

**TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY**

**REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2016**

TOWNSHIP OF NEPTUNE

COUNTY OF MONMOUTH

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COUNTY OF MONMOUTH

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COUNTY OF MONMOUTH

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COUNTY OF MONMOUTH
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TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH
PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY DATA
FOR THE YEAR ENDED DECEMBER 31, 2016

FALLON & LARSEN LLP

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Committee
Township of Neptune
County of Monmouth
Neptune, New Jersey

We have audited the accompanying balance sheets of the various funds and the comparative statement of general fixed asset account group of the Township of Neptune, New Jersey (the "Township"), as of December 31, 2016 and 2015, and the related statements of operations and changes in fund balance for the years then ended and the related statements of revenues and statements of expenditures for the year ended December 31, 2016 and the related notes to the financial statements which collectively comprise the Township's basic 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 financial reporting provisions of 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 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 2, the financial statements are prepared by the Township on the basis of the financial reporting provisions of 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 comply with the requirements of the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 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 Township as of December 31, 2016 and 2015, or the changes in financial position for the year ended December 31, 2016.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds and the general fixed asset account group of the Township as of December 31, 2016 and 2015, and the results of its operations and changes in fund balance of the individual funds for the years then ended and the revenues and expenditures for the year ended December 31, 2016, on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 2 to the financial statements.

Other Information

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

The accompanying financial information listed as supplementary exhibits and supplementary data in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and

certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary exhibits and supplementary data are fairly stated in all material respects in relation to the 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 August 8, 2017, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Charles J. Fallon CPA RMA

Charles J. Fallon
Certified Public Accountant
Registered Municipal Accountant #506

Fallon & Larsen LLP

Fallon & Larsen LLP

Hazlet, New Jersey
August 8, 2017

FALLON & LARSEN LLP

**INDEPENDENT AUDITORS' 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***

To the Honorable Mayor and Members
of the Township Committee
Township of Neptune
County of Monmouth
Neptune, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Neptune, State of New Jersey (the "Township"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated August 8, 2017. We expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America. As described in Note 2, the financial statements are prepared by the Township on the basis of the financial reporting provisions of 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.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal 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 Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However providing an opinion on compliance with these 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*.

We noted certain matters that we have reported to management of the Township in the Schedule of Findings and Recommendations section of this 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* and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Charles J. Fallon CPA RMA

Charles J. Fallon
Certified Public Accountant
Registered Municipal Accountant #506

Fallon & Larsen LLP

Fallon & Larsen LLP

Hazlet, New Jersey
August 8, 2017

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Cash	A-4	\$ 5,344,268.82	\$ 6,969,606.29
Cash - Change Fund	A	925.00	925.00
		<u>5,345,193.82</u>	<u>6,970,531.29</u>
Investment in General Capital Fund Notes	A-4	1,750,000.00	
Due from State - P.L. 1971 C.20	A-6	11,267.12	11,794.51
		<u>1,761,267.12</u>	<u>11,794.51</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	1,022,804.86	1,141,737.29
Tax Title Liens Receivable	A-9	13,331.58	4,700.48
Property Acquired for Taxes - Assessed Valuation	A-10	5,242,800.00	5,242,800.00
Revenue Accounts Receivable	A-11	41,254.90	62,665.16
Abating Costs and Abating Liens Receivable	A-12	19,011.50	20,662.12
Interfunds Receivable	A-13	255,929.67	254,004.67
Mortgage Receivable	A-7	400,000.00	400,000.00
Pilot Program	A	118,522.08	116,012.11
		<u>7,113,654.59</u>	<u>7,242,581.83</u>
Deferred Charges:			
Special Emergency Authorization (N.J.S.40A:4-55)	A-28	945,372.00	1,762,186.00
		<u>15,165,487.53</u>	<u>15,987,093.63</u>
Federal and State Grant Fund:			
Cash	A-4	327,280.33	110,412.49
Interfund - Current Fund	A-24		251,220.43
Grants Receivable	A-25	1,011,891.55	1,129,436.41
		<u>1,339,171.88</u>	<u>1,491,069.33</u>
Total Assets		<u>\$ 16,504,659.41</u>	<u>\$ 17,478,162.96</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Appropriation Reserves	A-3/A-15	\$ 728,496.70	\$ 352,249.94
Interfunds Payable	A-13	17,314.05	262,966.15
Accounts Payable	A-14	53,642.09	36,367.78
Reserve for Encumbrances	A-16	945,345.09	869,199.04
Tax Overpayments	A-17	68,806.16	19,619.22
Prepaid Taxes	A-18	863,859.33	980,186.02
County Taxes Payable	A-20	67,983.06	22,212.91
Local School District Tax Payable	A-21	1,100,387.50	740,027.50
Due to State Agencies	A-22	10,844.00	22,286.00
Various Reserves	A-23	250,348.92	217,877.64
Reserve for FEMA Reimbursements - Hurricane Sandy	A-30	91,970.75	91,970.75
Reserve for Revaluation	A-4	138,084.79	237,162.39
		<u>4,337,082.44</u>	<u>3,852,125.34</u>
Special Emergency Note Payable	A-29	945,372.00	1,762,186.00
Reserve for Receivables and Other Assets	A	7,113,654.59	7,242,581.83
Fund Balance	A-1	2,769,378.50	3,130,200.46
		<u>10,828,405.09</u>	<u>12,134,968.29</u>
		<u>15,165,487.53</u>	<u>15,987,093.63</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-26	548,277.06	782,573.67
Reserve for Encumbrances	A-26	750,061.00	668,830.17
Unappropriated Reserves	A-27	12,245.14	11,076.81
Interfund - Trust Other Fund	A	28,588.68	28,588.68
		<u>1,339,171.88</u>	<u>1,491,069.33</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 16,504,659.41</u>	<u>\$ 17,478,162.96</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 2,400,000.00	\$ 2,400,000.00
Miscellaneous Revenue Anticipated	A-2	10,464,801.75	10,548,708.46
Receipts from Delinquent Taxes	A-2	1,164,780.30	1,169,412.86
Receipts from Current Taxes	A-2	79,171,861.63	76,716,484.87
Non-Budget Revenues	A-2	830,741.81	675,850.50
Other Credits to Income:			
Appropriated Grant Reserves Canceled	A-13	2,472.00	49,016.78
Accounts Payable Canceled	A-14	18,614.40	5,920.01
Unexpended Balance of Appropriation Reserves	A-15	261,089.08	619,448.42
		<u>94,314,360.97</u>	<u>92,184,841.90</u>
Total Revenue			
Expenditures:			
Budget Appropriations Within Caps:			
Operations:			
Salaries and Wages	A-3	16,641,900.00	15,910,250.00
Other Expenses	A-3	12,805,100.00	12,286,025.00
Deferred Charges and Statutory Expenditures	A-3	3,565,925.00	3,414,138.14
Budget Appropriations Excluded from Caps:			
Operations:			
Salaries and Wages	A-3	435,693.00	434,273.00
Other Expenses	A-3	2,899,816.80	2,926,735.66
Capital Improvements	A-3	100,000.00	100,000.00
Municipal Debt Service	A-3	4,064,103.43	3,771,915.29
Deferred Charges	A-3	816,814.00	816,814.00
		<u>41,329,352.23</u>	<u>39,660,151.09</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
 REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Prior Year Senior Citizens Disallowed	A-6	7,921.23	9,250.00
Interfunds Advanced	A-13	1,925.00	192,798.17
Grants Receivable Canceled	A-13	2,472.00	46,456.14
Refund of Prior Year Tax Revenue	A-17	122,884.20	107,419.29
Fire District Taxes	A-19	3,610,326.00	3,589,299.00
County Taxes	A-20	10,443,940.27	10,243,253.53
Local District School Tax	A-21	<u>36,756,362.00</u>	<u>36,035,649.00</u>
Total Expenditures		<u>92,275,182.93</u>	<u>89,884,276.22</u>
Excess/(Deficit) in Revenue		2,039,178.04	2,300,565.68
Fund Balance January 1	A	<u>3,130,200.46</u>	<u>3,229,634.78</u>
Decreased by:		5,169,378.50	5,530,200.46
Utilized as Anticipated Revenue	A-1/A-2	<u>2,400,000.00</u>	<u>2,400,000.00</u>
Fund Balance December 31	A	<u>\$ 2,769,378.50</u>	<u>\$ 3,130,200.46</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Special N.J.S.A. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 2,400,000.00	\$	\$ 2,400,000.00	\$
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-11	54,000.00		56,365.00	2,365.00
Other	A-11	207,000.00		220,146.05	13,146.05
Fees and Permits	A-11	350,000.00		395,928.59	45,928.59
Fines and Costs:					
Municipal Court	A-11	773,078.69		713,396.59	(59,682.10)
Interest and Costs on Taxes	A-11	300,000.00		314,031.96	14,031.96
Interest on Investments and Deposits	A-11	16,000.00		10,328.55	(5,671.45)
Consolidated Municipal Property Tax Relief Aid	A-11	668,889.00		668,889.00	
Energy Receipts Tax	A-11	4,328,565.00		4,328,565.00	
Uniform Construction Code Fees	A-11	675,000.00		1,192,935.00	517,935.00
Interlocal Services Agreements:					
Monmouth County 9-1-1 Services Personnel Loan	A-11	67,368.00		67,369.00	1.00
Neptune BOE - GREAT Program	A-11	20,000.00		20,000.00	
Fleet Maintenance - Allenhurst, Neptune					
Fire Dist., OG Fire Dist., Neptune BOE	A-11	225,000.00		160,127.48	(64,872.52)
Liability, Workman's Compensation, Pensions and Property Insurance - Neptune Fire, OG Fire	A-11	170,132.00		170,132.00	
Monmouth County EMS	A-11	6,000.00		6,000.00	
Community Notification System Agreement	A-11	11,200.00		11,200.00	
Public Safety Officer Program	A-11	53,000.00		54,121.48	1,121.48
Prisoner Processing / Jail Program	A-11	28,000.00		28,037.10	37.10
Administration Fees - Off Duty Employment of Police Officers	A-11	195,000.00		275,694.71	80,694.71
Reserve for Debt Service - Capital Fund	A-11	167,000.00		167,000.00	
Cable T.V. - Franchise Fee	A-11	433,368.98		433,368.98	
Commercial Garbage Removal Fees	A-11	93,000.00		83,871.69	(9,128.31)
Interfund - Trust Other	A-11	254,004.67			(254,004.67)
Reserve for Debt Service - Ord. 98-38	A-11	5,726.95		5,726.95	
OCGMA Special Police Contribution	A-11	24,000.00		41,126.00	17,126.00
Cell Tower Lease	A-11	85,000.00		94,836.98	9,836.98
Monmouth County Lease of Facility	A-11	150,000.00		150,000.00	
General Capital Surplus	A-11	100,000.00		100,000.00	
FEMA Reimbursement - Hurricane Sandy	A-11	436,814.00			(436,814.00)
EMS Program	A-11	350,000.00		18,624.28	(331,375.72)
Reserve for Issuance Costs	A-11	9,959.00		9,959.00	
Recycling Tonnage Grant	A-25	36,443.44		36,443.44	
Drunk Driving Enforcement Fund	A-25	11,076.81		11,076.81	
Clean Communities Program	A-25		78,207.41	78,207.41	
Municipal Public Access Planning	A-25		15,000.00	15,000.00	
Alcohol Education Rehabilitation	A-25		7,614.36	7,614.36	
Click it or Ticket 2016 - Seat Mobil	A-25		5,000.00	5,000.00	
Municipal Alliance on Alcoholism and Drug Abuse - State	A-25	63,915.00		63,915.00	
Federal Emergency Management Assistance	A-25	7,000.00		7,000.00	
Older Americans Act	A-25	25,000.00		25,000.00	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2016

		Anticipated			
	Ref.	Budget	Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Sandy/Environ Resources Inv.	A-25		20,000.00	20,000.00	
Sandy/Commun. Resiliency North Island	A-25		45,000.00	45,000.00	
Sandy/Parks, Rec, Open Space Master Plan	A-25		25,000.00	25,000.00	
Sandy/Comm Resiliency SRH	A-25		45,000.00	45,000.00	
Sandy/Ord to Reduce Flood Risk	A-25		14,500.00	14,500.00	
NJ Green Communities Grant	A-25		3,000.00	3,000.00	
2016 Drive Sober or Get Pulled Over	A-25		5,000.00	5,000.00	
Interfaith Neighbors - Senior Meal Program	A-25	24,780.00		24,780.00	
2016 Body Armor Replacement Fund	A-25		6,514.90	6,514.90	
2016 Bulletproof Vest Partnership Grant	A-25		4,775.00	4,775.00	
Hazardous Discharge Site Remediation Program - Welsh Farms	A-25	60,320.00		60,320.00	
Hazardous Discharge Site Remediation Program - Chidnese	A-25	39,236.06		39,236.06	
Statewide Insurance Fund - Safety Grant	A-25	15,004.38		15,004.38	
2017 Pedestrian Safety Education/Enforcement	A-25		7,000.00	7,000.00	
NJSP HMEP Training Grant	A-25		26,000.00	26,000.00	
Edward Byrne Memorial Justice Assistance Grant - 2016	A-25		54,233.00	54,233.00	
Cops in Shops - Summer Shore Initiative	A-25		3,400.00	3,400.00	
SCHLIP Program (Code Enforcement)	A-25	19,000.00		19,000.00	
Total Miscellaneous Revenues	A-1	<u>10,558,881.98</u>	<u>365,244.67</u>	<u>10,464,801.75</u>	<u>(459,324.90)</u>
Receipts from Delinquent Taxes	A-1/A-2	<u>1,136,896.94</u>		<u>1,164,780.30</u>	<u>27,883.36</u>
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-8	27,773,513.58		29,232,214.36	1,458,700.78
Minimum Library Tax	A-8	<u>1,219,019.00</u>		<u>1,219,019.00</u>	
Total Amount to be Raised by Taxes	A-2	<u>28,992,532.58</u>		<u>30,451,233.36</u>	<u>1,458,700.78</u>
Non-Budget Revenues	A-1/A-2			<u>830,741.81</u>	<u>830,741.81</u>
Total		<u>\$ 43,088,311.50</u>	<u>\$ 365,244.67</u>	<u>\$ 45,311,557.22</u>	<u>\$ 1,858,001.05</u>
	Ref.	A-3	A-3		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2016

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	A-1/A-8	\$ 79,171,861.63
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Allocated to School ,County, and Fire District Taxes	A-8	<u>50,810,628.27</u>
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Balance for Support of Municipal Budget Appropriations		28,361,233.36
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Add:		
Reserve for Uncollected Taxes	A-3	<u>2,090,000.00</u>

Amount for Support of Municipal Budget Appropriations	A-2	\$ <u><u>30,451,233.36</u></u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collections	A-8	\$ 1,163,202.65
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Tax Title Lien Collections	A-9	<u>1,577.65</u>
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	A-2	\$ <u><u>1,164,780.30</u></u>
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TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2016

Analysis of Non-Budget Revenues:

Canister Rental		\$	4,200.00
Tires			963.00
Recycling			8,485.53
DPW - Freon			3,065.00
Copies			766.92
Planning Board			12,396.44
Employee Reimbursements - Cell Phones			780.00
Sale of Maps			15.00
Workman's Compensation Refunds			22,317.54
Variance - Board of Adjustment			7,800.00
Found Monies - Police			1,489.18
ID Cards - Police			415.00
Returned Checks			604.56
Other Unanticipated			8,250.18
Sale of Trash Cans			5,280.00
Prescription Rebates			4,508.20
DMV Inspection Fines			1,657.00
ATM Revenue			382.94
Sale of Bid Documents			3,800.00
Attorney Fees			1,400.00
Duplicate Bill			975.00
HPC Application Fees			2,350.00
State Administration Fee - Senior Citizen and Veterans			4,696.60
Green Recycling Cans			3,048.00
Vacant Property Registration Fee			37,341.62
Neptune City-Brush Pickup			34,372.80
Abating Charges	A-12		76,521.26
Payments in Lieu of Taxes on Real Property			291,378.71
Auction Township Property			43,085.62
Sale of Municipal Assets			4,200.00
Stormwater Management			20,000.00
Tax Sale Premiums Forfeited			17,100.00
Billboard Lease			2,400.00
JSUMC Communications Tower			200,000.00
Cancel Trust Reserve			1,925.00
Other			2,770.71

