loan payments are due semiannually to the year 2025.

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

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2015	\$ 98,462	\$ 25,975.00
2016	97,057	23,775.00
2017	103,823	21,575.00
2018	102,292	19,175.00
2019	100,704	16,688.00
2020-24	469,953	44,075.00
2025	<u>74,793</u>	<u>1,969.00</u>
Total	\$ <u>1,047,084</u>	\$ <u>153,232.00</u>

SHORT-TERM DEBT OBLIGATIONS:

Outstanding Emergency Notes are summarized as follows:

Current Fund:

<u>PURPOSE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>AMOUNT</u>
Hurricane Emergency	12/28/12	12/05/14	12/04/15	0.87%	\$ <u>540,000.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SHORT-TERM DEBT OBLIGATIONS (CONTINUED):

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>
09-13	12/05/14	12/05/14	12/04/15	0.87%	\$	<u>522,500.00</u>

Water-Sewer Utility 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>
10-13	12/06/13	12/05/14	12/04/15	0.87%	\$	<u>450,000.00</u>

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED:

At December 31, 2014, the Borough has authorized but not issued bonds and notes as follows:

General Capital Fund	\$	30,658.01
Water-Sewer Utility Capital Fund	\$	4,532,000.00

NOTE 4: COMPENSATED ABSENCES

Under the terms of various contracts, Borough employees are allowed to accumulate unused vacation and sick pay over the life or their working careers which may be taken as time off or paid at a later date. It is estimated that the current cost of such unpaid compensation would approximate \$281,932. 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 and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2014. The Borough has accumulated \$5,214 for this purpose in the Trust Other Fund and has budgeted \$24,000 in 2015 and continues to budget funds to provide for these liabilities as they arise.

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2014 which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2015, as introduced were as follows:

Current Fund	\$775,337
Water-Sewer Utility Fund	\$ 40,216

NOTE 6: 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 Borough bills and collects its own property taxes and also the taxes for the County, the Local School District and the Regional School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Borough property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund.

NOTE 7: TAXES AND WATER-SEWER CHARGES COLLECTED IN ADVANCE

Taxes and water-sewer charges collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER <u>31, 2014</u>	BALANCE DECEMBER <u>31, 2013</u>
Prepaid Taxes	\$ 99,464	\$103,585
Prepaid Water-Sewer Charges	58,997	65,781

NOTE 8: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the balance sheets of the various funds:

	BALANCE DECEMBER <u>31, 2014</u>	2015 BUDGET <u>APPROPRIATION</u>
<u>Current Fund:</u>		
Overexpenditure of Appropriations	\$ 34,380.84	\$ 34,380.84
Expenditure without Appropriation	8,687.33	8,687.33
Overexpenditure of Appropriation Reserves	30.00	30.00
Emergency Authorization N.J.S.A. 40A:4-53	279,395.07	279,395.07
<u>Grant Fund:</u>		
Overexpenditure of Grants Appropriated	3,336.70	3,336.70
<u>Trust - Other Fund</u>		
Deficit in Payroll Trust Reserve	17,818.46	17,818.46

NOTE 9: CONTINGENT LIABILITIES

The Borough 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 expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2014, the Borough does not believe that any material liabilities will result from such audits.

NOTE 10: LITIGATION

The Borough is a member of the Ocean County Municipal Joint Insurance Fund, and any and all claims for damages under the New Jersey Tort Claims Act are covered by the self-insurance pool provided by the Fund. There is no anticipated or pending tort claim litigation which will result in any direct and uninsured liability of the Borough. Rather, all matters of tort claim have adequate insurance protection.

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

NOTE 10: LITIGATION (CONTINUED)

However, on September 19, 2014, the Borough entered into a Stipulation of Settlement Agreement in connection with a Civil Action filed with the Superior Court whereby the Borough agreed to pay a settlement in the amount of \$150,000.00 in two equal installments of \$75,000.00 due and payable on January 15, 2015 and 2016. The Borough's 2015 adopted budget contained an appropriation in the amount of \$75,000.00 to provide for the 2015 amount due. The Borough's 2016 budget will also contain an appropriation in a like amount.

NOTE 11: RISK MANAGEMENT

The Borough 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 Borough is a member of the Ocean County Municipal Joint Insurance Fund, and the Municipal Excess Liability Fund, public entity risk pools currently operating as a common risk management and insurance program for municipalities within the State. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2014:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
Current Fund	\$ 246,253.33	\$ 80,914.45
Federal and State Grant Fund	80,914.45	
Trust Other Fund		146,730.95
General Capital Fund		6,770.72
Water - Sewer Utility Operating Fund	13.75	92,751.66
Water - Sewer Utility Capital Fund		13.75
	<u>\$ 327,181.53</u>	<u>\$ 327,181.53</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 13: 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 13: PENSION PLANS (CONTINUED)

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 13: PENSION PLANS (CONTINUED)

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 2014 PERS provides for employee contributions of 6.92% 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 2014, members contributed at a uniform rate of 10.00% of base salary.

Certain portions of the costs are contributed by the employees. The Borough's share of pension costs, which is based upon the annual billings received from the State, amounted to \$234,800 for 2014, \$237,615 for 2013 and \$255,439 for 2012.

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

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

NOTE 14: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

The Borough provides Post Retirement Benefits to certain employees, per the terms of their various labor agreements, which have retired from the Borough after twenty-five (25) years of service. These benefits include Health Insurance and prescription coverage.

During the year ended December 31, 2014, there were five (6) Borough retirees who received benefits under this plan.

Plan Description: The Borough 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.

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

Funding Policy: Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough 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 Borough contributions to SHBP for the years ended December 31, 2014, 2013 and 2012 were \$72,819, \$60,985 and \$54,066 respectively, which equaled the required contributions for each year. There were approximately 6, 5 and 5 retired participants eligible at December 31, 2014, 2013 and 2012 respectively.

NOTE 15: SCHOOL TAXES

Local District School Taxes have been raised and liabilities deferred by statute resulting in the school taxes payable as set forth in the Current Fund liabilities as follows:

	<u>LOCAL DISTRICT SCHOOL TAX</u>	
	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
Balance of Tax	\$ 1,268,542.09	\$ 1,243,614.61
Deferred	<u>1,027,655.65</u>	<u>756,230.65</u>
Tax Payable	<u>240,886.44</u>	<u>\$ 487,383.96</u>

NOTE 16: COMMUNITY DISASTER LOAN PROGRAM

The Borough has made application to and was approved for participation in the Community Disaster Loan Program which offers low interest loans in amounts of up to 25% of the Borough's operating budget for the fiscal year of the disaster. The loan term is for five (5) years and may be extended for an additional five (5) years if FEMA finds the Governments fiscal situation warrants the extension.

For Budget Year 2013, the Borough drew \$97,500 to fund current operations and drew an additional \$600,000.00 for Budget Year 2014. The amounts anticipated and the amounts drawn may vary depending upon whether other Borough revenues meet or exceed targets.

There is a possibility of loan forgiveness if the Borough incurs a cumulative operating deficit and a revenue loss equal to the amount of the loan for the three (3) full years after the disaster.

No determination has yet been made as to loan forgiveness.

NOTE 17: SUBSEQUENT EVENTS

The Borough has evaluated subsequent events occurring after the financial statement date through September 15, 2015 which is the date the financial statements were available to be issued. Based upon this evaluation, the Borough has determined that there are no subsequent events that need to be disclosed.

BOROUGH OF TUCKERTON

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2014

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF CASH

	<u>REF.</u>		
Balance, December 31, 2013	A		\$ 1,723,615.87
Increased by Receipts:			
Prepaid Debt Service	A	\$ 634,675.00	
Miscellaneous Revenue not Anticipated	A-2	79,156.17	
Taxes Receivable	A-5	9,131,559.77	
Tax Title Liens Receivable	A-6	33,403.08	
Revenue Accounts Receivable	A-9	1,339,113.52	
Due State of New Jersey	A-12	52,095.00	
Tax Overpayments	A-13	9,140.14	
Prepaid Taxes	A-14	99,464.19	
Miscellaneous Reserves	A-21	13,696.94	
Interfunds - Other Funds	A-22	1,068,397.67	
Deferred Revenue	A-23	279,395.07	
Interfund - Federal and State Grant Fund	A-25	<u>67,214.22</u>	
			<u>12,807,310.77</u>
			14,530,926.64
Decreased by Disbursements:			
Change Fund	A	\$ 50.00	
Prepaid Debt Service	A	644,675.00	
Refund of Prior Year Revenue	A-1	4,966.39	
Budget Appropriations	A-3	3,465,730.70	
Deferred Charges - Expenditure Without Appropriation	A-11	8,687.33	
Due State of New Jersey	A-12	10,397.00	
Tax Overpayments	A-13	1,854.68	
Accounts Payable	A-15	56,407.50	
County Taxes Payable	A-16	1,716,346.91	
Local District School Taxes Payable	A-17	2,721,562.52	
Regional School Taxes Payable	A-18	2,259,087.53	
Appropriation Reserves	A-19	146,487.34	
Interfunds - Other Funds	A-22	824,177.91	
Emergency Note Payable	A-24	180,000.00	
Interfund - Federal and State Grant Fund	A-25	<u>55,622.12</u>	
			<u>12,096,052.93</u>
Balance, December 31, 2014	A		\$ <u><u>2,434,873.71</u></u>

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

<u>YEAR</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>2014 LEVY</u>	<u>COLLECTED</u>		<u>APPEALS</u>	<u>CANCELED</u>	<u>DUE FROM STATE OF NEW JERSEY CH. 20, P.L. 1971</u>	<u>TRANSFER TO TAX TITLE LIENS</u>	<u>BALANCE DECEMBER 31, 2014</u>
			<u>2014</u>	<u>2013</u>					
2012	\$ 3,402.66	\$	\$ 260.31	\$	\$	\$	\$	\$ 9,886.85	\$ 3,142.35
2013	303,269.59		290,470.54		(21.85)		(3,000.00)	9,886.85	5,934.05
	306,672.25		290,730.85		(21.85)		(3,000.00)	9,886.85	9,076.40
2014		9,358,024.30	8,840,828.92	103,585.08	105,288.41	(381.89)	47,500.00	31,566.52	229,637.26
	\$ 306,672.25	\$ 9,358,024.30	\$ 9,131,559.77	\$ 103,585.08	\$ 105,266.56	\$ (381.89)	\$ 44,500.00	\$ 41,453.37	\$ 238,713.66
<u>REF.</u>	A	A-5	A-4	A-14			A-12	A-6	A

Analysis of 2014 Property Tax Levy

Tax Yield:		
General Purpose Tax	\$ 9,319,708.31	
Added Taxes	38,315.99	
	\$ 9,358,024.30	
	A-5	

Tax Levy:

Local District School Tax (Abstract)	A-17	\$ 2,746,490.00
Regional School Tax (Abstract)	A-1:A-18	2,278,879.00
County Tax (Abstract)		
County Library Tax (Abstract)		\$ 1,444,463.79
County Health Tax (Abstract)		160,995.35
County Open Space Preservation (Abstract)		57,901.94
Due County Added Taxes		50,774.94
		7,060.47
	A-1:A-16	1,721,196.49
Total School and County Taxes		6,746,565.49
Local Tax for Municipal Purposes	A-2	2,578,183.37
Added Taxes		33,275.44
	A-5	2,611,458.81
		\$ 9,358,024.30

"A-6"

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	<u>REF</u>	
Balance, December 31, 2013	A	\$ 105,915.18
Increased by:		
Transfer from Taxes Receivable	A-5	<u>41,453.37</u>
		147,368.55
Decreased by:		
Receipts	A-4	\$ 33,403.08
Cancelled		<u>799.14</u>
		<u>34,202.22</u>
Balance, December 31, 2014	A	\$ <u><u>113,166.33</u></u>

"A-7"

SCHEDULE OF 6% YEAR END PENALTY RECEIVABLE

Balance, December 31, 2013	A	\$ <u>1,847.56</u>
Decreased by:		
Transferred to Interest and Costs on Taxes	A-2	\$ <u><u>1,847.56</u></u>

"A-8"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES

(AT ASSESSED VALUATION)

Balance, December 31, 2013 and 2014	A	\$ <u><u>330,250.00</u></u>
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BOROUGH OF TUCKERTON - COUNTY OF OCEAN

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>BALANCE DECEMBER 31, 2013</u>	<u>ACCRUED IN 2014</u>	<u>COLLECTED</u>	<u>BALANCE DECEMBER 31, 2014</u>
Licenses:				
Alcoholic Beverages	\$	\$ 10,365.00	\$ 10,365.00	\$
Fines and Costs - Municipal Court	4,626.71	74,028.40	73,168.13	5,486.98
Interest and Costs on Taxes		39,559.98	39,559.98	
Interest on Investments and Deposits		244.37	244.37	
Mobile Home Fees		13,392.00	13,392.00	
Boat Stalls		12,750.00	12,750.00	
Cable TV Franchise Fees		13,183.54	13,183.54	
Energy Receipts Tax		324,612.00	324,612.00	
Uniform Construction Code Fees		251,838.50	251,838.50	
Community Disaster Loan Proceeds		<u>600,000.00</u>	<u>600,000.00</u>	
	<u>\$ 4,626.71</u>	<u>\$ 1,339,973.79</u>	<u>\$ 1,339,113.52</u>	<u>\$ 5,486.98</u>

REF.