A-2/A-5 \$ 830,741.81

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>Operations Within CAPS</u>					
General Government Functions:					
General Administration					
Salaries and Wages	\$ 291,500.00	\$ 291,500.00	\$ 289,542.23	\$ 1,957.77	
Other Expenses	98,000.00	98,000.00	92,788.88	5,211.12	
Municipal Clerk					
Salaries and Wages	201,000.00	201,000.00	200,204.92	795.08	
Other Expenses	34,000.00	34,000.00	33,996.11	3.89	
Financial Administration					
Salaries and Wages	398,000.00	398,000.00	395,609.13	2,390.87	
Other Expenses	98,000.00	98,000.00	96,092.80	1,907.20	
Audit Services					
Other Expenses	45,000.00	45,000.00	45,000.00		
Computerized Data Processing					
Salaries and Wages	138,500.00	138,500.00	136,536.01	1,963.99	
Other Expenses	26,000.00	26,000.00	25,999.88	0.12	
Revenue Administration					
Salaries and Wages	369,000.00	369,000.00	367,154.17	1,845.83	
Other Expenses	35,000.00	35,000.00	23,878.20	11,121.80	
Tax Assessment Administration					
Salaries and Wages	207,000.00	207,000.00	204,191.71	2,808.29	
Other Expenses	8,000.00	8,000.00	6,960.21	1,039.79	
Legal Services					
Other Expenses	400,000.00	620,000.00	619,105.35	894.65	
Engineering Services					
Salaries and Wages	268,000.00	268,000.00	257,791.03	10,208.97	
Other Expenses	85,000.00	85,000.00	80,027.47	4,972.53	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Economic Development					
Salaries and Wages	12,500.00	12,500.00	6,918.99	5,581.01	
Other Expenses	3,000.00	3,000.00	484.68	2,515.32	
Land Use Administration:					
Planning Board					
Salaries and Wages	52,000.00	52,000.00	50,390.23	1,609.77	
Other Expenses	15,500.00	15,500.00	14,280.57	1,219.43	
Zoning Board of Adjustment					
Salaries and Wages					
Other Expenses	13,000.00	13,000.00	12,902.65	97.35	
Historic Preservation Committee					
Salaries and Wages	6,700.00	6,700.00	6,649.88	50.12	
Other Expenses	19,000.00	22,000.00	21,873.96	126.04	
Land Use Administration Office					
Salaries and Wages	77,500.00	77,500.00	73,468.81	4,031.19	
Other Expenses	2,000.00	2,000.00	1,934.11	65.89	
Community Programs					
Salaries and Wages	50,500.00	50,500.00	49,628.43	871.57	
Other Expenses	2,050.00	2,050.00	870.63	1,179.37	
Code Enforcement and Administration:					
Code Enforcement					
Salaries and Wages	241,000.00	241,000.00	236,640.87	4,359.13	
Other Expenses	10,000.00	10,000.00	9,975.59	24.41	
Mercantile Licensing					
Salaries and Wages	6,800.00	6,800.00	6,618.02	181.98	
Other Expenses	12,000.00	12,000.00	11,266.00	734.00	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Insurance					
Liability Insurance	430,000.00	430,000.00	425,155.00	4,845.00	
Workers Compensation Insurance	490,000.00	490,000.00	489,980.00	20.00	
Employee Group Insurance	5,995,000.00	5,991,800.00	5,918,826.54	72,973.46	
Health Benefit Waivers	12,500.00	12,500.00	12,500.00		
Public Safety Functions:					
Police Department					
Salaries and Wages	9,900,000.00	9,900,000.00	9,729,681.61	170,318.39	
Other Expenses	318,000.00	318,000.00	316,300.50	1,699.50	
Homeland Security Expenses	10,000.00	10,000.00	9,831.74	168.26	
Office of Emergency Management					
Salaries and Wages	25,500.00	25,500.00	24,547.75	952.25	
Other Expenses	31,800.00	31,800.00	31,761.42	38.58	
Homeland Security Expenses	10,000.00	10,000.00	9,733.81	266.19	
Emergency Medical Services:					
Salaries and Wages	320,000.00	320,000.00	305,764.83	14,235.17	
Other Expenses	45,000.00	45,000.00	32,946.15	12,053.85	
Aid to Volunteer Ambulance Companies					
Other Expenses	40,000.00	40,000.00	34,333.20	5,666.80	
Municipal Prosecutor's Office					
Salaries and Wages	39,000.00	39,000.00	38,056.08	943.92	
Public Works Functions:					
Streets and Roads Maintenance					
Salaries and Wages	1,085,000.00	1,005,000.00	997,977.17	7,022.83	
Other Expenses	185,000.00	185,000.00	183,456.04	1,543.96	
Administration of Public Works					
Salaries and Wages	225,000.00	225,000.00	213,281.33	11,718.67	
Other Expenses	19,000.00	19,000.00	15,876.69	3,123.31	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Solid Waste Collection					
Salaries and Wages	1,005,000.00	1,005,000.00	1,003,629.08	1,370.92	
Other Expenses	20,000.00	20,000.00	12,163.57	7,836.43	
Building and Grounds					
Salaries and Wages	335,000.00	335,000.00	334,999.93	0.07	
Other Expenses	127,000.00	127,000.00	114,195.43	12,804.57	
Vehicle Maintenance					
Other Expenses	1,210,000.00	1,210,000.00	1,110,364.04	99,635.96	
Health and Human Services:					
Public Health Services					
Salaries and Wages	127,000.00	114,500.00	113,935.88	564.12	
Other Expenses	7,500.00	7,500.00	6,649.06	850.94	
Environmental and Shade Tree Committee					
Salaries and Wages	1,700.00	1,700.00	1,619.93	80.07	
Other Expenses	5,900.00	6,600.00	6,586.37	13.63	
Animal Control Services					
Other Expenses	89,800.00	89,800.00	67,295.17	22,504.83	
Monmouth County Drug & Alcohol Abuse Program					
Other Expenses	14,000.00	14,000.00	11,775.00	2,225.00	
Park and Recreation Functions:					
Recreation Services and Programs					
Salaries and Wages	183,200.00	183,200.00	180,596.80	2,603.20	
Other Expenses	40,500.00	40,500.00	40,165.27	334.73	
Senior Citizens Programs					
Salaries and Wages	296,000.00	331,000.00	330,059.71	940.29	
Other Expenses	102,000.00	102,000.00	101,439.20	560.80	
Maintenance of Parks					
Other Expenses	161,000.00	161,000.00	160,992.77	7.23	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Publicity and Tourism					
Salaries and Wages	12,000.00	12,000.00	11,743.31	256.69	
Other Expenses	35,000.00	35,000.00	33,250.00	1,750.00	
Celebration of Public Events					
Other Expenses	8,000.00	8,000.00	7,850.05	149.95	
Utility Expenses and Bulk Purchases:					
Electricity					
Other Expenses	200,000.00	200,000.00	191,603.50	8,396.50	
Street Lighting					
Other Expenses	200,000.00	200,000.00	199,710.01	289.99	
Telephone					
Other Expenses	165,000.00	159,500.00	152,638.08	6,861.92	
Water					
Other Expenses	45,000.00	45,000.00	44,825.48	174.52	
Gas (Natural)					
Other Expenses	140,000.00	100,000.00	99,706.44	293.56	
Telecommunications Costs					
Other Expenses	90,000.00	90,000.00	70,600.91	19,399.09	
Gasoline					
Other Expenses	375,000.00	200,000.00	174,670.80	25,329.20	
Landfill / Solid Waste Disposal Costs:					
Landfill and Solid Waste Disposal Costs	1,230,000.00	1,230,000.00	1,229,755.99	244.01	
Municipal Court					
Salaries and Wages	273,000.00	280,500.00	279,665.42	834.58	
Other Expenses	24,850.00	24,850.00	21,777.87	3,072.13	
Public Defender (P.L. 1997, c.256)					
Salaries and Wages	10,500.00	10,500.00	10,437.38	62.62	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Uniform Construction Code Enforcement Functions					
Salaries and Wages	484,000.00	534,000.00	526,376.95	7,623.05	
Other Expenses	22,700.00	22,700.00	21,493.25	1,206.75	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Operations Within CAPS	29,447,000.00	29,447,000.00	28,841,364.03	605,635.97	
Contingent	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Operations Including Contingent Within CAPS	29,447,000.00	29,447,000.00	28,841,364.03	605,635.97	
Detail:					
Salaries and Wages	16,641,900.00	16,641,900.00	16,383,717.59	258,182.41	
Other Expenses	12,805,100.00	12,805,100.00	12,457,646.44	347,453.56	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Deferred Charges and Statutory Expenditures Within CAPS</u>					
Statutory Expenditures:					
Public Employees' Retirement System	885,179.00	885,179.00	885,179.00		
Social Security System (O.A.S.I.)	790,000.00	790,000.00	775,295.61	14,704.39	
Police and Firemen's Retirement System	1,847,246.00	1,847,246.00	1,847,246.00		
Unemployment Insurance	40,000.00	40,000.00	40,000.00		
Defined Contribution Retirement Program	3,500.00	3,500.00	2,609.29	890.71	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Deferred Charges and Statutory Expenditures Within CAPS	3,565,925.00	3,565,925.00	3,550,329.90	15,595.10	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Appropriations Within CAPS	33,012,925.00	33,012,925.00	32,391,693.93	621,231.07	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>Operations Excluded from CAPS</u>					
Declared State of Emergency costs for Snow Removal N.J.S.A. 40A:4-45(b) and N.J.S.A. 40A: 4-45.3(bb)					
Streets and Roads Department					
Other Expenses	80,000.00	80,000.00	79,963.85	36.15	
Aid to Free Public Library	1,219,019.00	1,219,019.00	1,209,377.20	9,641.80	
Recycling Tax	65,000.00	65,000.00	44,636.68	20,363.32	
Interlocal Municipal Service Agreements					
Liability, Workers Comp., & Prop. Ins-NFD & OGF	170,132.00	170,132.00	170,132.00		
Neptune BOE GREAT Program - Police S&W	20,000.00	20,000.00	20,000.00		
Community Notification System	11,200.00	11,200.00	11,200.00		
ANSWER Water Rescue Team	7,500.00	7,500.00	7,495.88	4.12	
Monmouth County - EMS	6,000.00	6,000.00	6,000.00		
Fleet Maintenance - Allenhurst, NFD, OGF,					
Neptune BOE	225,000.00	225,000.00	184,671.65	40,328.35	
Neptune BOE Newsletter Cooperative	17,000.00	17,000.00	10,797.00	6,203.00	
Public Safety Officer Program	53,000.00	53,000.00	53,000.00		
Prisoner Processing / Jail Program	28,000.00	28,000.00	28,000.00		
Monmouth County 9-1-1 Services	382,500.00	382,500.00	379,311.11	3,188.89	
Monmouth County Tax Assessment Program	7,500.00	7,500.00		7,500.00	
Monmouth County Personnel Loan (9-1-1 Operator)	67,368.00	67,368.00	67,368.00		
Public and Private Programs Offset by Revenues:					
Senior Citizen Program - Title III					
Salaries and Wages	213,000.00	213,000.00	213,000.00		
Drunk Driving Enforcement Fund	11,076.81	11,076.81	11,076.81		
Recycling Tonnage Grant	36,443.44	36,443.44	36,443.44		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Canceled</u>
NJEDA/NJDEP Site Remediation (Welsh)	60,320.00	60,320.00	60,320.00		
Highway Safety 2016 Pedestrian Safety Grant		7,000.00	7,000.00		
Federal Emergency Management Services					
Federal Share	7,000.00	7,000.00	7,000.00		
Municipal Match	7,000.00	7,000.00	7,000.00		
DEDR - Drug and Alcohol Alliance - State Share	63,915.00	63,915.00	63,915.00		
DEDR - Drug and Alcohol Alliance - Municipal Share	15,978.75	15,978.75	15,978.75		
Supplemental Fire Services Grant	41,668.00	41,668.00	41,668.00		
Municipal Court Alcohol Education, Rehabilitation and Enforcement Fund		7,614.36	7,614.36		
COPS in Shops - Summer Shore Initiative		3,400.00	3,400.00		
Clean Communities Program		78,207.41	78,207.41		
Municipal Public Access Planning		15,000.00	15,000.00		
2016 Bulletproof Vest Partnership Grant		4,775.00	4,775.00		
NJ Green Communities		3,000.00	3,000.00		
US EPA - Brownfields Hazardous Assessment					
Interfaith Neighbors - Sr. Ctr. Meals Program	48,325.00	48,325.00	48,325.00		
FY16 Edward Byrne Memorial Justice Assistance Grant		54,233.00	54,233.00		
NJDL&PS 2016 Click It or Ticket Seat Belt Mobilization		5,000.00	5,000.00		
2016 Drive Sober or Get Pulled Over Year End		5,000.00	5,000.00		
NJSP HMEP Training Grant		26,000.00	26,000.00		
Body Armor Replacement Fund		6,514.90	6,514.90		
Matching Funds for Grants	20,000.00	20,000.00		20,000.00	
SCHLIP Program (Code Enforcement) S & W	19,000.00	19,000.00	19,000.00		
Statewide Insurance Fund Grant	15,004.38	15,004.38	15,004.38		
Hazardous Discharge Site Remediation Fund - Chidnese	39,236.06	39,236.06	39,236.06		
Hazardous Discharge Site Remediation Fund - Match	13,078.69	13,078.69	13,078.69		
Sandy/Environ Resources Inv.		20,000.00	20,000.00		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Sandy/Commun Resiliency North Island		45,000.00	45,000.00		
Sandy/Parks, Rec, Open Space Master Plan		25,000.00	25,000.00		
Sandy/Commun Resiliency SRH		45,000.00	45,000.00		
Sandy/Ord to Reduce Flood Risk		14,500.00	14,500.00		
Total Operations - Excluded from CAPS	2,970,265.13	3,335,509.80	3,228,244.17	107,265.63	
Detail:					
Salaries and Wages	435,693.00	435,693.00	435,693.00		
Other Expenses	2,534,572.13	2,899,816.80	2,792,551.17	107,265.63	
Capital Improvements Excluded from CAPS					
Capital Improvement Fund	100,000.00	100,000.00	100,000.00		
Total Capital Improvements Excluded from CAPS	100,000.00	100,000.00	100,000.00		
Municipal Debt Service Excluded from CAPS					
Payment of Bond Principal	1,799,000.00	1,819,000.00	1,819,000.00		
Payment of Ban Antic. Notes and Capital Notes	47,400.00	47,400.00	47,400.00		
Interest on Bonds	737,747.50	717,747.50	698,377.80		\$ 19,369.70
Interest on Notes	30,000.00	30,000.00	24,313.39		5,686.61
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	81,500.00	81,500.00	81,480.24		19.76
Capital Lease Obligations					
Principal	1,199,844.00	1,199,844.00	1,199,844.00		
Interest	202,815.87	202,815.87	193,688.00		9,127.87
Total Municipal Debt Service Excluded from CAPS	4,098,307.37	4,098,307.37	4,064,103.43		34,203.94

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	<u>Budget</u>	Appropriated Budget After <u>Modification</u>	Paid or <u>Charged</u>	Expended <u>Reserved</u>	Unexpended Balance <u>Canceled</u>
<u>Deferred Charges Excluded from CAPS</u>					
Special Emergency Authorizations - 5 Years	816,814.00	816,814.00	816,814.00		
Total General Appropriations Excluded from CAPS	<u>7,985,386.50</u>	<u>8,350,631.17</u>	<u>8,209,161.60</u>	<u>107,265.63</u>	<u>34,203.94</u>
Subtotal General Appropriations	40,998,311.50	41,363,556.17	40,600,855.53	728,496.70	34,203.94
Reserve for Uncollected Taxes	<u>2,090,000.00</u>	<u>2,090,000.00</u>	<u>2,090,000.00</u>		
Total General Appropriations	<u>\$ 43,088,311.50</u>	<u>\$ 43,453,556.17</u>	<u>\$ 42,690,855.53</u>	<u>\$ 728,496.70</u>	<u>\$ 34,203.94</u>
	<u>Ref.</u>	A-2	A-3	A-1/A-3	A/A-1