A

A-2:A-4

A

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF DEFERRED CHARGE - SPECIAL EMERGENCY 40A:4-53

<u>DATE</u>	<u>PURPOSE</u>	<u>AMOUNT AUTHORIZED</u>	<u>NOT LESS THAN 1/5 OF AMOUNT AUTHORIZED</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>REDUCED IN 2014 BY 2014 BUDGET</u>	<u>BALANCE DECEMBER 31, 2014</u>
12/17/12	Hurricane Emergency	\$ 900,000.00	\$ 180,000.00	\$ 459,395.07	\$ 180,000.00	\$ 279,395.07
		\$ 900,000.00	\$ 180,000.00	\$ 459,395.07	\$ 180,000.00	\$ 279,395.07

REF.

A

A-3

A

BOROUGH OF TUCKERTON - COUNTY OF OCEAN

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	<u>ADDED IN 2014</u>	<u>BALANCE DECEMBER 31, 2014</u>
Overexpenditure of Appropriations	\$ 34,380.84	\$ 34,380.84
Expenditure Without Appropriation	8,687.33	8,687.33
Overexpenditure of Appropriation Reserves	<u>30.00</u>	<u>30.00</u>
Balance December 31, 2014	<u>\$ 43,098.17</u>	<u>\$ 43,098.17</u>
	<u>REF.</u> A-3:A-4:A-19	A

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF DUE FROM/TO STATE OF NEW JERSEY

	<u>REF.</u>	<u>TOTAL</u>	<u>UNIFORM CONSTRUCTION CODE</u>	<u>MARRIAGE LICENSES</u>	<u>CH. 20, P.L. 1971</u>
Balance, December 31, 2013 - Due From/(Due To)	A	\$ (9,404.10)	\$ (3,052.00)	\$ (178.00)	\$ (6,174.10)
Increased/Decreased by:					
Deductions:					
Per Billings		47,750.00			47,750.00
Allowed by Tax Collector (Net)		(250.00)			(250.00)
	A-5	47,500.00			47,500.00
Disbursements	A-4	10,397.00	9,822.00	575.00	
Cancelled	A-1	178.00		178.00	
Total Increases/Decreases		58,075.00	9,822.00	753.00	47,500.00
Total Increases/Decreases and Balances		48,670.90	6,770.00	575.00	41,325.90
Decreased/Increased by:					
Senior Citizen Disallowed - 2013 and Prior Taxes	A-5	3,000.00			3,000.00
Receipts	A-4	52,095.00	6,770.00	575.00	44,750.00
Total Decreases		55,095.00	6,770.00	575.00	47,750.00
Balance, December 31, 2014 - Due From/(Due To)	A	\$ (6,424.10)	\$	\$	\$ (6,424.10)

BOROUGH OF TUCKERTON - COUNTY OF OCEAN

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>	
Balance, December 31, 2013	A	\$ 17,628.89
Increased by:		
Receipts	A-4	<u>9,140.14</u>
		26,769.03
Decreased by:		
Disbursements	A-4	<u>1,854.68</u>
Balance December 31, 2014	A	\$ <u><u>24,914.35</u></u>

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2013	A	\$ 103,585.08
Increased by:		
Collections	A-4	<u>99,464.19</u>
		203,049.27
Decreased by:		
Applied to 2014 Taxes	A-5	<u>103,585.08</u>
Balance, December 31, 2014	A	\$ <u><u>99,464.19</u></u>

BOROUGH OF TUCKERTON
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance December 31, 2013	A		\$ 56,720.21
Increased by:			
Transfer from Miscellaneous Reserves	A-21		<u>13,731.17</u>
			70,451.38
Decreased by:			
Disbursements	A-4	\$ 56,407.50	
Cancelled	A-1	<u>312.71</u>	
			<u>56,720.21</u>
Balance December 31, 2014	A		<u>\$ 13,731.17</u>

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2013	A		\$ 9,542.95
Increased by:			
General County Tax	A-5	\$ 1,444,463.79	
County Library Tax	A-5	160,995.35	
County Health Tax	A-5	57,901.94	
County Open Space Preservation Tax	A-5	50,774.94	
Added and Omitted Taxes	A-5	<u>7,060.47</u>	
			<u>1,721,196.49</u>
			1,730,739.44
Decreased by:			
Payments	A-4	1,716,346.91	
Cancelled	A-1	<u>7,332.06</u>	
			<u>1,723,678.97</u>
Balance, December 31, 2014	A		<u>\$ 7,060.47</u>

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

	<u>REF.</u>		
Balance, December 31, 2013:			
School Tax Payable	A	\$ 487,383.96	
School Tax Deferred		<u>756,230.65</u>	
			\$ 1,243,614.61
Increased by:			
Levy School Year - July 1, 2014 to June 30, 2015	A-5		<u>2,746,490.00</u>
			3,990,104.61
Decreased by:			
Payments	A-4		<u>2,721,562.52</u>
Balance, December 31, 2014:			
School Tax Payable	A	\$ 240,886.44	
School Tax Deferred		<u>1,027,655.65</u>	
			\$ <u>1,268,542.09</u>
2014 Liability for Local District School Tax:			
Tax Paid			\$ 2,721,562.52
Tax Payable December 31, 2014			<u>240,886.44</u>
			2,962,448.96
Less: Tax Payable December 31, 2013			<u>487,383.96</u>
Amount Charged to 2014 Operations			\$ <u>2,475,065.00</u>

SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE

Balance, December 31, 2013:			
School Tax Payable	A		\$ 15,376.89
Increased by:			
Levy School Year - July 1, 2014 to June 30, 2015	A-5		<u>2,278,879.00</u>
			2,294,255.89
Decreased by:			
Payments	A-4		<u>2,259,087.53</u>
Balance, December 31, 2014:			
School Tax Payable	A		\$ <u>35,168.36</u>

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	<u>BALANCE</u> DECEMBER 31, 2013	<u>BALANCE</u> AFTER TRANSFER	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>	<u>OVER-</u> <u>EXPENDED</u>
	\$	\$	\$	\$	\$
<u>OPERATIONS WITHIN CAPS</u>					
Mayor and Council:					
Salaries and Wages	693.20	693.20		693.20	
Other Expenses	656.55	656.55		656.55	
Administrator:					
Salaries and Wages	1,403.88	1,403.88		1,403.88	
Municipal Clerk:					
Salaries and Wages	551.15	551.15		551.15	
Other Expenses	5,218.56	5,218.56	2,059.05	3,159.51	
Financial Administration (Treasury):					
Salaries and Wages	2,404.15	2,404.15		2,404.15	
Other Expenses	1,900.14	1,900.14	785.28	1,114.86	
Audit Services:					
Other Expenses	370.00	370.00	400.00		30.00
Revenue Administration (Tax Collection):					
Salaries and Wages	2,011.67	2,011.67		2,011.67	
Other Expenses	1,089.94	1,089.94	148.55	941.39	
Tax Assessment Administration:					
Salaries and Wages	237.06	237.06		237.06	
Other Expenses	6,500.93	6,500.93	36.44	6,464.49	
Legal Services (Legal Department):					
Other Expenses	15,948.25	15,948.25	4,744.80	11,203.45	
Engineering Services:					
Other Expenses	21,531.74	21,531.74		21,531.74	
Economic Development Committee:					
Salaries and Wages	900.00	900.00	750.00	150.00	
Other Expenses	1,441.03	1,441.03	825.00	616.03	
Landmarks Commission (N.J.S.A. 40:55-10 et seq.):					
Other Expenses	143.72	143.72	(675.00)	818.72	

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	<u>BALANCE</u> DECEMBER 31, 2013	<u>BALANCE</u> AFTER TRANSFER	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>	<u>OVER-</u> <u>EXPENDED</u>
	\$	\$	\$	\$	\$
<u>OPERATIONS WITHIN CAPS (CONTINUED)</u>					
Land Use Board:					
Salaries and Wages	240.00	240.00		240.00	
Other Expenses	4,817.01	4,817.01	350.00	4,467.01	
Environmental Commission:					
Salaries and Wages	225.00	225.00	150.00	75.00	
Other Expenses	1,093.72	1,093.72		1,093.72	
Zoning Board of Adjustment:					
Salaries and Wages	1,536.05	1,536.05		1,536.05	
Other Expenses	2,000.00	2,000.00		2,000.00	
General Liability	552.01	552.01		552.01	
Workmen's Compensation					
Employee Group Health					
Police Department:					
Salaries and Wages	21,824.50	21,824.50	21,824.50		
Other Expenses	27,431.19	27,431.19		27,431.19	
Office of Emergency Management:	7,221.94	7,221.94	7,220.31	1.63	
Other Expenses	2,376.42	2,376.42	131.04	2,245.38	
First Aid Organization Contribution	4,500.00	4,500.00		4,500.00	
Municipal Prosecutor's Office	1,500.00	1,500.00		1,500.00	
Municipal Court:					
Salaries and Wages	1,530.06	1,530.06		1,530.06	
Other Expenses	3,185.61	3,185.61	220.47	2,965.14	
Public Defender:					
Other Expenses	1,200.00	1,200.00		1,200.00	
Public Employees Occupational Safety and Health Act:					
Other Expenses	1,500.00	1,500.00		1,500.00	

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	<u>BALANCE</u> DECEMBER 31, 2013	<u>BALANCE</u> AFTER TRANSFER	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>	<u>OVER-</u> <u>EXPENDED</u>
	\$	\$	\$	\$	\$
<u>OPERATIONS WITHIN CAPS (CONTINUED)</u>					
Waterways Commission:					
Salaries and Wages	150.00	150.00	88.98	61.02	
Other Expenses	1,093.72	1,093.72		1,093.72	
Code Enforcement:					
Salaries and Wages	1,095.00	1,095.00		1,095.00	
Other Expenses	1,000.00	1,000.00		1,000.00	
Street and Road Maintenance:					
Salaries and Wages	7,392.90	7,392.90		7,392.90	
Other Expenses	16,201.61	16,201.61	16,201.61		
Snow Removal:					
Salaries and Wages	2,071.75	2,071.75		2,071.75	
Other Expenses	1,667.95	1,667.95		1,667.95	
Shade Tree Commission:					
Other Expenses	1,000.00	1,000.00		1,000.00	
Solid Waste Collection:					
Salaries and Wages	4,882.85	4,882.85		4,882.85	
Other Expenses	6,000.00	6,000.00	6,000.00		
Public Buildings and Grounds:					
Other Expenses	5,383.82	5,383.82	5,383.82		
Vehicle Maintenance:					
Other Expenses	5,994.13	5,994.13	4,078.06	1,916.07	
Recycling:					
Salaries and Wages	1,200.00	1,200.00		1,200.00	
Condominium Community Cost:					
Other Expenses	10,000.00	10,000.00	8,608.60	1,391.40	
Public Health Services (Board of Health):					
Salaries and Wages	86.09	86.09		86.09	
Other Expenses	3,000.00	3,000.00		3,000.00	