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	<u>Ref.</u>	<u>Budget After Modification</u>
Budget	A-2	\$ 43,088,311.50
Added by N.J.S. 40A:4-87	A-2	<u>365,244.67</u>
	A-3	<u>\$ 43,453,556.17</u>
		<u>Paid or Charged</u>
Reserve for Uncollected Taxes	A-2	\$ 2,090,000.00
Disbursements	A-4	37,924,073.64
Reserve for Encumbrances	A-16	945,345.09
Deferred Charges - Special Emergency	A-28	816,814.00
Appropriated Reserves for Federal and State Grants	A-13/A-26	<u>914,622.80</u>
	A-3	<u>\$ 42,690,855.53</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Animal Control Trust Fund:			
Cash	B-1	\$ <u>20,704.15</u>	\$ <u>3,653.75</u>
Trust Other Fund:			
Cash	B-1	5,146,722.24	5,040,323.45
Interfund - Grant Fund	B-4	28,588.68	28,588.68
Self-Insurance Receivable	B	<u>133,836.13</u>	<u>280,457.62</u>
		<u>5,309,147.05</u>	<u>5,349,369.75</u>
		<u>\$ 5,329,851.20</u>	<u>\$ 5,353,023.50</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
Animal Control Trust Fund:			
Reserve for Animal Control Expenditures	B-2	\$ 5,730.93	\$ 3,556.55
Due to State of New Jersey	B-3	18.60	97.20
Reserve for Encumbrances	B-8	<u>14,954.62</u>	<u> </u>
		<u>20,704.15</u>	<u>3,653.75</u>
Trust Other Fund:			
Interfund - Current Fund	B-4	255,929.67	254,004.67
Interfund - Sewer Operating Fund	B-4	14,779.26	14,779.26
Reserve for:			
Escrow Funds	B-5	1,441,804.20	1,827,012.03
Other Funds	B-6	3,523,890.39	3,136,598.73
Encumbrances	B-7	<u>72,743.53</u>	<u>116,975.06</u>
		<u>5,309,147.05</u>	<u>5,349,369.75</u>
		<u>\$ 5,329,851.20</u>	<u>\$ 5,353,023.50</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Cash	C-2	\$ 123,741.33	\$ 614,201.29
Due from Jersey Shore Medical Center - Cell Tower	C-2		200,000.00
Interfund - Current Fund	C-4	17,314.05	
Interfund - Marina Utility Capital Fund	C-4	494,108.37	
Grants Receivable	C-5	4,603,671.50	3,750,965.50
Deferred Charges to Future Taxation:			
Funded	C-6	16,763,822.13	18,797,811.18
Unfunded	C-7	11,778,950.23	7,218,511.46
Due from Ocean Grove Camp Meeting Association			
Association	C-10	789,579.98	874,460.21
Interlocal Receivable - Salt Dome	C-16		10,191.92
		<u>\$ 34,571,187.59</u>	<u>31,466,141.56</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
Reserve for Encumbrances	C-11	\$ 3,802,944.26	\$ 1,457,111.11
Green Trust Loans Payable	C-12	809,822.13	887,811.18
General Serial Bonds	C-13	15,954,000.00	17,910,000.00
Bond Anticipation Notes	C-14	3,617,231.00	1,914,631.00
Improvement Authorizations:			
Funded	C-8	2,224,533.85	3,384,554.09
Unfunded	C-8	7,038,150.45	4,236,399.79
Capital Improvement Fund	C-9	58,139.75	192,714.75
Reserve for: Due from Ocean Grove Camp			
Camp Meeting Association	C-10	789,579.98	874,460.21
Various Reserves	C-15	139,835.75	266,993.29
Reserve for Interlocal Receivable	C-17		10,191.92
Reserve for Due from Jersey Shore Medical			
Center - Cell Tower Contribution	C-2		200,000.00
Fund Balance	C-1	<u>136,950.42</u>	<u>131,274.22</u>
		<u>\$ 34,571,187.59</u>	<u>\$ 31,466,141.56</u>

There were bonds and notes authorized but not issued on December 31, 2016 of \$8,161,719.23 (Exhibit C-18)

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS

For the Year Ended December 31, 2016

	<u>Ref.</u>			
Balance, December 31, 2015	C	\$ 131,274.22		
Increased by:				
Funded Improvement Authorizations Cancelled	C-8	<table style="margin-left: auto; margin-right: 0;"> <tr> <td style="text-align: right;">105,676.20</td> </tr> <tr> <td style="text-align: right;"><u>236,950.42</u></td> </tr> </table>	105,676.20	<u>236,950.42</u>
105,676.20				
<u>236,950.42</u>				
Decreased by:				
Utilized as Revenue in Current Fund	C-2	<table style="margin-left: auto; margin-right: 0;"> <tr> <td style="text-align: right;"><u>100,000.00</u></td> </tr> </table>	<u>100,000.00</u>	
<u>100,000.00</u>				
Balance, December 31, 2016	C	<table style="margin-left: auto; margin-right: 0;"> <tr> <td style="text-align: right;"><u><u>\$ 136,950.42</u></u></td> </tr> </table>	<u><u>\$ 136,950.42</u></u>	
<u><u>\$ 136,950.42</u></u>				

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 6,085,221.45	\$ 5,084,303.73
Change Fund	D	200.00	200.00
Interfund - Trust Fund	D-15	14,779.26	14,779.26
		<u>6,100,200.71</u>	<u>5,099,282.99</u>
Deferred Charges:			
Overexpenditure of Appropriations	D-4	1,211.37	
Special Emergency Authorization	D-7	90,000.00	180,000.00
		<u>91,211.37</u>	<u>180,000.00</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-8	502,551.05	425,955.12
OGSA Obligation Receivable	D-24	144,937.84	181,172.30
		<u>647,488.89</u>	<u>607,127.42</u>
Total Operating Fund		<u>6,838,900.97</u>	<u>5,886,410.41</u>
<u>Capital Fund</u>			
Cash	D-5	727,330.30	907,527.09
Fixed Capital	D-10	19,652,886.06	19,139,611.57
Fixed Capital Authorized and Uncompleted	D-11	4,438,402.96	4,138,539.42
Total Capital Fund		<u>24,818,619.32</u>	<u>24,185,678.08</u>
Total Assets		<u>\$ 31,657,520.29</u>	<u>\$ 30,072,088.49</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
LIABILITIES, RESERVES AND FUND BALANCE			
<u>Operating Fund</u>			
Appropriation Reserves	D-4/D-12	\$ 257,959.46	\$ 208,996.65
Reserve for Encumbrances	D-13	66,241.81	43,331.86
Customer Overpayments	D-14	18,296.52	16,127.98
Interfund - Marina Utility Operating Fund	D-15	1,235.10	2,229.04
Accrued Interest Payable	D-16	13,644.67	14,746.53
Reserve for FEMA Reimbursement	D	7,198.91	7,198.91
		<u>364,576.47</u>	<u>292,630.97</u>
Special Emergency Note Payable	D-25	90,000.00	180,000.00
Reserve for Receivable	D	647,488.89	607,127.42
Fund Balance	D-1	5,736,835.61	4,806,652.02
		<u>6,838,900.97</u>	<u>5,886,410.41</u>
Total Operating Fund		<u>6,838,900.97</u>	<u>5,886,410.41</u>
<u>Capital Fund</u>			
Serial Bonds	D-17	2,497,000.00	2,717,000.00
Reserve for Encumbrances	D-18	1,097,097.34	343,794.88
Improvement Authorizations:			
Funded	D-19	79,112.79	145,855.18
Unfunded	D-19	580,431.17	950,250.00
Capital Improvement Fund	D-20	259,258.25	189,258.25
Reserve for Amortization	D-21	18,262,726.85	17,701,702.36
Deferred Reserve for Amortization	D-22	927,521.84	961,270.60
Loans Payable	D-23	883,790.33	947,928.03
Reserve for FEMA Reimbursement	D	215,892.76	215,892.76
Reserve for Debt Service	D	235.02	235.02
Fund Balance	D-2	15,552.97	12,491.00
		<u>24,818,619.32</u>	<u>24,185,678.08</u>
Total Capital Fund		<u>24,818,619.32</u>	<u>24,185,678.08</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 31,657,520.29</u>	<u>\$ 30,072,088.49</u>

There were bonds and notes authorized but not issued on December 31, 2016 of \$1,520,250.00 (Exh. D-26)

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
 COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
 REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Revenue and Other Income Realized:			
Sewer Rents	D-3	\$ 5,964,852.27	\$ 6,081,197.11
Interest on Rents	D-3	53,873.32	55,380.15
Interest on Investments	D-3	7,901.46	3,920.63
Contract - Ocean Grove Sewer Authority	D-3	87,388.20	84,043.00
Contract - Borough of Tinton Falls	D-3	891,160.00	819,160.00
Contract - Borough of Neptune City	D-3	40,000.00	20,000.00
Contract - Township of Wall	D-3	50,000.00	50,000.00
Penn Station - OGSA Obligation	D-3	36,234.46	36,234.46
Other Credits to Income:			
Miscellaneous Revenue Not Anticipated	D-3	172,028.23	360,852.60
Unexpended Balance of Appropriation Reserves	D-12	55,229.58	389,410.18
Sewer Overpayments Cancelled	D-14	79.97	
		<hr/>	<hr/>
Total Revenue		7,358,747.49	7,900,198.13
		<hr/>	<hr/>
Expenditures:			
Operating	D-4	5,551,500.00	5,294,000.00
Capital Improvements	D-4	200,000.00	225,000.00
Debt Service	D-4	521,275.27	651,661.52
Deferred Charges	D-4	90,000.00	90,000.00
Statutory Expenditures	D-4	67,000.00	58,000.00
		<hr/>	<hr/>
Total Expenditures		6,429,775.27	6,318,661.52
		<hr/>	<hr/>
Excess/(Deficit) in Revenue		928,972.22	1,581,536.61
Add:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Year:			
Overexpenditure of Appropriations		1,211.37	
		<hr/>	<hr/>
Statutory Excess to Fund Balance		930,183.59	1,581,536.61
Fund Balance January 1	D	4,806,652.02	3,225,115.41
		<hr/>	<hr/>
Fund Balance December 31	D	\$ 5,736,835.61	\$ 4,806,652.02
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS

For the Year Ended December 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 12,491.00
Increased by:		
Funded Improvement Authorizations Cancelled	D-19	<u>3,061.97</u>
Balance, December 31, 2016	D	<u>\$ 15,552.97</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2016

	<u>Ref.</u>	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Sewer Rent	D-1/D-3	\$ 5,564,000.00	\$ 5,964,852.27	\$ 400,852.27
Interest on Sewer Rent	D-1/D-5	50,000.00	53,873.32	3,873.32
Interest on Investments	D-1/D-5	2,000.00	7,901.46	5,901.46
Contract - Ocean Grove Sewer Authority	D-1/D-5	65,000.00	87,388.20	22,388.20
Contract - Borough of Tinton Falls	D-1/D-5	650,000.00	891,160.00	241,160.00
Contract - Borough of Neptune City	D-1/D-5	20,000.00	40,000.00	20,000.00
Contract - Township of Wall	D-1/D-5	50,000.00	50,000.00	
Penn Station - OGSA Obligation	D-1/D-5/D-24	35,500.00	36,234.46	734.46
Miscellaneous Revenue Not Anticipated	D-1/D-3		<u>172,028.23</u>	<u>172,028.23</u>
		<u>\$ 6,436,500.00</u>	<u>\$ 7,303,437.94</u>	<u>\$ 866,937.94</u>
	<u>Ref.</u>			
		D-4		

Analysis of Miscellaneous Revenue Not Anticipated

Sewer Connection Fees		\$ 139,050.00
T.O.S.A. Agreement		4,140.00
Sewer Openings		650.00
Refund of Prior Sewerage Authority Fees		28,124.84
Miscellaneous		<u>63.39</u>
	D-3/D-5	<u>\$ 172,028.23</u>

Analysis of Rents

Sewer Rents Collected	D-8	\$ 5,948,618.75
Overpayments Applied	D-8	14,423.52
Sewer Liens Collected	D-9	<u>1,810.00</u>
	D-3	<u>\$ 5,964,852.27</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Unexpended Balance Canceled	Over- Expenditure
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operating:						
Salaries and Wages	\$ 575,000.00	\$ 575,000.00	\$ 574,999.19	\$ 0.81		
Other Expenses	641,500.00	641,500.00	627,080.50	14,419.50		
TNSA - Annual Charge	4,200,000.00	4,200,000.00	3,964,049.63	235,950.37		
Group Insurance for Employees	135,000.00	135,000.00	135,000.00			
Capital Improvements:						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00			
Capital Outlay	100,000.00	100,000.00	98,968.90	1,031.10		
Debt Service:						
Payment of Bond Principal	211,000.00	211,000.00	211,000.00			
Interest on Bonds	120,462.00	120,462.00	117,300.86		\$ 3,161.14	
Interest on Notes			1,211.37			\$ 1,211.37
Capital Lease Program	121,462.00	121,462.00	117,187.84		4,274.16	
NJEIT - Loan	75,076.00	75,076.00	74,575.20		500.80	
Deferred Charges and Statutory Expenditures						
Deferred Charges						
Special Emergency Authorizations	90,000.00	90,000.00	90,000.00			
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	20,000.00	20,000.00	20,000.00			
Social Security System (O.A.S.I.)	46,000.00	46,000.00	39,442.32	6,557.68		
Unemployment Compensation Insurance	1,000.00	1,000.00	1,000.00			
	<u>\$ 6,436,500.00</u>	<u>\$ 6,436,500.00</u>	<u>\$ 6,171,815.81</u>	<u>\$ 257,959.46</u>	<u>\$ 7,936.10</u>	<u>\$ 1,211.37</u>
	Ref.	D-3	D-3	D-1	D/D-1	D/D-1
Cash Disbursed	D-5			\$ 5,886,624.27		
Deferred Charges - Special Emergency	D-7			90,000.00		
Reserve for Encumbrances	D-13			66,241.81		
Accrued Interest Payable	D-16			<u>128,949.73</u>		
	D-4			<u>\$ 6,171,815.81</u>		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>Operating Fund</u>			
Cash	E-5	\$ 90,452.38	\$ 130,795.69
Change Fund	E	50.00	50.00
Grants Receivable	E	93.04	93.04
Interfund - Current Fund	E-5		11,745.72
Interfund - Sewer Operating	E-5	1,235.10	2,229.04
Interfund - Marina Utility Capital Fund	E-5/E-24	800,000.00	950,000.00
		<u>891,830.52</u>	<u>1,094,913.49</u>
Deferred Charges:			
Overexpenditure of Appropriation	E-1/E-4	3,682.19	
Special Emergency Authorization			
(N.J.S. 40A:4-55)	E-7	145,750.00	294,500.00
		<u>149,432.19</u>	<u>294,500.00</u>
		<u>1,041,262.71</u>	<u>1,389,413.49</u>
<u>Capital Fund</u>			
Cash	E-5/E-6	946,875.52	20,199.86
Fixed Capital	E-8	5,880,400.00	5,865,000.00
Fixed Capital Authorized and Uncompleted	E-9	4,490,000.00	4,250,000.00
Grants Receivable	E-21	782,453.72	2,300,000.00
Total Capital Fund		<u>12,099,729.24</u>	<u>12,435,199.86</u>
Total Assets		<u>\$ 13,140,991.95</u>	<u>\$ 13,824,613.35</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
LIABILITIES, RESERVES AND FUND BALANCE			
<u>Operating Fund</u>			
Appropriation Reserves	E-4/E-10	\$ 6,821.35	\$ 5,859.45
Reserve for FEMA Reimbursement	E-3/E-5	808,604.64	957,354.64
Sales Taxes Payable	E-5	2,648.00	3,587.43
Reserve for Encumbrances	E-11	11,115.35	6,112.31
Accounts Payable	E-12	1,045.00	2,791.75
Accrued Interest Payable	E-13	16,247.24	6,146.34
		<u>846,481.58</u>	<u>981,851.92</u>
Special Emergency Note Payable	E-22	145,750.00	294,500.00
Fund Balance	E-1	<u>49,031.13</u>	<u>113,061.57</u>
Total Operating Fund		<u>1,041,262.71</u>	<u>1,389,413.49</u>
<u>Capital Fund</u>			
Serial Bonds	E-14	1,161,000.00	1,266,000.00
Bond Anticipation Notes	E-15	1,143,269.00	555,369.00
Improvement Authorizations:			
Funded	E-16	134.19	43,977.83
Unfunded	E-16	17,656.78	152,098.33
Reserve for Encumbrances	E-16	325,587.46	1,644,007.07
Capital Improvement Fund	E-17	48,950.00	27,500.00
Interfund - General Capital Fund	E-18	494,108.37	
Reserve for Amortization	E-19	4,983,531.00	4,886,131.00
Deferred Reserve for Amortization	E-20	3,015,150.00	2,809,600.00
Reserve for Reconstruction	E-23	100,000.00	100,000.00
Interfund - Marina Utility Operating Fund	E-24	800,000.00	950,000.00
Fund Balance	E-2	<u>10,342.44</u>	<u>516.63</u>
Total Capital Fund		<u>12,099,729.24</u>	<u>12,435,199.86</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 13,140,991.95</u>	<u>\$ 13,824,613.35</u>

Bonds and notes authorized but not issued on December 31, 2016 is \$67,450 (Exhibit E-25)

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	E-3	\$ 75,000.00	\$ 120,000.00
Marina Fees and Costs	E-3	420,616.80	454,387.90
Interest on Investments	E-3	1,213.82	330.89
FEMA Disaster Assistance-Hurricane Sandy	E-3	148,750.00	41,433.16
Marina Utility Capital Fund Balance			16,000.00
Miscellaneous	E-3	2,773.88	3,118.09
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-10	3,896.00	
Accounts Payable Canceled	E-12	469.06	
Sales Tax Payable Canceled			1,989.88
		<hr/>	<hr/>
Total Revenue		652,719.56	637,259.92
Expenditures:			
Operating	E-4	166,800.00	126,531.16
Capital Improvements	E-4	50,000.00	
Debt Service	E-4	271,882.19	259,084.72
Deferred Charges	E-4	148,750.00	148,750.00
Statutory Expenditures	E-4	8,000.00	6,500.00
		<hr/>	<hr/>
Total Expenditures		645,432.19	540,865.88
Excess/(Deficit) in Revenue		7,287.37	96,394.04
Add:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of succeeding Year:			
Overexpenditure of Appropriations	E-4	3,682.19	
		<hr/>	<hr/>
Statutory Excess to Fund Balance		10,969.56	96,394.04
Fund Balance January 1	E	113,061.57	136,667.53
		<hr/>	<hr/>
Decreased by:		124,031.13	233,061.57
Utilization as Anticipated Revenue	E-1/E-3	75,000.00	120,000.00
		<hr/>	<hr/>
Fund Balance December 31	E	\$ 49,031.13	\$ 113,061.57
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

For the Year Ended December 31, 2016

	<u>Ref.</u>		
Balance, December 31, 2015	E		\$ 516.63
Increased by:			
Premium on Sale on Bond Anticipation Notes	E-5	\$ 3,934.18	
Premium on Sale on Bond Anticipation Notes and Excess Proceeds on Bond Refunding	E-18	5,891.63	
			9,825.81
Balance, December 31, 2016	E		\$ 10,342.44

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2016

	<u>Ref.</u>	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	E-1	\$ 75,000.00	\$ 75,000.00	
Marina Fees and Costs	E-3	418,000.00	420,616.80	\$ 2,616.80
FEMA Disaster Assistance - Hurricane Sandy	E/E-1	148,750.00	148,750.00	
Interest on Investments	E-1/E-5		1,213.82	1,213.82
Miscellaneous	E-1/E-5	<u> </u>	<u>2,773.88</u>	<u>2,773.88</u>
		<u>\$ 641,750.00</u>	<u>\$ 648,354.50</u>	<u>\$ 6,604.50</u>
	<u>Ref.</u>	E-4		
<u>Analysis of Marina Fees and Costs</u>				
Summer Dockage			\$ 337,980.10	
Winter Storage Fees			47,561.66	
Ramp Fees			13,874.00	
Launching/Haul Out			4,558.54	
Summer Land Storage			<u>16,642.50</u>	
	E-1/E-5		<u>\$ 420,616.80</u>	

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2016

	Appropriated		Expended		Over- <u>Expenditure</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operating:					
Salaries and Wages	\$ 92,800.00	\$ 92,800.00	\$ 86,595.77	\$ 6,204.23	
Other Expenses	74,000.00	74,000.00	73,885.12	114.88	
Capital Improvements:					
Capital Improvement Fund	25,000.00	25,000.00	25,000.00		
Capital Outlay	25,000.00	25,000.00	24,497.76	502.24	
Debt Service:					
Payment of Bond Principal	95,000.00	95,000.00	95,000.00		
Payment of Bond Anticipation Notes and Capital Notes	10,000.00	10,000.00	10,000.00		
Interest on Bonds	57,900.00	53,122.52	53,122.52		
Interest on Notes	7,600.00	12,408.56	16,090.75		\$ 3,682.19
Monmouth County Capital Equipment Lease Program -2007	97,700.00	97,668.92	97,668.92		
Deferred Charges and Statutory Expenditures					
Special Emergency Authorizations	148,750.00	148,750.00	148,750.00		
Statutory Expenditures:					
Public Employees' Retirement System	2,000.00	2,000.00	2,000.00		
Contribution to Social Security System (O.A.S.I.)	6,000.00	6,000.00	6,000.00		
	<u>\$ 641,750.00</u>	<u>\$ 641,750.00</u>	<u>\$ 638,610.84</u>	<u>\$ 6,821.35</u>	<u>\$ 3,682.19</u>
	<u>Ref.</u>	E-3	E-1/E-4	E/E-1	E/E-1
Analysis of Paid or Charged:					
Cash Disbursements	E-5		\$ 409,532.22		
Reserve for Encumbrances	E-11		11,115.35		
Accrued Interest Payable	E-13		69,213.27		
Deferred Charges - Special Emergency	E-7		148,750.00		
	E-4		<u>\$ 638,610.84</u>		

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

LOAN AND GRANT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Cash - Treasurer	F-1	\$ 674,507.15	\$ 734,859.57
Notes Receivable:			
Reciprocal Loans	F-2	152,662.01	294,835.34
Facade Improvement Loans	F-3	<u>86,167.51</u>	<u>50,873.71</u>
		<u>\$ 913,336.67</u>	<u>\$ 1,080,568.62</u>
LIABILITIES AND RESERVES			
Reserve for Notes Receivable:			
Reciprocal Loans	F	\$ 152,662.01	\$ 294,835.34
Facade Improvement Loans	F	86,167.51	50,873.71
Reserve for Encumbrances	F-4	40,000.00	250.00
Reserve for Loan and Grant Fund Expenditures	F-4	<u>634,507.15</u>	<u>734,609.57</u>
		<u>\$ 913,336.67</u>	<u>\$ 1,080,568.62</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
ASSETS			
Cash	G-1	\$ <u>19,634.56</u>	\$ <u>19,614.94</u>
		\$ <u><u>19,634.56</u></u>	\$ <u><u>19,614.94</u></u>
LIABILITIES AND RESERVES			
Reserve for Public Assistance	G	\$ <u>19,634.56</u>	\$ <u>19,614.94</u>
		\$ <u><u>19,634.56</u></u>	\$ <u><u>19,614.94</u></u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

PAYROLL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

As of December 31,

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash	\$ <u>290,781.59</u>	\$ <u>187,561.48</u>
	\$ <u><u>290,781.59</u></u>	\$ <u><u>187,561.48</u></u>
LIABILITIES		
Pensions Payable	\$ 154,500.97	\$ 150,248.77
Miscellaneous	<u>136,280.62</u>	<u>37,312.71</u>
	\$ <u><u>290,781.59</u></u>	\$ <u><u>187,561.48</u></u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSET ACCOUNT GROUP
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
General Fixed Assets:			
Land	I-1	\$ 18,406,960.52	\$ 18,406,960.52
Land Improvements	I-1	412,519.14	412,519.14
Buildings and Improvements	I-1	4,730,183.72	4,730,183.72
Machinery, Equipment and Vehicles	I-1	<u>19,699,327.18</u>	<u>18,914,154.19</u>
		<u>\$ 43,248,990.56</u>	<u>\$ 42,463,817.57</u>
 Investments in General Fixed Assets	 I-1	 <u>\$ 43,248,990.56</u>	 <u>\$ 42,463,817.57</u>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 1 REPORTING ENTITY

This report includes the financial statements of the Township of Neptune (the “Township”), within the County of Monmouth, in the State of New Jersey, and reflects the activities of the municipality which is under the control of the Mayor and Township Committee. The financial statements of the Board of Education, Housing Authority, Neptune Sewerage Authority, Ocean Grove Sewerage Authority, Public Library, First Aid Organization and Fire Districts are reported separately since their activities are administered by separate boards.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Funds

The Governmental Accounting Standards Board (“GASB”) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles generally accepted in the United States of America.

The accounting policies of the Township conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (“Division”). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differs from the fund structure required by generally accepted accounting principles.

Current Fund - resources and expenditures for governmental operations of a general nature.

Grant Fund - accounts for receipts and disbursements of Federal and State grants.

Animal Control Trust Fund - animal license revenues and expenditures.

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

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund and are offset by deferred charges to future taxation.

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

TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Description of Funds (continued)

Loan and Grant Fund - is used to account for the loan activity related to UDAG, reciprocal, and facade improvement loans.

Marina Utility Operating and Capital Funds - account for the operations and acquisitions of capital facilities of the municipality-owned marina utility. Bonds and notes payable of the Utility Fund are recorded in the Utility Capital Fund.

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

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

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

B. Basis of Accounting

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

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

Budgets and Budgetary Accounting - the Township of Neptune must adopt an annual budget in accordance with N.J.S.A. 40A:4-4 et al. N.J.S.A. 40A:4-5 which requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulated in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

Budgets and Budgetary Accounting (continued)

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

Cash, Cash Equivalents and Investments - New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

The Township of Neptune is required to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Public funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories in the collateral pool, is available to pay the full amount of their deposits to the governmental units.

The Township considers highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents.

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

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

Grant Revenues and Expenditures - Federal and State grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. GAAP requires such revenues to be recognized in the accounting period when they are earned and the expenditures to be recognized when the liability is incurred.

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

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

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

Deferred Charges - the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheet. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at December 31, 2016

is set forth in Note 8.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

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

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

Mortgage Receivable - The Township has entered into a mortgage agreement in the amount of \$400,000.00. The Township sold property to a developer to construct affordable housing units as part of the Schoolhouse Square Project (“the Project”). As part of the mortgage agreement when a unit is sold, the purchaser will sign a \$20,000.00 secondary mortgage payable to the Township under the Neptune Housing Incentive Fund Program. This is a no interest mortgage and is payable in a single lump sum payment upon the first to occur of the following events:

- a) The sale of the property; or
- b) The refinancing of the purchaser’s first mortgage
- c) The repayment in full of the note secured by the first mortgage

The mortgage receivable is fully reserved and revenue will only be recognized when and if units are sold and the above conditions are met.

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.

Inventories of Supplies - the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The inventories have offsetting reserve amounts.

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

TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

Capital Leases - are not recorded at the lesser of the fair value of the leased property or the present value of the minimum lease payments. GAAP requires an amount equal to the lesser of the fair value of the leased property or the present value of the minimum lease payments to be recorded in General Fixed Assets Account Group and the long-term obligation be recorded as part of a General Long-Term Debt Account Group. The future principal and interest payments on capital leases are disclosed in Note 5.

General Fixed Assets - property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized.

Accounting for Governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 2 as issued by the Division of Local Government Services, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive.

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

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

No depreciation on general fixed assets is recorded in the financial statements.

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

Fixed Assets - Utility - accounting for utility fund “fixed capital” remains unchanged under the Requirements of Technical Accounting Directive No. 85-2.

Property and equipment purchased by the Sewer and Marina Utility Funds are recorded in the capital account at cost and are adjusted for disposition and abandonments. The amount reported for reserve for amortization of fixed capital acquired on the balance sheet of the Sewer and Marina Capital Funds represents the aggregate charges (capital outlay and debt service) to the operating budget for the costs of acquisitions of property and equipment and proceeds from grants-in-aid. The utilities do not record depreciation of property and equipment. GAAP does not require the establishment of a reserve for amortization of fixed capital, whereas it does require the recognition of depreciation of property and equipment by enterprise funds.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

Comparative Data - comparative total data for the various funds for the prior year has been presented in the accompanying Balance Sheets and Statements of Operations and Changes in Fund Balance in order to provide an understanding of changes in the Township's financial position. However, Comparative Statements of Revenues and Statements of Expenditures have not been presented since this inclusion would make the statements unduly complex and difficult to read.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in general purpose financial statements in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP.

In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits

At December 31, 2016, the Township's deposits had a carrying amount of \$19,798,694.82.

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit

Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholding, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 3 CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Custodial Credit Risk Related to Deposits (continued)

As of December 31, 2016, the Township's bank balances of \$20,446,883.66 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$	-
Insured		<u>20,446,883.66</u>
Total	\$	<u>20,446,883.66</u>

Investments

At December 31, 2016, the Township had no investments.