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	<u>BALANCE</u> DECEMBER 31, 2013	<u>BALANCE</u> AFTER TRANSFER	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>	<u>OVER-</u> <u>EXPENDED</u>
	\$ 1,000.00	\$ 1,000.00		\$ 1,000.00	
	480.00	480.00		480.00	
	500.00	500.00		500.00	
	1,775.00	1,775.00		1,775.00	
	225.00	225.00	75.00	150.00	
	2,056.61	2,056.61	144.96	1,911.65	
	3,332.89	3,332.89		3,332.89	
	6,963.80	6,963.80	583.96	6,379.84	
	15,112.01	15,112.01	15,112.01	-	
	4,206.67	4,206.67	4,206.67	-	
	7,888.64	7,888.64	7,888.64	-	
	2,299.62	2,299.62	2,299.62	-	
	840.39	840.39	840.39	-	
	6,771.02	6,771.02	5,912.96	858.06	
	9,955.05	9,955.05	9,955.05	-	
	21,572.60	21,572.60	18,344.57	3,228.03	
	5,013.01	5,013.01		5,013.01	
	435.00	435.00		435.00	
	13,801.44	13,801.44		13,801.44	
	<u>318,184.05</u>	<u>318,184.05</u>	<u>144,695.34</u>	<u>173,518.71</u>	<u>30.00</u>

OPERATIONS WITHIN CAPS (CONTINUED)

Public Health Services (Board of Health):

Vaccinations

Animal Control Services:

Other Expenses

Recreation Services and Programs:

Other Expenses

Municipal Alliance - Local Supplement

Pride and Celebration Committee:

Salaries and Wages

Other Expenses

Uniform Construction Code Enforcement Functions:

Salaries and Wages

Other Expenses

Utilities:

Electricity

Street Lighting

Telephone

Natural Gas and Fuel Oil

Telecommunications

Gasoline

Landfill/Solid Waste Disposal Costs:

Accumulated Sick and Vacation

Contribution to:

Social Security System (O.A.S.I.)

Defined Contribution Retirement Program

Unemployment and Disability Insurance

Total Appropriations within Caps

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFER	PAID OR CHARGED	BALANCE LAPSED	OVER- EXPENDED
	\$ 4,080.00	\$ 4,080.00	\$ 1,792.00	\$ 2,288.00	
	<u>4,080.00</u>	<u>4,080.00</u>	<u>1,792.00</u>	<u>2,288.00</u>	
	\$ 322,264.05	\$ 322,264.05	\$ 146,487.34	\$ 175,806.71	\$ 30.00
	<u><u>322,264.05</u></u>	<u><u>322,264.05</u></u>	<u><u>146,487.34</u></u>	<u><u>175,806.71</u></u>	<u><u>30.00</u></u>
REF.	A-19	A-19	A-4	A-1	A-11

OPERATIONS EXCLUDED FROM CAPS

Shared Services Agreements:
Auto Mechanic - Township of Barnegat
Total Appropriations Excluded from Caps

Appropriation Reserves - 2013
Reserve for Encumbrances

A	\$ 304,548.96
A-20	<u>17,715.09</u>
A-19	<u><u>322,264.05</u></u>

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>	<u>TOTAL (MEMO ONLY)</u>	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance, December 31, 2013	A	\$ <u>59,266.91</u>	\$ <u>57,305.87</u>	\$ <u>1,961.04</u>
Increased by:				
2014 Budget Appropriations	A-3	38,581.24	38,581.24	
Grant Appropriated Reserves	A-27	<u>37,500.00</u>		<u>37,500.00</u>
Total Increases		<u>76,081.24</u>	<u>38,581.24</u>	<u>37,500.00</u>
Total Increases and Balances		135,348.15	95,887.11	39,461.04
Decreased by:				
2013 Appropriation Reserves	A-19	17,715.09	17,715.09	
Miscellaneous Reserves	A-21	39,590.78	39,590.78	
Grant Appropriated Reserves	A-27	<u>1,961.04</u>		<u>1,961.04</u>
Total Decreases		<u>59,266.91</u>	<u>57,305.87</u>	<u>1,961.04</u>
Balance, December 31, 2014	A	\$ <u><u>76,081.24</u></u>	\$ <u><u>38,581.24</u></u>	\$ <u><u>37,500.00</u></u>

SCHEDULE OF MISCELLANEOUS RESERVES

		<u>BALANCE DECEMBER 31, 2013</u>	<u>INCREASE/ (DECREASE)</u>	<u>BALANCE DECEMBER 31, 2014</u>
Vehicle Purchase		\$	\$ 22,933.33	\$ 22,933.33
Borough Hall Renovations			9,937.59	9,937.59
Hurricane Emergency		<u>128,809.71</u>	<u>6,685.63</u>	<u>135,495.34</u>
		\$ <u><u>128,809.71</u></u>	\$ <u><u>39,556.55</u></u>	\$ <u><u>168,366.26</u></u>
	<u>REF.</u>	A	A-21	A
Receipts	A-4		\$ 13,696.94	
Accounts Payable	A-15		(13,731.17)	
Reserve for Encumbrances (Net)	A-20		<u>39,590.78</u>	
	A-21		\$ <u><u>39,556.55</u></u>	

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF INTERFUNDS

<u>REF.</u>	<u>TOTAL (MEMO ONLY)</u>	<u>OTHER TRUST FUND</u>	<u>GENERAL CAPITAL FUND</u>	<u>WATER-SEWER UTILITY OPERATING FUND</u>
Balance, December 31, 2013 - Due From/(Due To)	A \$ 490,473.09	\$ 109,530.59	\$ (45,462.73)	\$ 426,405.23
Increased/Decreased by:				
Disbursements	A-4 824,177.91	87,895.31	575,948.75	160,333.85
Total Increases/Decreases and Balances	<u>1,314,651.00</u>	<u>197,425.90</u>	<u>530,486.02</u>	<u>586,739.08</u>
Decreased/Increased by:				
Receipts	A-4 1,068,397.67	50,694.95	523,715.30	493,987.42
Balance, December 31, 2014 - Due From/(Due To)	A \$ <u>246,253.33</u>	\$ <u>146,730.95</u>	\$ <u>6,770.72</u>	\$ <u>92,751.66</u>

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF DEFERRED REVENUE

	<u>REF.</u>	
Increased by:		
Receipts	A-4	\$ <u>279,395.07</u>
Balance, December 31, 2014	A	\$ <u><u>279,395.07</u></u>

BOROUGH OF TUCKERTON

CURRENT FUND

SCHEDULE OF EMERGENCY NOTE PAYABLE

<u>PURPOSE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2014</u>
Hurricane Emergency	12/28/12	12/05/14	12/04/15	0.87%	\$ 720,000.00	\$ 180,000.00	\$ 540,000.00
					\$ 720,000.00	\$ 180,000.00	\$ 540,000.00
				<u>REF.</u>	A	A4	A

BOROUGH OF TUCKERTON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>CURRENT FUND</u>
Balance, December 31, 2013 - Due From/(Due To)	A	\$ <u>67,629.22</u>
Increased/Decreased by:		
Cancelled Grant Appropriated Reserves	A-1:A-27	2,553.87
Disbursements by Current Fund	A-4:A-27	55,622.12
2014 Budget Revenues Realized	A-26	<u>628,126.71</u>
Total Increases/Decreases		<u>686,302.70</u>
Total Increases/Decreases and Balances		<u>(618,673.48)</u>
Decreased/Increased by:		
Cancelled Grant Receivables	A-1:A-26	4,247.00
Receipts in Current Fund	A-4:A-26:A-28	67,214.22
2014 Budget Appropriations	A-27	<u>628,126.71</u>
Total Decreases/Increases		<u>699,587.93</u>
Balance, December 31, 2014 - Due From/(Due To)	A	\$ <u>80,914.45</u>

BOROUGH OF TUCKERTON

CURRENT FUND

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2013	2014 BUDGET REVENUE REALIZED	RECEIPTS	CANCELED	BALANCE DECEMBER 31, 2014
Body Armor Replacement Fund	\$	\$ 2,871.00	\$ 2,871.00	\$	\$
Clean Communities Program		7,502.01	7,502.01		
Community Development Block Grant - Curbs and Sidewalks	32,500.00		28,253.00	4,247.00	
Community Facilities Grant Program		37,500.00			37,500.00
DCA Post Sandy		20,000.00			20,000.00
DOT 2013		180,000.00			180,000.00
DOT 2014		350,000.00			350,000.00
Drunk Driving Enforcement Fund		4,025.00	4,025.00		
Municipal Public Access Grant		15,000.00			15,000.00
OEM 966		8,628.70	8,628.70		
Recycling		2,600.00			2,600.00
	<u>\$ 32,500.00</u>	<u>\$ 628,126.71</u>	<u>\$ 51,279.71</u>	<u>\$ 4,247.00</u>	<u>\$ 605,100.00</u>
<u>REF.</u>	A	A-25	A-25	A-25	A

BOROUGH OF TUCKERTON

CURRENT FUND

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2013	2014 BUDGET APPROPRIATION	PAID OR CHARGED	CANCELED	OVEREXPENDED	BALANCE DECEMBER 31, 2014
Alcohol Education and Rehabilitation Fund	\$ 12,432.14	\$	\$ 100.00	\$	\$	12,332.14
Body Armor Replacement Fund	1,288.09	2,871.00	1,527.49			2,631.60
Clean Communities Program	14,676.81	7,502.01				22,178.82
Community Development Block Grant - Curbs and Sidewalks	28,802.73		26,248.86	2,553.87		
Community Facilities Grant Program		37,500.00	37,500.00			
DCA Post Sandy		20,000.00	12,535.82			
DOT 2013		180,000.00				
DOT 2014		350,000.00				
Drunk Driving Enforcement Fund	4,156.45	4,025.00	117.50			7,464.18
Gov Connect	1,360.00					180,000.00
Local History	6,121.00					350,000.00
Municipal Alliance on Alcoholism and Drug Abuse	8,710.35		1,166.01			8,063.95
Municipal Public Access Grant		15,000.00				1,360.00
OEM 966		8,628.70	8,628.70			6,121.00
OEM 966			3,336.70		3,336.70	7,544.34
Recycling		2,600.00				15,000.00
Recycling Tonnage Grant	1,567.46					2,600.00
Stormwater Management	322.00					1,567.46
Wood Street Escrow Forfeiture	18,731.15					322.00
	<u>\$ 98,168.18</u>	<u>\$ 628,126.71</u>	<u>\$ 91,161.08</u>	<u>\$ 2,553.87</u>	<u>\$ 3,336.70</u>	<u>\$ 635,916.64</u>
<u>REF.</u>	A	A-25	A-27	A-25	A	A
Reserve for Encumbrances (Net)			\$ 35,538.96			
Disbursements			<u>55,622.12</u>			
			<u>\$ 91,161.08</u>			

BOROUGH OF TUCKERTON

CURRENT FUND

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS - UNAPPROPRIATED

	<u>RECEIPTS</u>	<u>BALANCE DECEMBER 31, 2014</u>
Recycling Revenue and Residue	\$ 7,906.21	\$ 7,906.21
Recycling Tonnage Grant	<u>8,028.30</u>	<u>8,028.30</u>
	<u>\$ 15,934.51</u>	<u>\$ 15,934.51</u>
<u>REF.</u>	A-25	A