NOTE 4 BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2016, the Township had authorized but not issued bonds and notes as follows:

General Capital Fund		
Bonds and Notes	\$	8,161,719.23
Sewer Utility Capital Fund		
Bonds and Notes		1,520,250.00
Marina Utility Capital Fund		
Bonds and Notes		<u>67,450.00</u>
Total	\$	<u>9,749,419.23</u>

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The terms of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

The Township's long-term debt is summarized as follows:

Purpose

General Serial Bonds

\$5,147,000.00 2005 Pooled Governmental Loan Revenue Bonds due in one annual installment of \$4,000.00 on December 1, 2017, interest rate of 4.000%.	\$ 4,000.00
\$5,518,000.00 2007 Pooled Governmental Loan Revenue Bonds due in one annual installment of \$440,000.00 on December 1, 2017, interest rate of 5.000%.	440,000.00
\$7,100,000.00 2011 General Obligation Bonds due in annual installments of \$500,000.00 through September 2026, interest rates ranging from 2.250% to 4.000%.	5,000,000.00
\$4,800,000.00 2012 Pooled Governmental Loan Refunding Revenue Bonds due in annual installments ranging from \$310,000.00 to \$495,000.00 through December 2025, interest rates ranging from 4.000% to 5.000%.	3,555,000.00

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT (continued)

Purpose

General Serial Bonds (continued)

\$5,180,000.00 2013 Pooled Governmental Loan Revenue Bonds due in annual installments ranging from \$275,000.00 to \$400,000.00 through December 2029, interest rates ranging from 4.000% to 5.000% \$ 4,580,000.00

\$2,395,000.00 2016 Pooled Government Loan Refunding Bonds due in annual installments ranging from \$435,000.00 to \$520,000.00 through December 2022, interest rates ranging from 2.000% to 5.000%. 2,375,000.00

\$ 15,954,000.00

Sewer Utility Bonds

\$504,000.00 2007 Pooled Governmental Loan Revenue Bonds due in one annual installment of \$36,000.00 on December 1, 2017, interest rate of 5.000%. \$ 36,000.00

\$1,310,000.00 2012 Pooled Governmental Loan Refunding Revenue Bonds due in annual installments ranging from \$95,000.00 to \$140,000.00 through December 2025, interest rates ranging from 4.000% to 5.000%. 1,035,000.00

\$291,000.00 2014 Pooled Governmental Loan Refunding Revenue Bonds due in annual installments ranging from \$54,000.00 to \$63,000.00 through December 2021, interest rates ranging from 3.000% to 5.000%. 291,000.00

\$1,005,000.00 2014 Pooled Governmental Loan Revenue Bonds due in annual installments ranging from \$35,000.00 to \$70,000.00 through December 2034, interest rates ranging from 3.250% to 5.000%. 935,000.00

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT (continued)

Purpose
Sewer Utility Bonds (continued)

\$200,000.00 2016 Pooled Government Loan Refunding Bonds due in annual installments ranging from \$35,000.00 to \$45,000.00 through December 2022, interest rates ranging from 4.000% to 5.000%.	\$ <u>200,000.00</u>
	\$ <u>2,497,000.00</u>

Marina Utility Bonds

\$483,000.00 2007 Marina Pooled Governmental Loan Revenue Bonds due in one annual installment of \$35,000.00 on December 1, 2017, interest rate of 5.000%.	\$ 35,000.00
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\$181,000.00 2014 Marina Pooled Governmental Loan Refunding Revenue Bonds due in annual installments ranging from \$33,000.00 to \$40,000.00 through December 2021, interest rates ranging from 3.000% to 5.000%.	181,000.00
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\$815,000.00 2014 Marina Pooled Governmental Loan Revenue Bonds due in annual installments ranging from \$30,000.00 to \$60,000.00 through December 2034, interest rates ranging from 3.250% to 5.000%.	755,000.00
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\$190,000.00 2016 Pooled Government Loan Refunding Bonds due in annual installments ranging from \$35,000.00 to \$40,000.00 through December 2022, interest rates ranging from 4.000% to 5.000%.	<u>190,000.00</u>
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\$ 1,161,000.00

TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

NOTE 5 LONG-TERM DEBT (continued)

Annual debt service for principal and interest over the next five years and five-year increments thereafter for bonded debt issued and outstanding are as follows:

General Capital Fund			
Year	Principal	Interest	Total
2017	\$ 1,659,000.00	\$ 658,885.00	\$ 2,317,885.00
2018	1,685,000.00	593,125.00	2,278,125.00
2019	1,735,000.00	530,725.00	2,265,725.00
2020	1,775,000.00	470,075.00	2,245,075.00
2021	1,630,000.00	399,400.00	2,029,400.00
2022-2026	6,270,000.00	1,060,250.00	7,330,250.00
2027-2029	1,200,000.00	120,000.00	1,320,000.00
Total	\$ 15,954,000.00	\$ 3,832,460.00	\$ 19,786,460.00

Sewer Utility Capital Fund			
Year	Principal	Interest	Total
2017	\$ 220,000.00	\$ 112,020.00	\$ 332,020.00
2018	225,000.00	103,400.00	328,400.00
2019	238,000.00	94,400.00	332,400.00
2020	251,000.00	84,300.00	335,300.00
2021	253,000.00	73,250.00	326,250.00
2022-2026	800,000.00	214,500.00	1,014,500.00
2027-2031	300,000.00	80,000.00	380,000.00
2032-2034	210,000.00	14,175.00	224,175.00
Total	\$ 2,497,000.00	\$ 776,045.00	\$ 3,273,045.00

Marina Utility Bonds			
Year	Principal	Interest	Total
2017	\$ 98,000.00	\$ 51,950.00	\$ 149,950.00
2018	99,000.00	48,010.00	147,010.00
2019	101,000.00	44,050.00	145,050.00
2020	108,000.00	39,650.00	147,650.00
2021	110,000.00	34,550.00	144,550.00
2022-2026	225,000.00	119,500.00	344,500.00
2027-2031	245,000.00	65,750.00	310,750.00
2032-2034	175,000.00	11,950.00	186,950.00
Total	\$ 1,161,000.00	\$ 415,410.00	\$ 1,576,410.00

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable

General Capital Fund Loans Payable

During 2005, the Township was awarded a loan of \$100,000.00 under the Green Trust Loan Program for the Bradly Park acquisition. The loan is due in semi-annual installments ranging from \$2,599.31 to \$3,078.38 through September 2025, interest rate 2.00%. \$ 50,984.83

During 2005, the Township was awarded a loan of \$25,000.00 under the Green Trust Loan Program for the Bradly Park acquisition. The loan is due in semi-annual installments ranging from \$649.83 to \$769.58 through September 2025, interest rate 2.00%. 12,746.19

During 2007, the Township was awarded a loan of \$170,000.00 under the Green Trust Loan Program for the Riverside Park acquisition. The loan is due in semi-annual installments ranging from \$4,288.87 to \$5,233.24 through May 2027, interest rate 2.00%. 99,669.93

During 2008, the Township was awarded a loan of \$225,228.72 under the Green Trust Loan Program for the development of Bradly Park. The loan is due in semi-annual installments of \$5,927.07 through July 2027, interest rate 0.00%. 130,395.60

During 2009, the Township was awarded a loan for \$25,000.00 under the Green Trust Loan Program for the Bradly Park acquisition. The loan is due in semi-annual installments of \$641.03 through June 2029, interest rate 0.00%. 16,025.58

During 2011, the Township was awarded a loan of \$750,000.00 under the Green Trust Loan Program for multi-parks development. The loan is due in semi-annual installments of \$25,000 through August 2026, interest rate 0.00%. 500,000.00

\$ 809,822.13

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable (continued)

Sewer Utility Fund Loan Payable

On March 1, 2010, the Township entered into loan agreements funded by the New Jersey Environmental Infrastructure Trust in the amount of \$1,281,375.00 for upgrades to the Pennsylvania Avenue pump station. \$315,000.00 was funded by a trust loan with interest rates ranging from 3.00% to 5.00%. The trust loan is due in annual \$15,000.00 to \$25,000.00 through 2029. The remaining \$966,375.00 was funded by a fund loan with 0.00% interest. The fund loan is due in semi-annual installments ranging from \$16,379.23 to \$32,758.70 through 2029.

\$ 883,790.33

Total Sewer Utility Capital Fund Loan Payable

\$ 883,790.33

Annual debt service for principle and interest over the next five years and five-year increments thereafter for loans issued and outstanding is as follows:

Year	General Capital Fund Loans Payable		
	Principal	Interest	Total
2017	\$ 78,287.60	\$ 3,192.64	\$ 81,480.24
2018	78,592.15	2,888.09	81,480.24
2019	78,902.81	2,577.43	81,480.24
2020	79,219.71	2,260.53	81,480.24
2021	79,543.00	1,937.24	81,480.24
2022-2026	394,984.44	4,643.86	399,628.30
2027-2029	20,292.42	52.33	20,344.75
Total	\$ 809,822.13	\$ 17,552.12	\$ 827,374.25

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT (continued)

Loans Payable (continued)

Sewer Utility Fund Loan Payable (continued)

Year	Sewer Utility Loans		
	Principal	Interest	Total
2017	\$ 64,137.70	\$ 10,000.00	\$ 74,137.70
2018	64,137.70	9,250.00	73,387.70
2019	64,137.70	8,500.00	72,637.70
2020	64,137.70	7,900.00	72,037.70
2021	64,137.70	7,150.00	71,287.70
2022-2026	345,688.50	25,500.00	371,188.50
2027-2029	217,413.33	5,800.00	223,213.33
Total	\$ 883,790.33	\$ 74,100.00	\$ 957,890.33

Capital Lease Program

During 2007, 2011, 2013 and 2015 the Township of Neptune acquired equipment through the Monmouth County Improvement Authority's Equipment Lease Financing Program. The Equipment Lease Financing Program involved the issuance of Capital Equipment Pooled Lease Revenue Bonds, Series 2007, 2011, 2013 and 2015 of which \$2,380,400.00, \$1,180,000.00, \$2,789,000.00 and \$2,515,000.00 respectively, represent the Township's portion. Debt service requirements by fund are as follows:

Year	General Capital Fund			Coupon Rate
	Principal	Interest	Total	
2017	\$ 1,118,268.00	\$ 163,769.40	\$ 1,282,037.40	4.00%-5.00%
2018	879,880.00	112,615.00	992,495.00	2.50%-5.00%
2019	492,320.00	70,057.00	562,377.00	4.00%-5.00%
2020	515,480.00	46,638.00	562,118.00	4.00%-5.00%
2021	176,360.00	22,816.00	199,176.00	4.00%-5.00%
2022-2025	351,000.00	34,042.00	385,042.00	2.00%-5.00%
Total	\$ 3,533,308.00	\$ 449,937.40	\$ 3,983,245.40	

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT (continued)

Capital Lease Program (continued)

Sewer Utility Fund				
Year	Principal	Interest	Total	Coupon Rate
2017	\$ 80,280.00	\$ 16,223.00	\$ 96,503.00	4.00%-5.00%
2018	83,120.00	12,766.00	95,886.00	2.50%-5.00%
2019	64,680.00	9,127.00	73,807.00	4.00%-5.00%
2020	67,520.00	6,158.00	73,678.00	4.00%-5.00%
2021	28,640.00	1,764.00	30,404.00	4.00%-5.00%
2022-2023	9,000.00	546.00	9,546.00	4.00%
Total	\$ 333,240.00	\$ 46,584.00	\$ 379,824.00	

Marina Utility Fund				
Year	Principal	Interest	Total	Coupon Rate
2017	\$ 87,652.00	\$ 11,262.60	\$ 98,914.60	4.00%-5.00%
2018	73,000.00	7,004.00	80,004.00	5.00%
2019	19,000.00	3,376.00	22,376.00	4.00%-5.00%
2020	20,000.00	2,504.00	22,504.00	4.00%-5.00%
2021	11,000.00	1,330.00	12,330.00	4.00%
2022-2023	22,000.00	1,362.00	23,362.00	4.00%
Total	\$ 232,652.00	\$ 26,838.60	\$ 259,490.60	

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT (continued)

Capital Lease Program (continued)

Changes in Outstanding Debt

Transactions for the year ended December 31, 2016 are summarized as follows:

	Balance Dec. 31, 2015	Additions	Deductions	Balance Dec. 31, 2016
<u>General Capital Fund</u>				
Serial Bonds	\$ 17,910,000.00	\$ 2,395,000.00	\$ 4,351,000.00	\$ 15,954,000.00
Loans Payable	887,811.18	-	77,989.05	809,822.13
	<u>18,797,811.18</u>	<u>2,395,000.00</u>	<u>4,428,989.05</u>	<u>16,763,822.13</u>
<u>Sewer Capital Fund</u>				
Serial Bonds	2,717,000.00	200,000.00	420,000.00	2,497,000.00
Loans Payable	947,928.03	-	64,137.70	883,790.33
	<u>3,664,928.03</u>	<u>200,000.00</u>	<u>484,137.70</u>	<u>3,380,790.33</u>
<u>Marina Capital Fund</u>				
Serial Bonds	1,266,000.00	190,000.00	295,000.00	1,161,000.00
	<u>\$ 23,728,739.21</u>	<u>\$ 2,785,000.00</u>	<u>\$ 5,208,126.75</u>	<u>\$ 21,305,612.46</u>

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 5 LONG-TERM DEBT (continued)

Borrowing Power

New Jersey statutes limit the debt of a municipality to 3.50% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2016 was 0.783%. The Township's remaining borrowing power is 2.717%. The summary of municipal debt for the last three years and the calculation of statutory net debt is presented in the Supplementary Data section of this report.

NOTE 6 SHORT-TERM DEBT

Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuing of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note.

On December 31, 2016, the Township's outstanding bond anticipation notes were as follows:

<u>General Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Various 2013 Improvements to Parks and Other Township Facilities	09-07-16	09-06-17	\$ 128,400.00	2.00%
Various 2013 Roadway and Drainage Improvements	09-07-16	09-06-17	1,157,631.00	2.00%
Emergency Watershed Protection Program	09-07-16	09-06-17	352,900.00	2.00%
Acquisition of Real Property (Division Street Property)	09-07-16	09-06-17	112,500.00	2.00%
Pedestrian/Bicycle Lane Transportation	09-07-16	09-06-17	115,800.00	2.00%
Various 2016 Capital Improvements	12-31-16	02-28-17	<u>1,750,000.00</u>	0.00%
			<u>\$ 3,617,231.00</u>	

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 6 SHORT-TERM DEBT (continued)

Bond Anticipation Notes (continued)

<u>Marina Utility Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Acquisition of Marina Property and Various Improvements to the Marina	09-07-16 02-04-16	09-06-17 02-03-17	\$ 198,000.00 25,000.00	2.00% 1.50%
Various Improvements to Marina	09-07-16	09-06-17	267,869.00	2.00%
Various Improvements	09-07-16	09-06-17	79,500.00	2.00%
Reconstruction of the Municipal Marina Building	02-04-16	02-03-17	420,000.00	1.50%
Shark River Dredging	02-04-16	02-03-17	<u>152,000.00</u>	1.50%
			<u>\$ 1,143,269.00</u>	

Changes in Bond Anticipation Notes

	<u>Balance Dec. 31, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance Dec. 31, 2016</u>
General Capital Fund	\$ 1,914,631.00	\$ 3,617,231.00	\$ 1,914,631.00	\$ 3,617,231.00
Marine Utility Capital Fund	<u>555,369.00</u>	<u>597,900.00</u>	<u>10,000.00</u>	<u>1,143,269.00</u>
	<u>\$ 2,470,000.00</u>	<u>\$ 4,215,131.00</u>	<u>\$ 1,924,631.00</u>	<u>\$ 4,760,500.00</u>

Special Emergency Notes

The Township issues special emergency notes to fund special emergency appropriations. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid within three to five years depending on the type of special emergency.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 6 SHORT-TERM DEBT (continued)

Special Emergency Notes (continued)

On December 31, 2016, the Township's outstanding special emergency notes were as follows:

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
<u>Current Fund</u>				
Hurricane Sandy	11-09-16	11-08-17	\$ 545,372.00	1.10%
Revaluation	04-05-16	04-04-17	<u>400,000.00</u>	0.80%
			<u>945,372.00</u>	
<u>Sewer Utility Fund</u>				
Hurricane Sandy	11-09-16	11-08-17	<u>90,000.00</u>	1.10%
<u>Marina Utility Fund</u>				
Hurricane Sandy	11-09-16	11-08-17	<u>145,750.00</u>	1.10%
			<u>\$ 1,181,122.00</u>	

Changes in Special Emergency Notes

Transactions for the year ended December 31, 2016 are summarized as follows:

	<u>Balance Dec. 31, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance Dec. 31, 2016</u>
Current Fund	\$ 1,762,186.00	\$ 945,372.00	\$ 1,762,186.00	\$ 945,372.00
Sewer Utility Capital Fund	180,000.00	90,000.00	180,000.00	90,000.00
Marina Capital Fund	294,500.00	-	148,750.00	145,750.00
	<u>\$ 2,236,686.00</u>	<u>\$ 1,035,372.00</u>	<u>\$ 2,090,936.00</u>	<u>\$ 1,181,122.00</u>

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 7 DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED

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

NOTE 8 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

As noted in Note 2, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2016, the following deferred charges are shown on the balance sheets of the various funds:

	Balance December 31, 2016	2017 Budget Appropriation	Balance to Succeeding Budgets
Current Fund:			
Special Emergency Authorization	\$ 945,372.00	\$ 745,372.00	\$ 200,000.00
Sewer Utility Operating Fund:			
Special Emergency Authorization	90,000.00	90,000.00	-
Marina Utility Operating Fund:			
Special Emergency Authorization	<u>145,750.00</u>	<u>145,750.00</u>	<u>-</u>
	<u>\$ 1,181,122.00</u>	<u>\$ 981,122.00</u>	<u>\$ 200,000.00</u>

NOTE 9 TAXES COLLECTED IN ADVANCE

Taxes collected in advance set forth as cash liabilities in the financial statements, are as follows:

	Balance December 31,	
	2016	2015
Prepaid Taxes	\$ 863,859.33	\$ 980,186.02

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 10 ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1st in each year and filed with the County Board of Taxation (“Board”) by January 10th of the following year. Upon the filing of certified adopted budgets by the Township, Local School District and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 20th, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector (“Collector”) on or before June 3rd. Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year.