BOROUGH OF TUCKERTON

TRUST FUND

SCHEDULE OF CASH

	<u>REF.</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>TRUST OTHER FUND</u>
Balance, December 31, 2013	B	\$ <u>897.47</u>	\$ <u>525,299.21</u>
Increased by Receipts:			
Animal Control License Fees	B-2	1,251.41	
State Registration Fees	B-3	306.60	
Interfunds	B-4		87,895.31
Miscellaneous Reserves	B-6		<u>3,872,059.99</u>
Total Receipts		<u>1,558.01</u>	<u>3,959,955.30</u>
Total Receipts and Balances		<u>2,455.48</u>	<u>4,485,254.51</u>
Decreased by Disbursements:			
Animal Control Expenditures	B-2	781.00	
State Registration Fees	B-3	622.20	
Interfunds	B-4		50,694.95
Miscellaneous Reserves	B-6		<u>3,941,939.47</u>
Total Disbursements		<u>1,403.20</u>	<u>3,992,634.42</u>
Balance, December 31, 2014	B	\$ <u><u>1,052.28</u></u>	\$ <u><u>492,620.09</u></u>

BOROUGH OF TUCKERTON

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL

TRUST FUND EXPENDITURES

	<u>REF.</u>	
Balance, December 31, 2013	B	\$ 580.67
Increased by:		
Animal Control License Fees Collected	B-1	<u>1,251.41</u>
		1,832.08
Decreased by:		
Expenditures Under R.S. 4:19-15.11:		
Cash	B-1	<u>781.00</u>
Balance, December 31, 2014	B	\$ <u>1,051.08</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2013	\$ <u>1,020.20</u>
2012	<u>1,503.80</u>
	\$ <u>2,524.00</u>

SCHEDULE OF DUE STATE OF NEW JERSEY

Balance, December 31, 2013	B	\$ 316.80
Increased by:		
Receipts - State Registration Fees	B-1	<u>306.60</u>
		623.40
Decreased by:		
Disbursements - State Registration Fees	B-1	<u>622.20</u>
Balance, December 31, 2014	B	\$ <u>1.20</u>

BOROUGH OF TUCKERTON
TRUST FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TRUST OTHER FUND</u>
Balance, December 31, 2013 - Due From/(Due To)	B	\$ (109,530.59)
Increased/Decreased by:		
Receipts	B-1	<u>87,895.31</u> <u>(197,425.90)</u>
Decreased/Increased by:		
Disbursements	B-1	<u>50,694.95</u>
Balance, December 31, 2014 - Due From/(Due To)	B	\$ <u><u>(146,730.95)</u></u>

BOROUGH OF TUCKERTON

TRUST FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>	
Balance, December 31, 2013	B	\$ 270.39
Increased by:		
Transfer from Miscellaneous Reserves	B-6	<u>210.50</u>
		480.89
Decreased by:		
Transfer to Miscellaneous Reserves	B-6	<u>270.39</u>
Balance, December 31, 2014	B	\$ <u><u>210.50</u></u>

BOROUGH OF TUCKERTON

TRUST FUND

SCHEDULE OF MISCELLANEOUS RESERVES

	BALANCE DECEMBER 31, 2013	INCREASE	DECREASE	BALANCE DECEMBER 31, 2014
All Wars Memorial Ballfield	\$ 2,712.00	\$ 150.00	\$	\$ 2,862.00
Compensated Absences	18,734.25		13,520.75	5,213.50
Economic Development Committee	403.50			403.50
Escrow	104,325.07	57,202.33	10,730.50	150,796.90
Fourth of July Fund	200.00			200.00
Hurricane Sandy Donations	5,863.00			5,863.00
K-9 Fund	1,861.02			1,861.02
Law Enforcement	1,655.87			1,655.87
Memorial Day Bows	100.00			100.00
Municipal Alliance - Program Income	467.77	.39		468.16
Outside Police Employment	2,942.13			2,942.13
P.O.A.A.	60.00	26.00	30.00	56.00
Park Benches	25.00			25.00
Payroll and Payroll Agency	74,699.11	3,234,187.71	3,308,045.26	841.56
Police (DARE)	255.00	70.00		325.00
Police (Other)	250.00			250.00
Public Defender	4,542.84	2,814.50		7,357.34
Public Events:				
Trolley	159.94			159.94
Pride and Celebration	54.80			54.80
Public Records Preservation	76.00			76.00
South Green Street Improvements	1,066.88			1,066.88
T.T.L. and Premiums	170,108.33	592,572.48	595,223.91	167,456.90
Tourist Maps (EDC)	1,387.21			1,387.21
Unemployment	22,431.67	3,125.43	14,599.55	10,957.55
Youth Council	1,116.84			1,116.84
	<u>\$ 415,498.23</u>	<u>\$ 3,890,148.84</u>	<u>\$ 3,942,149.97</u>	<u>\$ 363,497.10</u>
	<u>REF.</u>	<u>B</u>		<u>B</u>
Deferred Charge - Deficit in Payroll Trust Reserve	B	\$ 17,818.46	\$	
Receipts	B-1	3,872,059.99		
Disbursements	B-1		3,941,939.47	
Reserve for Encumbrances	B-5	270.39	210.50	
		<u>\$ 3,890,148.84</u>	<u>\$ 3,942,149.97</u>	

BOROUGH OF TUCKERTON

GENERAL CAPITAL FUND

SCHEDULE OF CASH

	<u>REF.</u>		
Balance, December 31, 2013	C		\$ 282,469.20
Increased by:			
Premium on Bond Anticipation Notes Issued	C-1	\$ 1,189.00	
Bond Anticipation Notes	C-8	522,500.00	
Interfunds	C-11	<u>575,948.75</u>	
			<u>1,099,637.75</u>
			1,382,106.95
Decreased by:			
Improvement Authorizations	C-6	576,333.98	
Interfunds	C-11	<u>523,715.30</u>	
			<u>1,100,049.28</u>
Balance, December 31, 2014	C		\$ <u><u>282,057.67</u></u>

BOROUGH OF TUCKERTON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO
FUTURE TAXATION - FUNDED

	<u>REF.</u>	
Balance, December 31, 2013	C	\$ 1,193,000.00
Decreased by:		
2014 Budget Appropriations to Pay Bonds	C-7	<u>280,000.00</u>
Balance, December 31, 2014	C	<u>\$ 913,000.00</u>

BOROUGH OF TUCKERTON

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2013		DECREASED	BALANCE DECEMBER 31, 2014	
				FUNDED	UNFUNDED		FUNDED	UNFUNDED
05-89	Acquisition of Fire Truck	05/01/89	\$ 210,000.00	\$	\$ 13,933.26	\$	\$	\$ 13,933.26
17-91	Utility Truck with Plow	11/04/91	30,000.00		3,500.00			3,500.00
05-98	Equipment and Installation OEM Tower	04/06/98	20,000.00		4,167.00			4,167.00
04-99	Acquisition of Trash Truck	04/19/99	140,000.00		2,623.16			2,623.16
12(2)-00	Repair Municipal Docks	08/07/00	20,000.00		6,434.59			6,434.59
16-02	Various Improvements Buildings and Roads	08/19/02	300,000.00	67,088.68			67,088.68	
01-07	Various General Improvements	04/02/07	240,000.00	4,176.68			4,176.68	
05-07	Road Improvements Angler and Tarpon	05/07/07	265,400.00	113,958.83			113,958.83	
10-11	Phase III of the Maple, Bartlett and Western Avenues Reconstruction Project	06/16/11	165,000.00	1,443.13			1,443.13	
07-13	Purchase of Computer and Server Upgrades	07/15/13	30,000.00	21,341.49			21,341.49	
08-13	Purchase of Vehicles	11/04/13	87,500.00	30,935.00		4,296.61	26,638.39	
09-13	Acquisition of Real Property	11/04/13	550,000.00	24,912.00	522,500.00	544,631.98		2,580.02
			\$	263,855.81	\$ 553,158.01	\$ 549,128.59	\$ 234,647.20	\$ 33,238.03
				C	C		C	C
	Disbursements					\$ 576,333.98		
	Reserve for Encumbrances (Net)					(27,205.39)		
						\$ 549,128.59		

BOROUGH OF TUCKERTON

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF BONDS OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2014</u>
			<u>DATE</u>	<u>AMOUNT</u>				
General Obligation Bonds Series 2009	01/07/09	\$ 2,193,000.00	01-01-15	\$ 290,000.00	6.00%	\$	\$	
			01-01-16	305,000.00	6.00%			
			01-01-17	318,000.00	6.00%		280,000.00	913,000.00
						\$ 1,193,000.00	\$ 280,000.00	\$ 913,000.00
					<u>REF.</u>	C	C-4	C

BOROUGH OF TUCKERTON

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL ISSUE OF NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>INCREASED</u>	<u>BALANCE DECEMBER 31, 2014</u>
09-13	Acquisition of Real Property	12/05/14	12/05/14	12/04/15	0.87%	\$ 522,500.00	\$ 522,500.00
					<u>REF.</u>	\$ 522,500.00	\$ 522,500.00
					C-2		C

"C-9"

BOROUGH OF TUCKERTON - COUNTY OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

REF.

Balance, December 31, 2013 and 2014 C \$ 17,335.71

"C-10"

SCHEDULE OF MISCELLANEOUS RESERVES

BALANCE
DECEMBER
31, 2013
AND 2014

IMPROVEMENT DESCRIPTION

Preliminary Expenses Borough Hall \$ 12,525.00

REF.

C

"C-11"

SCHEDULE OF INTERFUNDS

CURRENT
FUND

Balance, December 31, 2013 - Due From/(Due To) C \$ 45,462.73

Increased/Decreased by:
Receipts

C-2 575,948.75
(530,486.02)

Decreased/Increased by:
Disbursements

C-2 523,715.30

Balance, December 31, 2014 - Due From/(Due To) C \$ (6,770.72)

BOROUGH OF TUCKERTON

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>	
Balance, December 31, 2013	C	\$ 31,502.00
Increased by:		
Transfer from Improvement Authorizations	C-6	<u>4,296.61</u>
		35,798.61
Decreased by:		
Transfer to Improvement Authorizations	C-6	<u>31,502.00</u>
Balance, December 31, 2014	C	<u><u>\$ 4,296.61</u></u>

BOROUGH OF TUCKERTON

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2014</u>
05-89	Acquisition of Fire Truck	\$ 13,933.26
17-91	Utility Truck with Plow	3,500.00
05-98	Equipment and Installation OEM Tower	4,167.00
04-99	Acquisition of Trash Truck	2,623.16
12(2)-00	Repair Municipal Docks	<u>6,434.59</u>
		<u>\$ 30,658.01</u>
	<u>REF.</u>	C

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY FUND

SCHEDULE OF WATER-SEWER UTILITY CASH

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2013	D	\$ <u>466,218.25</u>	\$ <u>289,015.18</u>
Increased by Receipts:			
Change Fund	D	50.00	
Water-Sewer Overpayments	D	7,187.66	
Water-Sewer Miscellaneous	D-3	34,504.87	
Water Rents Receivable	D-7	724,855.65	
Sewer Rents Receivable	D-8	1,322,411.89	
Deferred Revenue	D-10	58,997.44	
Interfunds	D-13	199,385.34	
Interfunds	D-18		39,051.34
Total Receipts		<u>2,347,392.85</u>	<u>39,051.34</u>
Total Receipts and Balances		<u>2,813,611.10</u>	<u>328,066.52</u>
Decreased by Disbursements:			
Prepaid Debt Service	D	165,000.00	
Water-Sewer Overpayments	D	5,374.05	
Refund of Prior Year Revenue	D-1	4,705.49	
Budget Appropriations	D-4	1,499,038.31	
Accrued Interest on Bonds and Notes	D-12	323,958.71	
Interfunds	D-13	533,038.76	
Appropriation Reserves	D-14	13,892.19	
Interfunds	D-18		39,051.49
Improvement Authorizations	D-22		67,991.62
Total Disbursements		<u>2,545,007.51</u>	<u>107,043.11</u>
Balance, December 31, 2014	D	\$ <u><u>268,603.59</u></u>	\$ <u><u>221,023.41</u></u>