In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the prior year’s tax. The preliminary payments are due and payable on February 1st and May 1st. The N.J. Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent as of the eleventh day of the eleventh month of the fiscal year, the delinquent amount is subject to “Tax Sale” which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

NOTE 11 LOCAL DISTRICT SCHOOL TAXES

Local District School Taxes have been raised and liabilities deferred. Section 13 of P.L. 1991, C. 63 provides that any municipality that levies school taxes on a school year basis may defer from the municipal purposes tax levy 50% (fifty percent) of the levy. The amounts so deferred shall be regarded as fund balance and shall be used to offset the local property tax levy for local purposes. At year end taxes due to the District consisted of the following:

	Local District School Tax Balance December 31	
	2016	2015
Balance of Tax	\$ 18,366,112.50	\$ 18,005,752.50
Deferred	<u>17,265,725.00</u>	<u>17,265,725.00</u>
Tax Payable/(Advanced)	<u>\$ 1,100,387.50</u>	<u>\$ 740,027.50</u>

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 12 FUND BALANCES APPROPRIATED

Fund balances at December 31, 2016 which were appropriated and included as anticipated revenue in the 2017 municipal budget as adopted for the year ending December 31, 2017 were as follows:

Current Fund:	
Fund Balance	\$2,205,727.92
Sewer Utility Fund:	
Fund Balance	0.00
Marina Utility Fund:	
Fund Balance	0.00

NOTE 13 PENSIONS AND RETIREMENT PLANS

Plan Description

The Township of Neptune contributes to the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), cost-sharing multiple-employer defined benefit pension plans administered by the Division of Pensions in the Department of the Treasury, State of New Jersey. The plans provide retirement, death, disability benefits and medical benefits to certain qualifying plan members and beneficiaries. The Public Employees' Retirement System was established January 1, 1955 under the provisions of N.J.S.A. 43:15A. The Police and Firemen's Retirement System was established July 1, 1944 under the provisions of N.J.S.A. 43:16A. The Public Employees' Retirement System and the Police and Firemen's Retirement System issue publicly available financial reports that include financial statements and required supplementary information which can be found at www.state.nj.us/treasury/pensions/annrprts/shtml.

PERS Benefits

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

PERS Benefits (continued)

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier one and two before reaching age 60, tier 3 and 4 before age 62 with 25 years or more of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month a member retires prior to the age at which a member can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirements age for the respective tier.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

PFRS Benefits

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28,2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving 10 years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by all active members and contributing employers. Members contribute at a uniform rate. Employee contributions are currently 7.20% of their base wages. Under the provisions of Chapter 78, P.L. 2011, employee pension contribution rates for PERS members increased effective July, 2016 from 7.06% to 7.20%. The contribution rate will increase by 0.14% each year on July 1 until July 1, 2017 and increase 0.16% on July 1, 2018 when the rate will be 7.50%.

The contribution policy for PFRS is set by N.J.S.A.43:16A and requires contributions by all active members and contributing employers. Members contribute at a uniform rate of 10% of base salary.

TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

NOTE 13 PENSION PLANS (continued)

Contributions (continued)

The local employers' contribution amounts are based on the actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS and PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

Special Funding Situation Component – Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employer related to this legislation. However, the notes to the financial statements of the local participating employer must disclose the portion of the nonemployer contributing entities total proportionate share of the collective net pension liability that is associated with the local participating employer.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As described in Note 2, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey (regulatory basis), which is a basis of accounting other than accounting principles generally accepted in the United States of America to comply with the requirements of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The regulatory basis of accounting followed by the Township does not accrue pension liabilities. Had the Township prepared the financial statements utilizing accounting principles generally accepted in the United States of America, a pension liability would have been reported as follows for its proportionate share of the net pension liability:

	December 31, <u>2016</u>	December 31, <u>2015</u>
PERS – Valuation June 30, 2016 and 2015	\$ 31,595,093	\$ 23,686,864
PFRS – Valuation June 30, 2016 and 2015	<u>47,327,142</u>	<u>37,852,799</u>
Total Pension Liability	\$ <u>78,922,235</u>	\$ <u>61,539,663</u>

In addition to the Township’s liability related to PFRS the State of New Jersey’s proportionate share of the net pension liability associated with the Township was \$3,974,306 and \$3,319,563 for the year ended December 31, 2016 and December 31, 2015, respectively.

The net pension liability was measured as of June 30, 2016 and June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015 and July 1, 2014, respectively. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement dates of June 30, 2016 and June 30, 2015.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At June 30, 2016 and June 30, 2015, the Township's proportion of the net pension liability was as follows:

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>Increase/ (Decrease)</u>
PERS	.1066784373%	.1055188369%	0.0011596004%
PFRS	.2477529044%	.2272552232%	0.0204976812%

For the years ended December 31, 2016, 2015 and 2014 the Township recognized pension expense on the regulatory basis of accounting as follows:

	<u>December 31, 2016</u>	<u>December 31, 2015</u>	<u>December 31, 2014</u>
PERS - Normal Contribution	\$ 907,179	\$ 884,309	\$ 794,760
PFRS - Normal Contribution	<u>1,847,246</u>	<u>1,704,424</u>	<u>1,499,410</u>
Total Pension Expense	<u>\$ 2,754,425</u>	<u>\$ 2,588,733</u>	<u>\$ 2,294,170</u>

For the year ended June 30, 2016, the State recognized an actuarially determined pension expense of \$3,052,035 and \$6,061,304 for PERS and PFRS respectively.

Utilizing the Regulatory Basis of Accounting, the Township does not record deferred inflows and outflows of resources. Had the Township's financial statements been prepared in accordance with accounting principles generally accepted in the United State of America, the Township would report deferred inflows and outflows of resources at December 31, 2016 based upon the June 30, 2016 State of New Jersey Schedule of Employer Allocations and Schedule of Pension Amounts by Employer audit reports for PERS and PFRS. The following deferred inflows and outflows of resources are based upon the State of New Jersey Schedule of Employer Allocations and Schedule of Pension Amounts by Employer audit reports for the year ended June 30, 2016 that would have been reported as of December 31, 2016.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At June 30, 2016, the State reported deferred inflows of resources and deferred outflows of resources related to PERS from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Difference between Expected and Actual Experience		\$ 587,573
Changes in Assumptions		6,544,816
Net Difference between Projected and Actual Earnings on Pension Plan Investments		1,204,750
Changes in Proportion	<u>\$ 219,087</u>	<u>371,736</u>
	<u>\$ 219,087</u>	<u>\$ 8,708,875</u>

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At June 30, 2016, the State reported deferred inflows of resources and deferred outflows of resources related to PFRS from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Difference between Expected and Actual Experience	\$ 310,236	
Changes in Assumptions		\$ 6,555,198
Net Difference between Projected and Actual Earnings on Pension Plan Investments		3,316,118
Changes in Proportion		<u>3,934,423</u>
	<u>\$ 310,236</u>	<u>\$ 13,805,739</u>

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

The above amounts will not affect the Township financial statements because the Township reports on the regulatory basis of accounting but if the Township were to report in accordance with accounting principles generally accepted in the United States of America, the following amounts would be amortized to pension expense in the current and future periods based upon State of New Jersey audit reports:

	<u>PERS</u>	<u>PFRS</u>
2017	\$ 1,793,759	\$ 3,283,080
2018	1,793,757	3,283,079
2019	2,392,194	3,995,216
2020	1,848,953	2,500,074
2021	<u>661,125</u>	<u>434,054</u>
Total	<u>\$ 8,489,788</u>	<u>\$ 13,495,503</u>

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Actuarial assumptions

PERS

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. These actuarial valuations used the following actuarial assumptions:

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Inflation Rate	3.08%	3.04%
Salary increases (based on age):		
2012-2021	-	2.15 - 4.40%
Through 2026	1.65 - 4.15%	-
Thereafter	2.65 - 5.15%	3.15 - 5.40%
Investment rate of return	7.65%	7.90%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-Retirement Mortality Table for male and female active participants. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Table (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Actuarial assumptions (continued)

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

PFRS

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. These actuarial valuations used the following actuarial assumptions:

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Inflation Rate	3.08%	3.04%
Salary increases (based on age):		
2012-2021	-	2.60 - 9.40%
Through 2026	2.10 - 8.98%	-
Thereafter	3.10 - 9.98%	3.60 - 10.48%
Investment rate of return	7.65%	7.90%

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Actuarial assumptions (continued)

PFRS (continued)

Pre-retirement mortality rates were based on the RP-2000 Pre-Retirement Mortality Tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Disability mortality rates were based on special mortality tables used for the period after disability retirement.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-term expected rate of return

In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in both the PERS's and PFRS's target asset allocation as of June 30, 2016 are summarized in the following table:

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Long-term expected rate of return (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	<u>5.25%</u>	5.63%
	<u>100.00%</u>	

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Discount rate

PERS

The discount rate used to measure the total pension liability was 3.98% and 4.90% as of June 30, 2016 and June 30, 2015, respectively. The single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% and 3.80% as of June 30, 2016 and 2015, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

PFRS

The discount rate used to measure the total pension liability was 5.55% and 5.79% as of June 30, 2016 and June 30, 2015, respectively. The single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% and 3.80% as of June 30, 2016 and June 30, 2015, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current members' contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2050. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2050, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 13 PENSION PLANS (continued)

Sensitivity of the Township's proportionate share of the net pension liability to changes in the discount rate.

PERS

The following presents the Township's proportionate share of the net pension liability calculated using the discount rate of 3.98 percent, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.98 percent) or 1 percentage point higher (4.98 percent) than the current rate.

	1% Decrease <u>(2.98%)</u>	Discount Rate <u>(3.98%)</u>	1% Increase <u>(4.98%)</u>
Township's proportionate share of the net pension liability	\$38,716,086	\$31,595,093	\$25,716,084

PFRS

The following presents the Township's proportionate share of the net pension liability calculated using the discount rate of 5.55 percent, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.55 percent) or 1 percentage point higher (6.55 percent) than the current rate.

	1% Decrease <u>(4.55%)</u>	Discount Rate <u>(5.55%)</u>	1% Increase <u>(6.55%)</u>
Township's proportionate share of the net pension liability	\$61,024,879	\$47,327,142	\$36,157,461

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Reports for the State of New Jersey Public Employees Retirement System (PERS) and the State of New Jersey Police and Firemen's Retirement System.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 14 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (“OPEB”)

A. Plan Description

In addition to the pension benefits described in Note 13, the Township contributes to the New Jersey 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. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., 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 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. In 2010, the Township authorized participation in the SHBP’s post-employment benefit program through resolution number 10-281. The Township provides post-employment benefits to employees who have completed the required number of years of service, and having attained the specific age, under PERS, PFRS or is retired on approved disability. Said retirees who have completed 25 years in the appropriate pension plan and have completed 15 years of continuous service to the Township of Neptune will be provided with hospitalization benefits for the employee and his/her dependents under the New Jersey State Health Benefits Program in accordance with State of New Jersey Statute Chapter 88. In the event the Township changes insurance carriers, substantially similar benefits will be provided.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes the 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.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 14 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (“OPEB”) (continued)

B. Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-employment health benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township currently contributes on a pay-as-you-go basis based upon monthly invoices from the State of New Jersey Division of Pensions. Employees are not required to contribute. Contributions to the plan for the last three years and the number of former employees eligible for and participating in the post-employment health care benefits program as of the respective year ended December 31 was as follows:

<u>Year</u>	<u>Contribution</u>	<u>Number of Employees</u>
2016	\$ 2,499,735.36	136
2015	2,286,400.08	130
2014	2,182,290.24	128

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

NOTE 15 DEFERRED COMPENSATION PLAN

The Township of Neptune offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with the amounts, and all income attributable to these amounts are for the exclusive benefit of the Plan participants and their beneficiaries and the assets cannot be diverted to any other purpose. The Township serves as Trustee under the Plan.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 16 INTERFUND BALANCES

The composition of interfund balances as of December 31, 2016 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Current Fund	Trust Other	\$ <u>255,929.67</u>
General Capital	Current Fund	17,314.05
General Capital	Marina Utility Capital Fund	<u>494,108.37</u>
		<u>511,422.42</u>
Trust Other	Federal and State Grant Fund	<u>28,588.68</u>
Sewer Utility Other	Trust Other	<u>14,779.26</u>
Marina Utility Operating Fund	Sewer Utility Operating Fund	1,235.10
Marina Utility Operating Fund	Marina Utility Capital Fund	<u>800,000.00</u>
		<u>801,235.10</u>
		<u>\$ 1,611,955.13</u>

NOTE 17 FIXED ASSETS

Fixed asset and fixed capital activity for the year ended December 31, 2016 was as follows:

Fixed Assets

	Balance Dec. 31, 2015	Additions	Deductions	Balance Dec. 31, 2016
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Land	\$ 18,406,960.52	\$ -	\$ -	\$ 18,406,960.52
Land Improvements	412,519.14	-	-	412,519.14
Buildings and Improvements	4,730,183.72	-	-	4,730,183.72
Machinery, Equipment and Vehicles	18,914,154.19	1,364,604.99	579,432.00	19,699,327.18
	<u>\$42,463,817.57</u>	<u>\$ 1,364,604.99</u>	<u>\$ 579,432.00</u>	<u>\$43,248,990.56</u>

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 17 FIXED ASSETS (continued)

Fixed Capital - Sewer Utility

	Balance Dec. 31, 2015	Additions	Deductions	Balance Dec. 31, 2016
Sewer System	\$ 19,139,611.57	\$ 514,383.00	\$ 1,108.51	\$ 19,652,886.06

Fixed Capital - Marina Utility

	Balance Dec. 31, 2015	Additions	Deductions	Balance Dec. 31, 2016
Marina	\$ 5,865,000.00	\$ 15,400.00	\$ -	\$ 5,880,400.00

NOTE 18 RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Township is a member of the Statewide Insurance Fund (the "Fund"). The Fund is both an insured and self-administered group of public entities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The Fund will be self-sustaining through member premiums. There were no settlements in excess of insurance coverage in 2016, 2015 and 2014.

TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

NOTE 19 CONTINGENCIES

A. Accrued Sick and Vacation Unaudited

As discussed in Note 2 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation and sick pay. The Township permits certain employees within limits to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation would approximate \$4,080,241.61 at December 31, 2016. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

B. Litigation

The Township is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, Township Officials, based upon the opinion of the Township Counsel, presently believe that the outcome of each such proceeding or claim which is pending or known to be threatened, or all of them combined, will not have a material or adverse effect on the Township's financial position or adversely affect the Township's ability to levy, collect, and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

C. Federal and State Grants

The Township receives financial assistance from the U.S. government and the State of New Jersey in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require payment to the grantor agency. As of December 31, 2016, the Township estimates that no material liabilities will result from such audits.

D. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et. seq.). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The reserve for unemployment compensation insurance at December 31, 2016 was \$115,135.04.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 20 SUBSEQUENT EVENTS

On May 8, 2017, the Township adopted ordinance 17-14 providing for Shark River Bulkhead Improvements appropriating \$1,200,000. The ordinance authorizes \$346,245.75 of debt, a \$835,529.25 FEMA Grant and \$18,255 from the capital improvement fund.

On June 26, 2017, the Township adopted ordinance 17-19 providing for Various Sewer Utility Improvements appropriating \$1,800,000. The ordinance authorizes \$1,710,000 of debt and \$90,000 from the capital improvement fund.

On June 26, 2017, the Township adopted ordinance 17-20 providing for Fletcher Lake Bulkhead, Bridge and Roadway Improvements appropriating \$500,000. The ordinance authorizes \$475,000 of debt and \$25,000 from the capital improvement fund.