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

ANALYSIS OF UTILITY CAPITAL CASH

	BALANCE DECEMBER 31, 2013	RECEIPTS	DISBURSEMENTS	TRANSFERS TO	FROM	BALANCE DECEMBER 31, 2014
Fund Balance	\$ 264.43	\$	\$	\$	\$	264.43
Reserve for Improvements to Water System	5,451.49					5,451.49
Capital Improvement Fund	105,989.26					105,989.26
Interfunds:						
Water - Sewer Operating Fund	13.90	39,051.34	39,051.49			13.75
Reserve for Encumbrances	9,389.00				9,389.00	
Improvement Authorizations:						
ORDINANCE NUMBER	<u>IMPROVEMENT DESCRIPTION</u>					
07-92	Water System Improvement Project					
06-97	Water Lines - Phase I					
05-00	Replace Alarm - Main					
14-01	Acquire and Install Computers and Related Equipment					
04-03	Anchor Avenue Project					
01-04	Water System Improvement Projects					
03-04	Various Water System Improvements					
19-04	Acquire Two Wellhead Shelters					
07-05	Acquisition of Equipment for Stormwater Regulation Compliance					
07-11	Various Water-Sewer Capital Projects					
03-14	Replacement of Water Mains					
04-14	Replacement of Sewer Mains					
05-14	Repainting of the Water Tank					
	\$ 289,015.18	\$ 39,051.34	\$ 107,043.11	\$ 9,389.00	\$ 9,389.00	\$ 221,023.41

REF.

D

D-5

D-5

D

"D-7"

BOROUGH OF TUCKERTON

WATER - SEWER UTILITY OPERATING FUND

SCHEDULE OF WATER RENTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2013	D		\$ 55,388.08
Increased by:			
Water Rents Levied			<u>745,481.32</u>
			800,869.40
Decreased by:			
Collection	D-5	\$ 724,855.65	
Deferred Revenue Applied	D-10	<u>21,893.76</u>	
	D-3	746,749.41	
Transfers to Liens	D-9	565.51	
Remitted, Abated or Cancelled		<u>7,088.55</u>	
			<u>754,403.47</u>
Balance, December 31, 2014	D		<u>\$ 46,465.93</u>

"D-8"

SCHEDULE OF SEWER RENTS RECEIVABLE

Balance, December 31, 2013	D		\$ 109,677.61
Increased by:			
Sewer Rents Levied			<u>1,376,889.55</u>
			1,486,567.16
Decreased by:			
Collection	D-5	\$ 1,322,411.89	
Deferred Revenue Applied	D-10	<u>43,886.92</u>	
	D-3	1,366,298.81	
Transfers to Liens	D-9	1,021.91	
Remitted, Abated or Cancelled		<u>20,117.06</u>	
			<u>1,387,437.78</u>
Balance, December 31, 2014	D		<u>\$ 99,129.38</u>

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY OPERATING FUND

SCHEDULE OF WATER-SEWER UTILITY LIENS

	<u>REF.</u>		
Increased by:			
Transfers from Water Rents Receivable	D-7	\$ 565.51	
Transfers from Sewer Rents Receivable	D-8	<u>1,021.91</u>	
			\$ <u>1,587.42</u>
Balance, December 31, 2014	D		\$ <u><u>1,587.42</u></u>

"D-10"

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF DEFERRED REVENUE

	<u>REF.</u>		
Balance, December 31, 2013	D		\$ 65,780.68
Increased by:			
Receipts	D-5		<u>58,997.44</u>
			124,778.12
Decreased by:			
Application to Water Rents Receivable	D-7	\$ 21,893.76	
Application to Sewer Rents Receivable	D-8	<u>43,886.92</u>	
			<u>65,780.68</u>
Balance, December 31, 2014	D		\$ <u><u>58,997.44</u></u>

"D-11"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2013	D		\$ 1,003.60
Increased by:			
Transfers from Water - Overpayments	D:D-1:D-5		<u>84.65</u>
			1,088.25
Decreased by:			
Cancelled	D-1		<u>1,003.60</u>
Balance, December 31, 2014	D		\$ <u><u>84.65</u></u>

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND LOANS

	<u>REF.</u>		
Balance, December 31, 2013	D		\$ 85,700.39
Increased by:			
Budget Appropriations for:			
Interest on Bonds		\$ 305,443.93	
Interest on Notes		6,250.00	
Interest on Loans		<u>27,309.38</u>	
	D-4		<u>339,003.31</u>
			<u>424,703.70</u>
Decreased by:			
Interest Paid	D-5		<u>323,958.71</u>
Balance, December 31, 2014	D		<u>\$ 100,744.99</u>

SCHEDULE OF INTERFUNDS

		<u>TOTAL</u> <u>(MEMO ONLY)</u>	<u>CURRENT</u> <u>FUND</u>	<u>WATER - SEWER</u> <u>CAPITAL</u>
Balance, December 31, 2013 - Due From/(Due To)	D	\$ (426,391.33)	\$ (426,405.23)	\$ 13.90
Increased/Decreased by:				
Receipts	D-5	<u>199,385.34</u> (625,776.67)	<u>160,333.85</u> (586,739.08)	<u>39,051.49</u> (39,037.59)
Decreased/Increased by:				
Disbursements	D-5	<u>533,038.76</u>	<u>493,987.42</u>	<u>39,051.34</u>
Balance, December 31, 2014 - Due From/(Due To)	D	<u>\$ (92,737.91)</u>	<u>\$ (92,751.66)</u>	<u>\$ 13.75</u>

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY OPERATING FUND

SCHEDULE OF APPROPRIATION RESERVES

	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE AFTER TRANSFERS</u>	<u>PAID OR CHARGED</u>	<u>BALANCE LAPSED</u>	
Operations					
Salaries and Wages	\$ 9,741.64	\$ 448.83	\$	\$ 448.83	
Other Expenses	70.18	9,362.99	8,017.99	1,345.00	
Ocean County Utilities Authority	979.60	979.60		979.60	
Group Insurance	81.25	81.25		81.25	
Other Insurance	1,250.00	1,250.00		1,250.00	
Salary Settlements and Adjustments	911.51	911.51		911.51	
Statutory Expenditures					
Contribution to:					
Social Security System (O.A.S.I.)	6,157.29	6,157.29	5,874.20	283.09	
Unemployment Compensation Insurance	2,219.59	2,219.59		2,219.59	
	<u>\$ 21,411.06</u>	<u>\$ 21,411.06</u>	<u>\$ 13,892.19</u>	<u>\$ 7,518.87</u>	
		D-14	D-5		D-1
		<u>REF.</u>			
Appropriation Reserves - 2013	\$ 12,118.25				
Reserve for Encumbrances	<u>9,292.81</u>				
	<u>\$ 21,411.06</u>				

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2013	D	\$ <u>9,377.46</u>	\$ <u>9,389.00</u>
Increased by:			
Transfer from Water-Sewer Overpayments	D:D-1:D-5	238.14	
Transfer from 2014 Budget Appropriations	D-4	<u>17,271.20</u>	<u> </u>
Total Increases		<u>17,509.34</u>	<u> </u>
Total Increases and Balances		26,886.80	9,389.00
Decreased by:			
Transfer to Appropriation Reserves	D-14	9,292.81	
Transfer to Water-Sewer Overpayments	D:D-1:D-5	84.65	
Transfer to Improvement Authorizations	D-22	<u> </u>	<u>9,389.00</u>
Total Decreases		<u>9,377.46</u>	<u>9,389.00</u>
Balance, December 31, 2014	D	\$ <u><u>17,509.34</u></u>	\$ <u><u> </u></u>

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>	<u>ADDITIONS</u> <u>COSTS FROM</u> <u>FIXED CAPITAL</u> <u>AUTHORIZED AND</u> <u>UNCOMPLETED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2014</u>
Transmission Lines	\$ 3,846,859.00	\$	\$ 3,846,859.00
Water Meters	265,581.00		265,581.00
Plant, Building and Equipment	460,293.00		460,293.00
Water Tank	564,672.00		564,672.00
Water Wells	279,816.89		279,816.89
Equipment	27,350.00		27,350.00
Land	5,500.00		5,500.00
Backhoe	17,847.50		17,847.50
Anchor Avenue Project	75,000.00		75,000.00
Water System Improvement Project:			
Ordinance #07-92	1,796,003.37		1,796,003.37
Water Lines - Phase I:			
Ordinance #06-97	298,662.10		298,662.10
Acquire and Install Computers and Related			
Equipment:			
Ordinance #14-01	7,071.84		7,071.84
Anchor Avenue Project:			
Ordinance #04-03	22,101.36		22,101.36
Capital Outlay:			
By Operating Budget of 2006	5,000.00		5,000.00
Replace Alarm - Main:			
Ordinance #05-00	170,958.44		170,958.44
Construction of a Water Supply Well and an			
Additional Filter:			
Ordinance #10-02	653,000.00		653,000.00
Water System Improvement Projects:			
Ordinance #01-04	23,758.11		23,758.11
Various Water System Improvements:			
Ordinance #03-04	459,000.00		459,000.00
Acquire and Install Water Meters:			
Ordinance #18-04	1,264.53		1,264.53
Closing of Well #1 and Well #2:			
Ordinance #03-07	318,735.47		318,735.47
Acquire Two Wellhead Shelters:			
Ordinance #19-04	116,811.08		116,811.08
Water Service Along Angler and Tarpon Roads:			
Ordinance #20-04	245,000.00		245,000.00
Water Service Along Angler and Tarpon Roads:			
Ordinance #06-07	80,000.00		80,000.00
Acquisition and Installation of Carroll			
Avenue Fire Hydrants:			
Ordinance #11-09	16,950.00		16,950.00
Sewer Collection System	2,669,427.19		2,669,427.19
Sewer Jetter	64,988.00		64,988.00
Sewer Equipment	41,023.00		41,023.00
Backhoe	17,847.50		17,847.50

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>	<u>ADDITIONS</u> <u>COSTS FROM</u> <u>FIXED CAPITAL</u> <u>AUTHORIZED AND</u> <u>UNCOMPLETED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2014</u>
Land	\$ 8,250.00	\$	\$ 8,250.00
Improvements to Sewer Utility:			
Ordinance #02-91	334,902.55		334,902.55
Purchase of Utility Truck:			
Ordinance #18-91	15,824.50		15,824.50
Sewer System Improvements:			
Ordinance #08-92	2,409,534.16		2,409,534.16
Anchor Avenue Project:			
Ordinance #20-01	25,000.00		25,000.00
Western and Maple Avenues Sewer Improvements:			
Ordinance #14-98 and Community Development Block Grant	250,996.07		250,996.07
Sewer System Improvements:			
Ordinance #09-00	100,505.98		100,505.98
Acquisition of Computer Equipment:			
Ordinance #15-01	7,314.84		7,314.84
Capital Outlay:			
By Operating Budget of 2006	7,348.10		7,348.10
Fairway Pumping Station and Related Expenses:			
Ordinance #15-02	400,000.00		400,000.00
Sewer System Improvements:			
Ordinance #05-03	30,000.00		30,000.00
Restoration of the Boroughs Main Sewer Line:			
Ordinance #09-04	39,743.54		39,743.54
Sewer Service Along Angler and Tarpon Roads:			
Ordinance #21-04	342,000.00		342,000.00
Acquisition of Emergency Equipment for the Borough Sewer System:			
Ordinance #23-04	78,347.70		78,347.70
Acquisition of a Utility Truck:			
Ordinance #26-04	52,000.00		52,000.00
Acquisition of Equipment for Stormwater Regulation Compliance:			
Ordinance #07-05	159,636.16		159,636.16
Renovations to Existing Pump Stations:			
Ordinance #10-05	1,200,000.00		1,200,000.00
Renovations to Existing Pump Stations:			
Ordinance #04-06	70,000.00		70,000.00
Sewer Service Along Angler and Tarpon Roads:			
Ordinance #07-07	98,871.89		98,871.89
Preliminary Expenses - East Main Street Sewer Main:			
Resolution #76-08	23,500.00		23,500.00
Replace Sewer Main at East Main Street and Tip Seaman:			
Ordinance #04-08	235,509.94		235,509.94

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>	<u>ADDITIONS</u> <u>COSTS FROM</u> <u>FIXED CAPITAL</u> <u>AUTHORIZED AND</u> <u>UNCOMPLETED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2014</u>
Various Water-Sewer Capital Projects			
Ordinance #07-11	\$ 36,010.50	\$	\$ 36,010.50
Improvements to the Sewer Utility System			
Ordinance #10-13	500,000.00		500,000.00
Replacement of Water Mains			
Ordinance #03-14		19,972.19	19,972.19
Replacement of Sewer Mains			
Ordinance #04-14		29,351.57	29,351.57
Repainting of the Water Tank			
Ordinance #05-14		<u>9,278.86</u>	<u>9,278.86</u>
	<u>\$ 18,975,817.31</u>	<u>\$ 58,602.62</u>	<u>\$ 19,034,419.93</u>
<u>REF.</u>	D	D-17	D

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE DATE</u>	<u>ORDINANCE AMOUNT</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>DEFERRED RESERVE FOR AMORTIZATION</u>	<u>DEFERRED CHARGES TO FUTURE REVENUE</u>	<u>COSTS TO FIXED CAPITAL</u>	<u>BALANCE DECEMBER 31, 2014</u>
07-92	Water System Improvement Project	05/18/92	\$ 1,800,430.00	\$ 4,426.63	\$	\$	\$	4,426.63
06-97	Water Lines - Phase I	09/15/97-07/19/00	300,000.00	1,337.90				1,337.90
05-00	Replace Alarm - Main	04/17/00	180,000.00	9,041.56				9,041.56
14-01	Acquire and Install Computers and Related Equipment	07/16/01	8,000.00	928.16				928.16
04-03	Anchor Avenue Project	06/02/03	30,000.00	7,898.64				7,898.64
01-04	Water System Improvement Projects	02/02/04	35,000.00	11,241.89				11,241.89
03-04	Various Water System Improvements	02/18/04	550,000.00	91,000.00				91,000.00
19-04	Acquire Two Wellhead Shelters	09/08/04	120,000.00	3,188.92				3,188.92
18-91	Purchase Utility Truck	11/04/91	23,000.00	7,000.00				7,000.00
07-05	Acquisition of Equipment for Stormwater Regulation Compliance	05/02/05	170,000.00	10,363.84				10,363.84
07-11	Various Water-Sewer Capital Projects	05/02/11	64,490.06	28,479.56				28,479.56
2011	Reserve for Improvements to Water System	2011	5,451.49		5,451.49			5,451.49
03-14	Replacement of Water Mains	06/17/14	1,260,000.00			1,260,000.00	19,972.19	1,240,027.81
04-14	Replacement of Sewer Mains	06/17/14	1,985,000.00			1,985,000.00	29,351.57	1,955,648.43
05-14	Repainting of the Water Tank	06/17/14	1,280,000.00			1,280,000.00	9,278.86	1,270,721.14
				<u>\$ 174,907.10</u>	<u>\$ 5,451.49</u>	<u>\$ 4,525,000.00</u>	<u>\$ 58,602.62</u>	<u>\$ 4,646,755.97</u>

REF.

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D-26

D-22

D-16

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BOROUGH OF TUCKERTON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL (MEMO ONLY)</u>	<u>WATER-SEWER OPERATING</u>
Balance, December 31, 2013 - Due From/(Due To)	D	\$ (13.90)	\$ (13.90)
Increased/Decreased by:			
Receipts	D-5	\$ <u>39,051.34</u> (39,065.24)	\$ <u>39,051.34</u> (39,065.24)
Decreased/Increased by:			
Disbursements	D-5	<u>39,051.49</u>	<u>39,051.49</u>
Balance December 31, 2014 - Due From/(Due To)	D	\$ <u><u>(13.75)</u></u>	\$ <u><u>(13.75)</u></u>

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF BONDS OUTSTANDING DEC. 31, 2014</u>			<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2014</u>
			<u>DATE</u>	<u>AMOUNT</u>	<u>\$</u>				
Water Improvements	05/28/81	\$ 1,645,000.00	Due Serially	Various	5.00%	\$ 565,506.77	\$ 70,031.16	\$ 495,475.61	
Water Improvements	10/20/88	497,400.00	Due Serially	Various	6.375%	322,136.31	14,222.47	307,913.84	
Water Improvements	01/15/98	798,800.00	Due Serially	Various	4.50%	636,458.01	15,686.36	620,771.65	
Water Improvements	03/24/99	400,000.00	Due Serially	Various	4.50%	326,052.18	6,988.84	319,063.34	
Sewer System Improvements	09/28/94	1,259,650.00	Due Serially	Various	4.50%	916,652.98	27,048.41	889,604.57	
Sewer System Improvements	10/20/88	512,800.00	Due Serially	Various	5.00%	299,409.30	15,176.63	284,232.67	
Sewer System Improvements	12/01/92	233,300.00	Due Serially	Various	5.00%	162,801.93	5,442.11	157,359.82	
Sewer System Improvements	01/15/98	252,000.00	Due Serially	Various	4.50%	200,776.32	4,949.45	195,826.87	
General Obligation Bonds Series 2009	01/07/09	2,688,000.00	01/01/15	165,000.00	6.00%				
			01/01/16	165,000.00	6.00%				
			01/01/17	175,000.00	6.00%				
			01/01/18	185,000.00	6.00%				
			01/01/19	195,000.00	6.00%				
			01/01/20	205,000.00	6.00%				
			01/01/21	210,000.00	6.00%				
			01/01/22	220,000.00	6.25%				
			01/01/23	230,000.00	6.50%				
			01/01/24	233,000.00	6.50%				
						2,138,000.00	155,000.00	1,983,000.00	
						\$ 5,567,793.80	\$ 314,545.43	\$ 5,253,248.37	

REF

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D-25

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BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2014</u>
10-13	Improvements to the Sewer Utility System	12/06/13	12/05/14	12/04/15	0.87%	\$ 500,000.00	\$ 50,000.00	\$ 450,000.00
						\$ 500,000.00	\$ 50,000.00	\$ 450,000.00
					<u>REF.</u>	D	D-25	D

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF NEW JERSEY INFRASTRUCTURE LOANS PAYABLE

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>MATURITIES OF LOANS OUTSTANDING DECEMBER 31, 2014</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2014</u>
New Jersey Environmental Infrastructure Trust - Well and Filter	N/A	See D-19 - Sheet 2	Various	\$ 335,317.40	\$ 30,596.67	\$ 304,720.73
New Jersey Environmental Infrastructure Trust - Pump Stations	N/A	See D-19 - Sheet 3	Various	803,467.18	61,104.59	742,362.59
				<u>\$ 1,138,784.58</u>	<u>\$ 91,701.26</u>	<u>\$ 1,047,083.32</u>
			<u>REF.</u>	D	D-25	D

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

MATURITY SCHEDULE - CONSTRUCTION OF A WATER SUPPLY

WELL AND AN ADDITIONAL FILTER

\$632,164 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

<u>DUE</u>	<u>LOAN</u> <u>BALANCE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PAYMENT</u>
02/01/15	\$ 304,720.73	\$ 2,716.14	\$ 4,218.75	\$ 6,934.89
08/01/15	302,004.59	35,592.66	4,218.75	39,811.41
02/01/16	266,411.93	2,394.22	3,718.75	6,112.97
08/01/16	264,017.71	35,270.74	3,718.75	38,989.49
02/01/17	228,746.97	2,072.31	3,218.75	5,291.06
08/01/17	226,674.66	34,948.83	3,218.75	38,167.58
02/01/18	191,725.83	1,750.40	2,718.75	4,469.15
08/01/18	189,975.43	34,626.92	2,718.75	37,345.67
02/01/19	155,348.51	1,428.48	2,218.75	3,647.23
08/01/19	153,920.03	34,305.00	2,218.75	36,523.75
02/01/20	119,615.03	1,106.57	1,718.75	2,825.32
08/01/20	118,508.46	33,983.09	1,718.75	35,701.84
02/01/21	84,525.37	784.66	1,218.75	2,003.41
08/01/21	83,740.71	41,880.31	1,218.75	43,099.06
02/01/22	41,860.40	382.27	593.75	976.02
08/01/22	41,478.13	41,478.13	593.75	42,071.88
<u>TOTAL</u>		<u>\$ 304,720.73</u>	<u>\$ 39,250.00</u>	<u>\$ 343,970.73</u>

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

MATURITY SCHEDULE - RENOVATIONS TO EXISTING

PUMP STATIONS

\$1,179,000 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

<u>DUE</u>	<u>LOAN BALANCE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PAYMENT</u>
02/01/15	\$ 742,362.59	\$ 5,562.03	\$ 8,768.75	\$ 14,330.78
08/01/15	736,800.56	54,591.10	8,768.75	63,359.85
02/01/16	682,209.46	5,181.45	8,168.75	13,350.20
08/01/16	677,028.01	54,210.52	8,168.75	62,379.27
02/01/17	622,817.49	4,800.87	7,568.75	12,369.62
08/01/17	618,016.62	62,001.45	7,568.75	69,570.20
02/01/18	556,015.17	4,356.86	6,868.75	11,225.61
08/01/18	551,658.31	61,557.44	6,868.75	68,426.19
02/01/19	490,100.87	3,885.10	6,125.00	10,010.10
08/01/19	486,215.77	61,085.68	6,125.00	67,210.68
02/01/20	425,130.09	3,413.33	5,381.25	8,794.58
08/01/20	421,716.76	60,613.92	5,381.25	65,995.17
02/01/21	361,102.84	2,913.82	4,593.75	7,507.57
08/01/21	358,189.02	68,285.91	4,593.75	72,879.66
02/01/22	289,903.11	2,358.81	3,718.75	6,077.56
08/01/22	287,544.30	67,730.90	3,718.75	71,449.65
02/01/23	219,813.40	1,803.79	2,843.75	4,647.54
08/01/23	218,009.61	67,175.89	2,843.75	70,019.64
02/01/24	150,833.72	1,248.78	1,968.75	3,217.53
08/01/24	149,584.94	74,792.38	1,968.75	76,761.13
02/01/25	74,792.56	624.39	984.38	1,608.77
08/01/25	74,168.17	74,168.17	984.38	75,152.55
<u>TOTAL</u>		\$ <u>742,362.59</u>	\$ <u>113,981.26</u>	\$ <u>856,343.85</u>