On June 26, 2017, the Township adopted ordinance 17-21 providing for 2017 Road Improvements appropriating \$1,000,000. The ordinance authorizes \$950,000 in debt and \$50,000 from the capital improvement fund.

On June 26, 2017, the Township adopted ordinance 17-22 providing for Acquisition of property within the West Lake Avenue Redevelopment Area appropriating \$750,000. The ordinance authorizes \$712,500 in debt and \$37,500 from the capital improvement fund.

On June 26, 2017, the Township adopted ordinance 17-23 providing for Replacement of the Municipal Complex Roof and other Facilities Improvements appropriating \$800,000. The ordinance authorizes \$760,000 in debt and \$40,000 from the capital improvement fund.

On July 14, 2017, the Monmouth County Improvement Authority adopted a 2017 Governmental Loan Revenue Bond Resolution authorizing the issuance of its Governmental Loan Revenue Bonds, Series 2017 for the Neptune Township Project in an aggregate amount not to exceed \$15,040,912.

On July 24, 2017, the Township approved ordinance 17-31 and expects to adopt it on August 14, 2017. The ordinance authorizes the leasing of certain capital equipment from the Monmouth County Improvement Authority and the execution of a lease and agreement. The maximum amount of bonds which the Authority shall issue to finance the acquisition of the equipment to be leased to the Municipality shall not exceed \$2,000,000.

**TOWNSHIP OF NEPTUNE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016**

NOTE 20 SUBSEQUENT EVENTS

On July 24, 2017, the Township approved ordinance 17-32 and expects to adopt it on August 14, 2017. The ordinance authorizes the leasing of certain capital equipment from the Monmouth County Improvement Authority and the execution of a lease and agreement. The maximum amount of bonds which the Authority shall issue to finance the acquisition of the equipment to be leased to the Municipality shall not exceed \$325,000.

The Township has evaluated subsequent events occurring after December 31, 2016 through the date of August 8, 2017 which is the date the financial statements were available to be issued.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Regular</u>	<u>Grant Fund</u>
Balance, December 31, 2015	A	\$ 6,969,606.29	\$ 110,412.49
Increased by Receipts:			
Collector	A-5	\$ 92,069,148.79	
Interfund - Current Fund	A-24		\$ 498,822.87
Federal and State Grants Receivable	A-25		771,016.41
Federal and State Grants Unappropriated Reserves	A-27		12,245.14
		<u>92,069,148.79</u>	<u>1,282,084.42</u>
		99,038,755.08	1,392,496.91
Decreased by Disbursements:			
2016 Budget Appropriations	A-3	37,924,073.64	
Interfunds	A-13	512,493.59	
Accounts Payable	A-14	13,466.03	
Appropriation Reserves	A-15	911,005.16	
Tax Overpayments	A-17	122,862.60	
Fire District Taxes	A-19	3,610,326.00	
County Taxes Payable	A-20	10,398,170.12	
Local School District Tax	A-21	36,396,002.00	
Due to State Agencies	A-22	132,870.00	
Various Reserves	A-23	61,953.52	
Appropriated Reserves for Federal and State Grants	A-26		1,065,216.58
Special Emergency Notes Payable	A-29	1,762,186.00	
Reserve for Revaluation	A	99,077.60	
Investment in General Capital Fund Notes	A	1,750,000.00	
		<u>93,694,486.26</u>	<u>1,065,216.58</u>
Balance, December 31, 2016	A	\$ <u>5,344,268.82</u>	\$ <u>327,280.33</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF CASH - COLLECTOR

Ref.

Increased by Receipts:

Non-Budget Revenues	A-2	\$	830,741.81	
State of New Jersey (Ch. 20, P.L. 1971)	A-6		233,830.14	
Taxes Receivable	A-8		78,985,250.61	
Tax Title Liens	A-9		1,577.65	
Revenue Accounts Receivable	A-11		9,797,781.39	
Interfunds	A-13		17,314.05	
Tax Overpayments	A-17		177,569.01	
Prepaid Taxes	A-18		863,859.33	
Due to State Agencies	A-22		121,428.00	
Various Reserves	A-23		94,424.80	
Sale of Special Emergency Notes	A-29		945,372.00	
			945,372.00	\$ 92,069,148.79

Decreased by Disbursements:

Payments to Treasurer	A-4			\$ 92,069,148.79
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TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

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

	<u>Ref.</u>		
Balance, December 31, 2015	A		\$ 11,794.51
Increased by:			
Deductions per Tax Duplicate:			
Senior Citizens		\$ 54,750.00	
Veterans		186,250.00	
Deductions Allowed by Collector		<u>6,500.00</u>	
		247,500.00	
Less: Deductions Disallowed by Collector		<u>6,276.02</u>	
	A-8		<u>241,223.98</u>
			253,018.49
Decreased by:			
Received from State of New Jersey	A-5	233,830.14	
Deductions Disallowed by Collector - Prior Taxes	A-1/A-8	<u>7,921.23</u>	
			<u>241,751.37</u>
Balance, December 31, 2016	A		\$ <u><u>11,267.12</u></u>

SCHEDULE OF MORTGAGE RECEIVABLE

	<u>Ref.</u>		
Balance, December 31, 2015 and 2016	A		\$ <u><u>400,000.00</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2015	2016 Levy	Collections	2016	P.L. 1971 Senior Citizens and Veterans	Tax Overpayments Applied	Transfer to Tax Title Lien	Canceled, Remitted or Abated	Balance Dec. 31, 2016
2011	\$ 334.32			\$ 334.32					
2012	1,232.73			1,232.73					
2013	4,439.53			3,033.54					\$ 1,405.99
2014	1,412.06			1,410.52					1.54
2015	<u>1,134,318.65</u>	\$ <u>27,172.16</u>		<u>1,154,973.32</u>	\$ <u>(7,921.23)</u>	\$ <u>2,218.22</u>	\$ <u>3,962.01</u>	\$ <u>229.53</u>	<u>8,028.96</u>
	1,141,737.29	27,172.16		1,160,984.43	(7,921.23)	2,218.22	3,962.01	229.53	9,436.49
2016		80,311,054.12	\$ 980,186.02	77,824,266.18	241,223.98	126,185.45	5,438.30	120,385.82	1,013,368.37
	<u>\$ 1,141,737.29</u>	<u>\$ 80,338,226.28</u>	<u>\$ 980,186.02</u>	<u>\$ 78,985,250.61</u>	<u>\$ 233,302.75</u>	<u>\$ 128,403.67</u>	<u>\$ 9,400.31</u>	<u>\$ 120,615.35</u>	<u>\$ 1,022,804.86</u>

Ref. A A-8 A-2/A-18 A-2/A-5 A-2/A-6 A-2/A-17 A-9 A

Analysis of 2016 Property Tax Levy

Ref.

Tax Yield:

General Purpose Tax	\$ 76,157,127.04	
Special District Taxes	3,630,717.11	
Added and Omitted Tax	523,209.97	
6% Penalty	<u>27,172.16</u>	
		A-8
	<u>\$ 80,338,226.28</u>	

Tax Levy:

Local District School Tax		A-21	\$ 36,756,362.00	
County Taxes:				
County Tax	A-20	\$ 9,628,753.13		
County Open Space Tax	A-20	553,137.23		
County Health Tax	A-20	194,067.00		
Due County for Added and Omitted Taxes	A-20	<u>67,982.91</u>		
Total County Taxes			10,443,940.27	
Fire District No. 1 (Amount Certified)	A-19	2,886,244.00		
Fire District No. 2 (Amount Certified)	A-19	<u>724,082.00</u>		
			3,610,326.00	
Local Tax for Municipal Purposes	A-2	27,773,513.58		
Minimum Library Tax	A-2	1,219,019.00		
Add: Additional Tax Levied		<u>535,065.43</u>		
			<u>29,527,598.01</u>	
	A-8		<u>\$ 80,338,226.28</u>	

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>		
Balance, December 31, 2015	A		\$ 4,700.48
Increased by:			
Transfer from Taxes Receivable	A-8	\$ 9,400.31	
Interest and Costs of Tax Sale of March 10, 2016		<u>808.44</u>	
			<u>10,208.75</u>
			14,909.23
Decreased by:			
Cash Receipts	A-2/A-5		<u>1,577.65</u>
Balance, December 31, 2016	A		<u><u>\$ 13,331.58</u></u>

Exhibit A-10

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

	<u>Ref.</u>		
Balance, December 31, 2015 and 2016	A		<u><u>\$ 5,242,800.00</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>Ref.</u>	Balance <u>Dec. 31, 2015</u>	Accrued <u>in 2016</u>	<u>Collected</u>	Balance <u>Dec. 31, 2016</u>
Licenses:					
Alcoholic Beverages	A-2		\$ 56,365.00	\$ 56,365.00	
Other	A-2		220,146.05	220,146.05	
Fees & Permits	A-2		395,928.59	395,928.59	
Municipal Court:					
Fines and Costs	A-2	\$ 62,507.06	690,319.95	713,396.59	\$ 39,430.42
Other Revenue:					
Interest and Costs on Taxes	A-2		314,031.96	314,031.96	
Interest on Investments and Deposits	A-2		10,328.55	10,328.55	
Consolidated Municipal Property Tax Relief Aid	A-2		668,889.00	668,889.00	
Energy Receipts Tax	A-2		4,328,565.00	4,328,565.00	
Uniform Construction Code Fees	A-2		1,192,935.00	1,192,935.00	
Interlocal Services Agreement:					
Monmouth County 9-1-1 Services					
Personnel Loan	A-2		67,369.00	67,369.00	
Neptune BOE - GREAT Program	A-2		20,000.00	20,000.00	
Fleet Maintenance	A-2		160,127.48	160,127.48	
Insurances	A-2		170,132.00	170,132.00	
Monmouth County EMS	A-2		6,000.00	6,000.00	
Community Notification System Agreement	A-2		11,200.00	11,200.00	
Public Safety Officer Program	A-2		54,121.48	54,121.48	
Prisoner Processing/Jail Program	A-2		28,037.10	28,037.10	
Administrative Fees - Off Duty Employment					
of Police Officers	A-2		275,694.71	275,694.71	
Reserve for Debt Service - Capital Fund	A-2		167,000.00	167,000.00	
Cable TV Franchise Fees	A-2		433,368.98	433,368.98	
Commercial Garbage Removal Fees	A-2	158.10	85,538.07	83,871.69	1,824.48
Reserve for Debt Service - Ord. 98-38	A-2		5,726.95	5,726.95	
OCGMA Special Police Contribution	A-2		41,126.00	41,126.00	
Cell Tower Lease	A-2		94,836.98	94,836.98	
Monmouth County Lease of Facility	A-2		150,000.00	150,000.00	
General Capital Surplus	A-2		100,000.00	100,000.00	
EMS Program	A-2		18,624.28	18,624.28	
Reserve for Insurance Costs	A-2		9,959.00	9,959.00	
		<u>\$ 62,665.16</u>	<u>\$ 9,776,371.13</u>	<u>\$ 9,797,781.39</u>	<u>\$ 41,254.90</u>
	<u>Ref.</u>	A		A-5	A

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF ABATING COSTS AND ABATING LIENS RECEIVABLE

	<u>Ref.</u>		
Balance, December 31, 2015	A		\$ 20,662.12
Increased by:			
Billings			<u>74,885.60</u>
			95,547.72
Decreased by:			
Collections	A-2	\$ 76,521.26	
Canceled		<u>14.96</u>	
			<u>76,536.22</u>
Balance, December 31, 2016	A		\$ <u><u>19,011.50</u></u>
Analysis:			
Abating Costs Receivable			\$ 19,011.50
Abating Liens Receivable			<u> </u>
			\$ <u><u>19,011.50</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF INTERFUNDS RECEIVABLE / (PAYABLE)

	<u>Ref.</u>	<u>Total</u> <u>(MEMO ONLY)</u>	<u>Federal and</u> <u>State Grant</u> <u>Fund</u>	<u>Marina Utility</u> <u>Operating</u> <u>Fund</u>	<u>General</u> <u>Capital</u> <u>Fund</u>	<u>Trust</u> <u>Other</u> <u>Fund</u>
Balance, December 31, 2015:						
Interfunds Receivable	A	\$ 254,004.67				\$ 254,004.67
Interfunds Payable	A	<u>(262,966.15)</u>	\$ (251,220.43)	\$ (11,745.72)		
Increased by:						
Disbursements	A-4	512,493.59	498,822.87	11,745.72		1,925.00
Grants Receivable - Budget	A-25	667,020.36	667,020.36			
Grants Appropriated Cancelled	A-1	2,472.00	2,472.00			
		<u>1,181,985.95</u>	<u>1,168,315.23</u>	<u>11,745.72</u>		<u>1,925.00</u>
		<u>1,173,024.47</u>	<u>917,094.80</u>			<u>255,929.67</u>
Decreased by:						
Receipts	A-5	17,314.05			\$ 17,314.05	
Grant Appropriations	A-3	914,622.80	914,622.80			
Grants Receivable Cancelled	A-1	2,472.00	2,472.00			
		<u>934,408.85</u>	<u>\$ 917,094.80</u>		<u>17,314.05</u>	
Balance, December 31, 2016						
Interfunds Receivable	A	<u>255,929.67</u>				\$ 255,929.67
Interfunds Payable	A	<u>(17,314.05)</u>			<u>\$ (17,314.05)</u>	
		<u>\$ 238,615.62</u>				
<u>Analysis of Net Charge/(Credit) to Operations</u>						
Interfunds Accounts Receivable:						
Balance, December 31, 2016	Above	\$ 255,929.67				
Balance, December 31, 2015	Above	<u>254,004.67</u>				
Net charge/(credit) to operations	A-1	<u>\$ 1,925.00</u>				

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>		
Balance, December 31, 2015	A		\$ 36,367.78
Increased by:			
Charged to Appropriation Reserves	A-15		<u>49,354.74</u>
			85,722.52
Decreased by:			
Disbursements	A-4	\$ 13,466.03	
Cancelled	A-1	<u>18,614.40</u>	
			<u>32,080.43</u>
Balance, December 31, 2016	A		<u><u>\$ 53,642.09</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-15
 Sheet 1 of 6

CURRENT FUND
 SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
<u>Operations Within CAPS</u>					
General Government Functions:					
General Administration					
Salaries and Wages	\$ 1,879.44		\$ 1,879.44		\$ 1,879.44
Other Expenses	20.70	\$ 10,449.76	10,470.46	\$ 6,802.85	3,667.61
Municipal Clerk					
Other Expenses	1,330.59	2,516.40	3,846.99	1,538.55	2,308.44
Financial Administration					
Salaries and Wages	349.67		349.67		349.67
Other Expenses	1,143.03	12,135.68	13,278.71	11,259.65	2,019.06
Audit Services					
Other Expenses		44,000.00	44,000.00	44,000.00	
Computerized Data Processing					
Salaries and Wages	1,623.51		1,623.51		1,623.51
Other Expenses	405.99	11,550.05	11,956.04	11,550.05	405.99
Revenue Administration					
Salaries and Wages	4,963.07		4,963.07		4,963.07
Other Expenses	3,742.63	2,991.78	6,734.41	2,639.73	4,094.68
Tax Assessment Administration					
Salaries and Wages	7,410.40		7,410.40		7,410.40
Other Expenses	1,167.48	4,485.40	5,652.88	4,250.69	1,402.19
Legal Services					
Other Expenses	10,682.56	885.48	34,568.04	34,325.36	242.68
Engineering Services					
Salaries and Wages	717.89		717.89		717.89
Other Expenses	4,108.07	45,233.18	49,341.25	42,961.43	6,379.82