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2013		2014 AUTHORIZATIONS	PAID OR CHARGED	BALANCE DECEMBER 31, 2014	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
07-92	Water System Improvement Project	05/18/92	\$ 1,800,430.00	\$ 4,426.63	\$	\$	\$	4,426.63	\$
06-97	Water Lines - Phase I	09/15/97-07/19/00	300,000.00	1,337.90				1,337.90	
05-00	Replace Alarm - Main	04/17/00	180,000.00	9,041.56				9,041.56	
14-01	Acquire and Install Computers and Related Equipment	07/16/01	8,000.00	928.16				928.16	
04-03	Anchor Avenue Project	06/02/03	30,000.00	7,898.64				7,898.64	
01-04	Water System Improvement Projects	02/02/04	35,000.00	11,241.89				11,241.89	
03-04	Various Water System Improvements	02/18/04	550,000.00	91,000.00				91,000.00	
19-04	Acquire Two Wellhead Shelters	09/08/04	120,000.00	3,188.92				3,188.92	
18-91	Purchase Utility Truck	11/04/91	23,000.00		7,000.00				7,000.00
07-05	Acquisition of Equipment for Stormwater Regulation Compliance	05/02/05	170,000.00	10,363.84				10,363.84	
07-11	Various Water-Sewer Capital Projects	05/02/11	64,490.06	28,479.56				28,479.56	
03-14	Replacement of Water Mains	06/17/14	1,260,000.00		1,260,000.00	19,972.19			1,240,027.81
04-14	Replacement of Sewer Mains	06/17/14	1,985,000.00		1,985,000.00	29,351.57			1,955,648.43
05-14	Repainting of the Water Tank	06/17/14	1,280,000.00		1,280,000.00	9,278.86			1,270,721.14
				<u>\$ 167,907.10</u>	<u>\$ 7,000.00</u>	<u>\$ 4,525,000.00</u>	<u>\$ 58,602.62</u>	<u>\$ 167,907.10</u>	<u>\$ 4,473,397.38</u>
				D	D	D-17		D	D

REF.
D-5
D-15

Disbursements
Reserve for Encumbrances (Net)

\$ 67,991.62
(9,389.00)
\$ 58,602.62

"D-23"

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2013 and 2014	D	\$ <u>105,989.26</u>

"D-24"

SCHEDULE OF RESERVE FOR IMPROVEMENTS
TO WATER SYSTEM

Balance, December 31, 2013 and 2014	D	\$ <u>5,451.49</u>
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"D-25"

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance, December 31, 2013	D	\$ 11,769,238.93
Increased by:		
Serial Bonds Paid by Operating Budget	D-19	\$ 314,545.43
Bond Anticipation Notes Paid by Operating Budget	D-20	50,000.00
NJ EIT Loans Paid by Operating Budget	D-21	<u>91,701.26</u>
		<u>456,246.69</u>
Balance, December 31, 2014	D	\$ <u>12,225,485.62</u>

BOROUGH OF TUCKERTON

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORDINANCE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>FIXED CAPITAL AUTHORIZED</u>	<u>BALANCE DECEMBER 31, 2014</u>
07-92	Water System Improvement Project	05/18/92	\$ 4,426.63	\$	\$ 4,426.63
06-97	Water Lines - Phase I	09/15/97-07/19/00	1,337.90		1,337.90
05-00	Replace Alarm - Main	04/17/00	9,041.56		9,041.56
14-01	Acquire and Install Computers and Related Equipment	07/16/01	928.16		928.16
04-03	Anchor Avenue Project	06/02/03	7,898.64		7,898.64
01-04	Water System Improvement Projects	02/02/04	11,241.89		11,241.89
03-04	Various Water System Improvements	02/18/04	91,000.00		91,000.00
19-04	Acquire Two Wellhead Shelters	09/08/04	3,188.92		3,188.92
07-05	Acquisition of Equipment for Stormwater Regulation Compliance	05/02/05	10,363.84		10,363.84
07-11	Various Water-Sewer Capital Projects	05/02/11	28,479.56		28,479.56
2011	Reserve for Improvements to Water System	2011		5,451.49	5,451.49
			<u>\$ 167,907.10</u>	<u>\$ 5,451.49</u>	<u>\$ 173,358.59</u>
	<u>REF.</u>		D	D-17	D

BOROUGH OF TUCKERTON
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED
BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2014</u>
18-91	Purchase Utility Truck	\$ 7,000.00
03-14	Replacement of Water Mains	1,260,000.00
04-14	Replacement of Sewer Mains	1,985,000.00
05-14	Repainting of the Water Tank	<u>1,280,000.00</u>
		<u>\$ 4,532,000.00</u>
	<u>REF.</u>	D

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BOROUGH OF TUCKERTON

PART II

REPORTS 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 FOR THE
YEAR ENDED DECEMBER 31, 2014

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@senco.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**

Honorable Mayor and Members
of the Borough Council
Borough of Tuckerton
County of Ocean
Tuckerton, New Jersey 08087

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 basis financial statements of the various individual funds and account groups of the Borough of Tuckerton, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon September 15, 2015. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Tuckerton 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 Borough'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 Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of Borough'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 Borough's regulatory 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*. However, there were immaterial instances of noncompliance which are discussed in Part III, General Comments and Recommendations Section of the audit report.

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. 50

September 15, 2015

BOROUGH OF TUCKERTON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2014

FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR'S NUMBER	GRANT PERIOD FROM TO	GRANT AWARD AMOUNT	2014 FUNDS RECEIVED	2014 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2014
10.766	N/A	2014 Completion	\$ 37,500.00	\$	\$ 37,500.00	\$ 37,500.00
FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE						
DEPARTMENT OF AGRICULTURE:						
Community Facilities Grant Program:						
Direct Program:						
2014 Grant Award						
DEPARTMENT OF COMMERCE:						
National Oceanic and Atmospheric Administration:						
Municipal Public Access Grant:						
Indirect Program - Passed Through the State of New Jersey						
Department of Environmental Protection:						
2014 Grant Award						
11.419	xxx-042-4900-xxx-xxxxxx	2014 Completion	15,000.00			
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:						
Community Development Block Grant:						
Indirect Programs - Passed Through the County of Ocean						
Department of Planning:						
Curbs and Sidewalks						
14.218	CT - 1533-12	07/01/12 Completion	28,253.00	28,253.00	26,248.86	28,253.00
Indirect Programs - Passed Through the State of NJ						
Department of Community Affairs:						
DCA Post Sandy						
14.218	Unknown	2014 Completion	20,000.00	28,253.00	12,535.82	40,788.82
Total Department of Housing and Urban Development						
DEPARTMENT OF TRANSPORTATION:						
Highway Planning and Construction						
Indirect Programs - Passed Through the New Jersey						
Department of Transportation						
2013 Grant Award						
20.205	480-078-6320-xxx	2014 Completion	180,000.00			
20.205	480-078-6320-xxx	2014 Completion	350,000.00	0.00	0.00	0.00
Total Department of Transportation						
DEPARTMENT OF HOMELAND SECURITY						
Disaster Grants - Public Assistance						
Indirect Programs - Passed Through the New Jersey						
Department of Law and Public Safety						
Hurricane Sandy						
97.036	100-066-1200-A92	12/17/12 Completion	1,226,244.08			1,226,244.08
Total Federal Assistance						
				\$ 28,253.00	\$ 76,284.68	\$ 1,304,532.90
Supplementary Information						

BOROUGH OF TUCKERTON

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2014

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2014 FUNDS RECEIVED	2014 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2014
		FROM	TO				
<u>DEPARTMENT OF ENVIRONMENTAL PROTECTION:</u>							
Direct Programs:							
Clean Communities Program:							
2012	765-042-4900-004-178910	2012	Completion	\$ 6,813.67	\$		\$ 136.66
2013	765-042-4900-004-178910	2013	Completion	7,999.80			
2014	765-042-4900-004-178910	2014	Completion	7,502.01	7,502.01		136.66
Total Clean Communities Program							
Recycling Tonnage Grant:							
Prior Years	752-042-4900-001-178810	Prior Years	Completion	6,805.10	8,028.30		5,237.64
2014	752-042-4900-001-178810	2014	Completion	8,028.30	8,028.30		5,237.64
Total Recycling Tonnage Grant							
Stormwater Management Grant:							
Prior Years	xxx-042-4900-xxx-xxxxx	Prior Years	Completion	322.00	15,530.31		5,374.30
Total Department of Environmental Protection							
<u>DEPARTMENT OF LAW AND PUBLIC SAFETY:</u>							
Direct Programs:							
Body Armor Replacement Fund:							
2012	718-066-1020-001-090160	2012	Completion	1,288.09			
2013	718-066-1020-001-090160	2013	Completion	1,527.49	1,527.49	1,527.49	1,527.49
2014	718-066-1020-001-090160	2014	Completion	1,343.51	1,343.51		
Total Body Armor Replacement Fund							
Drunk Driving Enforcement Fund:							
2011	100-078-6400-001-YYYY-xxxx	2011	Completion	2,516.85		117.50	1,768.65
2012	100-078-6400-001-YYYY-xxxx	2012	Completion	3,290.75	4,025.00		
2014	100-078-6400-001-YYYY-xxxx	2014	Completion	4,025.00	4,025.00	117.50	1,768.65
Total Drunk Driving Enforcement Fund							
OEM 966	100-066-1200-63X-060400	2014	Completion	8,628.70	11,965.40	11,965.40	11,965.40
2014					18,861.40	13,610.39	15,261.54
Total Department of Law and Public Safety							

BOROUGH OF TUCKERTON

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2014

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2014 FUNDS RECEIVED	2014 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2014
		FROM	TO				
DEPARTMENT OF JUDICIARY:							
Direct Programs:							
Alcohol Education and Rehabilitation Fund:							
Prior Years	760-098-9735-001-060000	Prior Years	Completion	\$ 8,552.39	\$	100.00	1,285.00
2007	760-098-9735-001-060000	2007	Completion	1,659.91			
2008	760-098-9735-001-060000	2008	Completion	788.96			
2009	760-098-9735-001-060000	2009	Completion	955.19			
2011	760-098-9735-001-060000	2011	Completion	539.35			
2012	760-098-9735-001-060000	2012	Completion	593.59			
2013	760-098-9735-001-060000	2013	Completion	527.75		100.00	1,285.00
Total Alcohol Education and Rehabilitation Fund							
DEPARTMENT OF HEALTH:							
Indirect Programs - Passed Through Ocean County							
Health Department:							
Municipal Alliance Grant:							
Prior Years	100-046-4230-JJ6310	Prior Years	Completion	7,086.39		1,166.01	967.05
2012	100-046-4230-JJ6310	2012	Completion	11,000.00		1,166.01	9,575.00
Total Municipal Alliance Grant							
Total State Assistance							
					\$ 34,391.71	\$ 14,876.40	\$ 32,462.89

Supplementary Information

BOROUGH OF TUCKERTON

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

YEAR ENDED DECEMBER 31, 2014

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state 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 U.S. generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Borough'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 Borough's regulatory basis financial statements. These amounts are reported in either the Current Fund or the Grant Fund. Reconciliations of revenues and expenses are presented on the following page.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS (CONTINUED)

Revenues:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$	\$ 3,336.70	\$	\$ 3,336.70
Grant Fund	<u>28,253.00</u>	<u>31,055.01</u>	<u> </u>	<u>59,308.01</u>
	<u>\$ 28,253.00</u>	<u>\$ 34,391.71</u>	<u>\$</u>	<u>\$ 62,644.71</u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$	\$	\$	\$
Grant Fund	<u>76,284.68</u>	<u>14,876.40</u>	<u> </u>	<u>91,161.08</u>
	<u>\$ 76,284.68</u>	<u>\$ 14,876.40</u>	<u>\$</u>	<u>\$ 91,161.08</u>

NOTE 5. OTHER

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

BOROUGH OF TUCKERTON

PART III

STATISTICAL DATA

OFFICIALS IN OFFICE AND SURETY BONDS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

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

	<u>YEAR 2014</u>		<u>YEAR 2013</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 405,000.00	3.31%	\$ 534,500.00	4.67%
Miscellaneous-From Other Than Local				
Property Tax Levies	2,522,262.24	20.60%	1,789,203.60	15.63%
Collection of Delinquent Taxes and				
Tax Title Liens	324,133.93	2.65%	345,325.10	3.02%
Collection of Current Tax Levy	<u>8,991,914.00</u>	<u>73.44%</u>	<u>8,778,798.55</u>	<u>76.69%</u>
<u>TOTAL INCOME</u>	<u>\$ 12,243,310.17</u>	<u>100.00%</u>	<u>\$ 11,447,827.25</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 4,777,780.12	42.41%	\$ 3,999,107.96	35.88%
County Taxes	1,721,196.49	15.28%	1,723,969.30	15.47%
Local District School Taxes	2,475,065.00	21.97%	2,699,395.00	24.22%
Regional School District Taxes	2,278,879.00	20.23%	2,179,195.00	19.55%
Other Expenditures	<u>12,213.39</u>	<u>0.11%</u>	<u>544,723.56</u>	<u>4.89%</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 11,265,134.00</u>	<u>100.00%</u>	<u>\$ 11,146,390.82</u>	<u>100.00%</u>
Excess in Revenue	\$ 978,176.17		\$ 301,436.43	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above Which				
are by Statute, Deferred Charges to				
Budget of Succeeding Year	34,380.84			
Statutory Excess in Fund Balance	<u>1,012,557.01</u>		<u>301,436.43</u>	
Fund Balance, January 1	<u>439,637.37</u>		<u>672,700.94</u>	
	1,452,194.38		974,137.37	
Less: Utilization as Anticipated Revenue	<u>405,000.00</u>		<u>534,500.00</u>	
Fund Balance, December 31	<u>\$ 1,047,194.38</u>		<u>\$ 439,637.37</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - WATER-SEWER UTILITY FUND

	YEAR 2014		YEAR 2013	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 33,497.99	1.53%	\$ 52,947.24	2.38%
Collection of Water-Sewer Rents	2,113,048.22	96.51%	2,109,374.65	94.82%
Miscellaneous - Other Than Water-Sewer Rents	<u>43,027.34</u>	<u>1.97%</u>	<u>62,187.84</u>	<u>2.80%</u>
<u>TOTAL INCOME</u>	<u>\$ 2,189,573.55</u>	<u>100.00%</u>	<u>\$ 2,224,509.73</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 1,273,911.35	59.44%	\$ 1,394,250.00	51.81%
Capital Improvements		0.00%	500,000.00	18.58%
Debt Service	795,250.00	37.11%	726,161.74	26.98%
Deferred Charges and Statutory Expenditures	69,148.16	3.23%	70,600.00	2.62%
Other Expenditures	<u>4,705.49</u>	<u>0.22%</u>	<u></u>	<u>0.00%</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 2,143,015.00</u>	<u>100.00%</u>	<u>\$ 2,691,011.74</u>	<u>100.00%</u>
Excess in Revenue	\$ 46,558.55		\$ (466,502.01)	
Adjustments to Income Before Fund Balance			500,000.00	
Fund Balance, January 1	<u>33,497.99</u>		<u>52,947.24</u>	
	<u>80,056.54</u>		<u>86,445.23</u>	
Less: Utilization as Anticipated Revenue	<u>33,497.99</u>		<u>52,947.24</u>	
Fund Balance, December 31	<u>\$ 46,558.55</u>		<u>\$ 33,497.99</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax Rate	\$ <u>2.263</u>	\$ <u>2.185</u>	\$ <u>2.144</u>
Appointment of Tax Rate:			
Municipal	.626	.612	.612
County	.417	.411	.409
Local School	.667	.643	.625
Regional School	.553	.519	.498

Assessed Valuation:

Year 2014	\$ <u>411,829,747.00</u>		
Year 2013		\$ <u>419,334,514.00</u>	
Year 2012			\$ <u>433,424,395.00</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>CURRENTLY</u>	
		<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2014	\$9,358,024.30	\$8,991,914.00	96.08%
2013	9,174,217.70	8,778,798.55	95.68%
2012	9,311,829.00	8,917,623.00	95.76%

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>DECEMBER 31, 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>
2014	\$113,166.00	\$238,714.00	\$351,880.00	3.80%
2013	105,915.00	306,672.00	412,587.00	4.50%
2012	94,261.00	338,977.00	433,238.00	4.65%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>YEAR</u>	<u>AMOUNT</u>
2014	\$330,250.00
2013	330,250.00
2012	339,250.00

COMPARISON OF WATER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTION</u>
2014	\$745,481	\$746,749
2013	740,693	735,855
2012	763,170	762,749

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTION</u>
2014	\$1,376,890	\$1,366,299
2013	1,384,878	1,373,519
2012	1,410,379	1,408,104

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31</u>	<u>UTILIZED IN</u> <u>BUDGET</u> <u>OF</u> <u>SUCCEEDING</u> <u>YEAR</u>
Current Fund	2014	\$ 1,047,194.00	\$ 775,337.00
	2013	439,637.00	405,000.00
	2012	672,701.00	534,500.00
	2011	572,928.00	534,500.00
	2010	471,795.00	435,000.00
Water-Sewer Utility Operating Fund	2014	\$ 46,559.00	\$ 40,216.00
	2013	33,498.00	28,935.00
	2012	52,947.00	52,947.00
	2011	82,538.00	82,538.00
	2010	123,727.00	118,710.00

EQUALIZED VALUATIONS – REAL PROPERTY

<u>YEAR</u>	<u>AMOUNT</u>
2014	\$ 426,246,686.00
2013	457,174,452.00
2012	486,189,927.00

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 OF BOND</u>	<u>NAME OF SURETY</u>
George "Buck" Evans	Mayor	*	
James R. Edwards	Council President	*	
Samuel C. Colangelo	Councilman	*	
Susan R. Marshall	Councilwoman	*	
Doris F. Mathisen	Councilwoman	*	
John J. Schwartz	Councilman	*	
Ryan M. Short	Councilman	*	
Grace Di Elmo	Clerk/Assessment Search Officer to January 31, 2014	*	JIF/MEL
Jenny Gleghorn	Clerk/Assessment Search Officer from February 1, 2014	*	JIF/MEL
Jenny Gleghorn	Borough Administrator	*	JIF/MEL
Jenny Gleghorn	Deputy Clerk to January 31, 2014	*	JIF/MEL
Misty LaManna	Deputy Clerk from 2/13/14	*	JIF/MEL
Garrett K. Loesch	Chief Financial Officer	\$ 1,000,000.00	JIF/MEL
Jeffrey Elsasser	Tax Collector/Tax Search Officer	1,000,000.00	JIF/MEL
Jennifer L. Docherty	Water-Sewer Utility Collector /Deputy Tax Collector	1,000,000.00	JIF/MEL
Damian G. Murray	Municipal Court Judge	1,000,000.00	JIF/MEL
Patricia Mathis	Municipal Court Administrator	1,000,000.00	JIF/MEL
Kevin S. Quinlan	Attorney	*	
Frank J. Little, Jr.	Engineer	*	

*Borough employees, other than the Chief Financial Officer, Tax/Utility Collectors, Judge and Court Administrator, were covered by a blanket bond of the Joint Insurance Fund in the amount of \$1,000,000.00.

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COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED PER 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 therefor, 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 Ch. 198 (40A:11-3), except by contract or agreement.

Effective January 1, 2013, the bid threshold in accordance with N.J.S.A. 40A:11-3 is \$17,500.00 or up to \$36,000.00 if the entity has a Qualified Purchasing Agent. The Borough does not have a qualified Purchasing Agent and therefore, its bid threshold is \$17,500.00.

The governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the \$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 Borough Counsel's opinion should be sought before a commitment is made.

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

- Pump Station Maintenance and Emergency Repairs
- Emergency Repairs for Water - Sewer System
- Emergency Electrical Repairs
- Road Reconstruction - Floyd Lane

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or 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 violation existed.

Our examination of expenditures did not reveal any individual payments or 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:11-4

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

- Attorneys
- Auditor
- Bond Counsel
- Computer Support Services
- Engineers
- Engineering/Planning Services
- Financial Advisor
- Municipal Prosecutor
- Public Defender

CHANGE ORDERS PURSUANT TO N.J.A.C. 5:30-11.9 ET SEQ.

None

CONTRACTS OR AGREEMENTS NOT REQUIRED TO BE ADVERTISED
PER N.J.S.A. 40A:11-6.1

N.J.S.A. 40A:11-6.1 states “ For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5), except for paragraph (a) of that subsection concerning professional services and paragraph (b) of that subsection concerning work by employees of contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered. The contracting agent shall retain the record of the quotation solicitation and shall include a copy of the record with the voucher used to pay the vendor.”

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

COLLECTION OF INTEREST ON DELINQUENT TAXES AND WATER-SEWER RENTS

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

The governing body on January 6, 2014 adopted the following resolution authorizing interest to be charged on delinquent taxes, assessments and water-sewer rents:

“BE IT RESOLVED that the governing body of the Borough of Tuckerton set the Rate of interest to be charged on delinquent water and sewer accounts and delinquent taxes at 8% per annum on the first \$ 1,500 of the delinquency and 18% per annum on any amount in excess of \$ 1,500 and 6% to be collected against a delinquency in excess of \$10,000 on properties that fail to pay the delinquency prior to the end of the calendar year. A 10 day grace period shall be permitted as provided by N.J.S.A. 54:4-67.”

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

GENERAL COMMENTS (CONTINUED)

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2014	23
2013	22
2012	23

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 taxpaying basis.

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, consisting of the mailing of verification notices as follows:

<u>TYPE</u>	<u>NUMBER MAILED</u>
Payment of 2014 Taxes	50
Payment of 2014 Water-Sewer Utility Rents	50
Delinquent Taxes	50
Delinquent Water-Sewer Utility Rents	25

The results of the test are not yet known, but a separate report will be issued if any irregularities are developed. For those verification notices which were not returned by taxpayers, we examined subsequent cash collections as an alternative procedure where possible.

GENERAL COMMENTS (CONTINUED)

MISCELLANEOUS

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

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

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

Individual payments of the Local, Regional and/or Consolidated School District Taxes by the municipality were confirmed as received by the Secretaries of the Boards of Education for year 2014.

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

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

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

FOLLOW-UP OF PRIOR YEAR FINDINGS

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings.

A corrective action plan addressing the 2013 audit recommendations was adopted by resolution of the Governing Body on July 16, 2014. Upon adoption and implementation, some progress has been made in addressing the issues raised in the prior audit but more work needs to be done to achieve satisfactory compliance.

OTHER COMMENTS

DEPOSITS

14-01 Finding - Not all municipal revenue was deposited within forty-eight (48) hours as required by N.J.S. 40A:5-15. .

Criteria - All monies received from any source by or on behalf of any local unit or any board or department thereof shall, within 48 hours after the receipt thereof, either (a) be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit such funds within forty-eight (48) hours after the receipt thereof to the credit of the local unit in its designated legal depository or, (b) be deposited to the credit of the local unit in its designated legal depository.

Recommendation - That all moneys be deposited within 48 hours as prescribed by N.J.S. 40A:5-15.

ENCUMBRANCES

14-02 Finding - Many invoices predate the issuance of a purchase order which is an indication that the encumbrance accounting system is not functioning as intended.

Criteria - N.J.A.C. 5:30-5.6 sets forth a requirement whereby an encumbrance accounting system is established and maintained. The purpose of the encumbrance accounting system is to prevent overexpenditures.

Recommendation - That N.J.A.C. 5:30-5.2 be followed which requires that all purchases be encumbered prior to them being made.

DEFERRED CHARGES - OVEREXPENDITURES AND EXPENDITURE WITHOUT APPROPRIATION

14-03 Finding - Overexpenditures of appropriations, expenditures without appropriation, overexpenditures of appropriation reserves and deficits in payroll trust reserves occurred and appear on the balance sheets of the various funds at December 31.

Criteria - State statutes 40A:4 and 40A:5 do not permit overexpenditure of budgetary accounts or expenditure without appropriation.

Recommendation - That overexpenditures, expenditures without appropriation and trust reserve deficits be avoided.

RECOMMENDATIONS

That all moneys be deposited within 48 hours as prescribed by N.J.S. 40A:5-15.

That N.J.A.C. 5:30-5.2 be followed which requires that all purchases be encumbered prior to them being made.

That overexpenditures, expenditures without appropriation and trust reserve deficits be avoided.