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-15
Sheet 2 of 6

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Economic Development					
Salaries and Wages	2,436.47		2,436.47		2,436.47
Land Use Administration:					
Planning Board					
Other Expenses	561.55	1,031.06	1,592.61	1,125.03	467.58
Zoning Board					
Salaries and Wages	0.47		0.47		0.47
Other Expenses	411.32	771.67	1,182.99	896.67	286.32
Historical Preservation Committee					
Salaries and Wages	106.28		106.28		106.28
Other Expenses	1,697.00	1,475.00	3,172.00	1,201.00	1,971.00
Land Use Administration Office					
Salaries and Wages	195.95		195.95		195.95
Other Expenses	164.16	173.10	337.26	48.00	289.26
Community Programs					
Other Expenses	518.53		518.53		518.53
Code Enforcement and Administration:					
Code Enforcement					
Salaries and Wages	5,056.26		5,056.26		5,056.26
Other Expenses	23.59	1,110.27	1,133.86	281.27	852.59
Mercantile Licensing					
Other Expenses	196.20	4,557.80	4,754.00	3,385.40	1,368.60
Insurance					
Liability Insurance	39.50	3,929.22	3,968.72	3,929.22	39.50
Workers Compensation Insurance	230.00	240.00	470.00	240.00	230.00
Employee Group Insurance	916.25	131,439.70	137,355.95	136,759.80	596.15

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-15
 Sheet 3 of 6

CURRENT FUND
 SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Public Safety Functions:					
Police Department					
Salaries and Wages	25,203.69		25,203.69	25,000.00	203.69
Other Expenses	8,139.25	26,052.99	34,192.24	21,508.09	12,684.15
Homeland Security Expenses	1,555.00	3,050.00	4,605.00	3,049.56	1,555.44
Office of Emergency Management					
Salaries and Wages	97.98		97.98		97.98
Other Expenses	53.11	862.21	915.32	866.21	49.11
Homeland Security Expenses	110.00	9,725.00	9,835.00	8,120.00	1,715.00
Emergency Medical Services					
Other Expenses	84.56	9,018.80	9,103.36	8,559.16	544.20
Aid to Volunteer Fire Companies					
Other Expenses	4,881.50	20,459.00	25,340.50	20,459.00	4,881.50
Municipal Prosecutor's Office					
Salaries and Wages	451.08		451.08		451.08
Public Works Functions:					
Streets and Roads Maintenance					
Salaries and Wages	11,539.63		11,539.63	6,973.16	4,566.47
Other Expenses	3,035.12	87,108.89	70,144.01	52,121.96	18,022.05
Administration of Public Works					
Salaries and Wages	2,816.62		2,816.62		2,816.62
Other Expenses	3,819.16	1,128.13	4,947.29	1,279.15	3,668.14
Solid Waste Collection					
Salaries and Wages	3,156.98		3,156.98	3,042.03	114.95
Other Expenses	2,249.44	5,789.28	8,038.72	3,762.91	4,275.81
Buildings and Grounds					
Other Expenses	3,068.34	16,643.24	19,711.58	9,644.54	10,067.04

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-15
Sheet 4 of 6

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Vehicle Maintenance					
Other Expenses	426.29	84,667.08	99,093.37	98,844.76	248.61
Health and Human Services:					
Salaries and Wages	764.66		764.66		764.66
Other Expenses	17.86	907.00	924.86	907.00	17.86
Environmental and Shade Tree Committee					
Salaries and Wages	122.24		122.24		122.24
Other Expenses	227.96		227.96		227.96
Animal Control Services					
Other Expenses	7,337.20	7,477.00	14,814.20	14,814.20	
Park and Recreation Functions:					
Recreation Services and Programs					
Salaries and Wages	60.97		60.97		60.97
Other Expenses	250.58	5,368.68	5,619.26	2,721.57	2,897.69
Senior Citizen Programs					
Salaries and Wages	1,420.43		1,420.43		1,420.43
Other Expenses	231.44	10,585.22	10,816.66	9,144.33	1,672.33
Maintenance of Parks					
Other Expenses	1,869.72	10,770.06	12,639.78	10,808.86	1,830.92
Publicity and Tourism					
Salaries and Wages	847.76		847.76		847.76
Celebration of Public Events					
Other Expenses	271.55		271.55		271.55
Utility Expenses and Bulk Purchases:					
Electricity	14,844.11	35,048.95	49,893.06	45,773.32	4,119.74
Street Lighting	46,493.62		39,493.62	31,239.32	8,254.30

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-15
 Sheet 5 of 6

CURRENT FUND
 SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Telephone	8,358.08	9,313.57	17,671.65	11,076.65	6,595.00
Water	1,480.05	1,000.00	2,480.05		2,480.05
Natural Gas	35,297.15	5,768.94	41,066.09	27,591.75	13,474.34
Telecommunications	16,127.79	2,689.48	18,817.27	3,045.88	15,771.39
Gasoline	50,406.83	11,607.98	37,014.81	21,748.41	15,266.40
Landfill and Solid Waste Disposal Costs	480.26	153,907.49	164,387.75	162,407.58	1,980.17
Municipal Court					
Other Expenses	9.38	9,750.02	9,759.40	8,724.64	1,034.76
Public Defender (P.L. 1997, c.256)					
Salaries and Wages	1.59		1.59		1.59
Uniform Construction Code Enforcement Functions					
Salaries and Wages	125.55		125.55		125.55
Other Expenses	1,706.70	3,088.82	4,795.52	2,990.43	1,805.09
Deferred Charges and Statutory Expenditures:					
Public Employees' Retirement System	1.56		1.56		1.56
Social Security System	612.22		612.22		612.22
Defined Contribution Retirement Program	1,554.79	1,945.21	3,500.00	1,945.21	1,554.79
<u>Operations Excluded from CAPS</u>					
Other Expenses		3,089.76	3,089.76		3,089.76
Aid to Free Public Library	2,477.67	21,025.08	23,502.75	23,502.75	
Recycling Tax	919.19	2,678.98	3,598.17	3,598.17	
ANSWER Water Rescue Team	4,028.62	2,018.00	6,046.62	2,018.00	4,028.62

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-15
 Sheet 6 of 6

CURRENT FUND
 SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Fleet Maintenance - Allenhurst, NFD, OGF,					
Neptune Board of Education	7,022.74	17,218.85	24,241.59	5,876.60	18,364.99
Matching Funds for Grants	15,000.00		15,000.00		15,000.00
Neptune BOE Newsletter Cooperative	9,093.36	3,000.00	12,093.36		12,093.36
Monmouth County tax Assessment Program		7,459.78	7,459.78		7,459.78
	<u>\$ 352,249.94</u>	<u>\$ 869,199.04</u>	<u>\$ 1,221,448.98</u>	<u>\$ 960,359.90</u>	<u>\$ 261,089.08</u>
<u>Ref.</u>	A	A-16			A-1
Cash Disbursed	A-4			\$ 911,005.16	
Accounts Payable	A-14			<u>49,354.74</u>	
				<u>\$ 960,359.90</u>	

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2015	A	\$ 869,199.04
Increased by:		
Current Appropriations Charged	A-3	945,345.09
		<u>1,814,544.13</u>
Decreased by:		
Transferred to Appropriation Reserves	A-15	<u>869,199.04</u>
Balance, December 31, 2016	A	<u><u>\$ 945,345.09</u></u>

SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref.</u>	
Balance, December 31, 2015	A	\$ 19,619.22
Increased by:		
Receipts	A-5	\$ 177,569.01
Refund Prior Year Tax Revenue	A-1	<u>122,884.20</u>
		<u>300,453.21</u>
		320,072.43
Decreased by:		
Applied to Taxes Receivable	A-8	128,403.67
Refunds	A-4	<u>122,862.60</u>
		<u>251,266.27</u>
Balance, December 31, 2016	A	<u><u>\$ 68,806.16</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 SCHEDULE OF PREPAID TAXES

	<u>Ref.</u>	
Balance, December 31, 2015	A	\$ 980,186.02
Increased by:		
Collections, 2016 Taxes	A-5	863,859.33
		1,844,045.35
Decreased by:		
Applied to Taxes Receivable	A-8	980,186.02
		980,186.02
Balance, December 31, 2016	A	\$ <u>863,859.33</u>

SCHEDULE OF FIRE DISTRICTS' TAXES PAYABLE

	<u>Ref.</u>	
Increased by:		
Fire District #1 Levy	A-8	\$ 2,886,244.00
Fire District #2 Levy	A-8	724,082.00
	A-1	\$ 3,610,326.00
Decreased by:		
Disbursed	A-4	\$ 3,610,326.00
		\$ 3,610,326.00

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE

	<u>Ref.</u>		
Balance, December 31, 2015	A		\$ 22,212.91
Increased by:			
County Tax	A-8	\$ 9,628,753.13	
County Open Space Tax	A-8	553,137.23	
County Health Tax	A-8	194,067.00	
Due County for Added and Omitted Taxes	A-8	<u>67,982.91</u>	
	A-1		<u>10,443,940.27</u>
			<u>10,466,153.18</u>
Decreased by:			
Payments	A-4		<u>10,398,170.12</u>
Balance, December 31, 2016	A		<u>\$ 67,983.06</u>

Exhibit A-21

SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

	<u>Ref.</u>		
Balance, December 31, 2015:			
School Tax Payable	A	\$ 740,027.50	
School Tax Deferred		<u>17,265,725.00</u>	
			\$ 18,005,752.50
Increased by:			
Levy - School Year July 1, 2016 to June 30, 2017	A-1/A-8		<u>36,756,362.00</u>
			<u>54,762,114.50</u>
Decreased by:			
Payments	A-4		<u>36,396,002.00</u>
Balance December 31, 2016:			
School Tax Payable	A	1,100,387.50	
School Tax Deferred		<u>17,265,725.00</u>	
			<u>\$ 18,366,112.50</u>
<u>2016 Liability for Local School District Taxes:</u>			
Tax Paid	A-21		\$ 36,396,002.00
Taxes Payable December 31, 2016	A		<u>1,100,387.50</u>
			<u>37,496,389.50</u>
Less: Taxes Payable December 31, 2015	A		<u>740,027.50</u>
Amount Charged to 2016 Operations	A-1		<u>\$ 36,756,362.00</u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 SCHEDULE OF DUE TO STATE AGENCIES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Due to State:				
Vital Statistics - Marriage Licenses and Death				
Certificates	\$ 1,000.00	\$ 4,875.00	\$ 4,950.00	\$ 925.00
Training Fees	<u>21,286.00</u>	<u>116,553.00</u>	<u>127,920.00</u>	<u>9,919.00</u>
	<u>\$ 22,286.00</u>	<u>\$ 121,428.00</u>	<u>\$ 132,870.00</u>	<u>\$ 10,844.00</u>
	A	A-5	A-4	A

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 SCHEDULE OF VARIOUS RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Reserve for:				
State Library Aid	\$ 19,314.14	\$ 16,898.98	\$ 24,447.79	\$ 11,765.33
Insurance Refunds	189,827.48	71,341.72	32,705.73	228,463.47
Election Expenses	8,736.02	6,184.10	4,800.00	10,120.12
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ <u>217,877.64</u>	\$ <u>94,424.80</u>	\$ <u>61,953.52</u>	\$ <u>250,348.92</u>
<u>Ref.</u>	A	A-5	A-4	A

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>		
Balance, December 31, 2015 - Due from	A		\$ 251,220.43
Increased by:			
Grants Receivable Canceled	A-25	\$ 2,472.00	
2016 Budget Appropriations	A-26	<u>914,622.80</u>	
			<u>917,094.80</u>
			1,168,315.23
Decreased by:			
Cash Receipts	A-4	498,822.87	
2016 Anticipated Revenue	A-25	667,020.36	
Grants Appropriated Canceled	A-26	<u>2,472.00</u>	
			<u>1,168,315.23</u>
Balance, December 31, 2016 - Due from	A		\$ <u><u>-</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

<u>Grant</u>	<u>Balance Dec. 31, 2015</u>	<u>2016 Anticipated Revenue</u>	<u>Cash Received</u>	<u>Transferred From Grants Unappropriated</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2016</u>
Senior Citizens - Title III (Older Americans Act)	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00			\$ 25,000.00
Recycling Tonnage Grant		36,443.44	36,443.44			
Neighborhood Preservation Program - Balanced Housing	260,000.00		260,000.00			
FY 2015 Federal Emergency Management Assistance	5,000.00					5,000.00
FY 2016 Federal Emergency Management Assistance		7,000.00				7,000.00
Municipal Alliance on Alcoholism and Drug Abuse - State	63,915.00	63,915.00	83,983.50			43,846.50
Alcohol Education Rehabilitation		7,614.36	7,614.36			
2016 Drive Sober or Get Pulled Over		5,000.00	5,000.00			
Holiday Crackdown	5,000.00		5,000.00			
Drunk Driving Enforcement Fund		11,076.81		\$ 11,076.81		
Hazardous Discharge Site Remediation - Childnese Property	10,339.12	39,236.06				49,575.18
Hazardous Mitigation Grant Program-Energy Allocation Initiative	85,000.00					85,000.00
Hazardous Discharge Site Remediation Program - Welsh Farms		60,320.00	60,320.00			
COPS in Shops - Summer Shore Initiative		3,400.00	3,400.00			
2014 Bulletproof Vest Partnership Grant	1,050.74		1,050.74			
2015 Bulletproof Vest Partnership Grant	20,195.03		19,049.64			1,145.39
2016 Bulletproof Vest Partnership Grant		4,775.00				4,775.00
Clean Communities Program		78,207.41	78,207.41			
Interfaith Neighbors Senior Meal Program		24,780.00	22,308.00		\$ 2,472.00	
NJDEP Municipal Public Access Planning	15,000.00					15,000.00
NJDEP Municipal Public Access Planning - 2016		15,000.00				15,000.00
Post Sandy Planning Grant - Community Facilities Plan	35,000.00					35,000.00
Post Sandy Planning Grant - Capital Improvement Plan	30,000.00					30,000.00
Post Sandy Planning Grant - Land Development Ordinance	50,000.00					50,000.00
Sandy/Environmental Resources Inventory		20,000.00				20,000.00
Sandy/Commun Resiliency North Island		45,000.00				45,000.00
Sandy/Parks, Rec, Open Space Master Plan		25,000.00				25,000.00
Sandy/Comm Resiliency SRH		45,000.00				45,000.00
Sandy/Ord to Reduce Flood Risk		14,500.00				14,500.00
Edward Byrne Memorial Justice Assistance Grant - 2015	14,305.00		14,305.00			
Edward Byrne Memorial Justice Assistance Grant - 2016		54,233.00				54,233.00

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

<u>Grant</u>	<u>Balance Dec. 31, 2015</u>	<u>2016 Anticipated Revenue</u>	<u>Cash Received</u>	<u>Transferred From Grants Unappropriated</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2016</u>
Highway Safety 2015 Pedestrian Safety Grant	1,000.00					1,000.00
Highway Safety 2016 Pedestrian Safety Grant	7,000.00		5,975.00			1,025.00
Highway Safety 2017 Pedestrian Safety Grant		7,000.00	2,000.00			5,000.00
NJDOT Youth Corps - Urban Gateway Program	5,179.92					5,179.92
NJDL&PS 2016 Click It or Ticket Seat Belt Mobilization		5,000.00	5,000.00			
Body Armor Replacement Fund - N.J.		6,514.90	6,514.90			
US EPA - Brownfields Petroleum Assessment	200,000.00		45,798.76			154,201.24
US EPA - Brownfields Hazardous Assessment	200,000.00		9,238.75			190,761.25
Monmouth County Workforce Investment Board Youth Initiative	45,752.12		12,417.43			33,334.69
HMEP Training Grant	23,800.00	26,000.00	23,800.00			26,000.00
HMEP Planning Grant	26,899.48		26,899.48			
NJ Green Communities		3,000.00				3,000.00
Statewide Insurance Fund - Safety Grant		15,004.38				15,004.38
SCHLIP Program (Code Enforcement)		19,000.00	11,690.00			7,310.00
	<u>\$ 1,129,436.41</u>	<u>\$ 667,020.36</u>	<u>\$ 771,016.41</u>	<u>\$ 11,076.81</u>	<u>\$ 2,472.00</u>	<u>\$ 1,011,891.55</u>
<u>Ref.</u>	A	A-2/A-13/A-24	A-4	A-27	A-1/A-24	A

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

<u>Grant</u>	<u>Balance Dec. 31,2015</u>	<u>Transfer from 2016 Budget Appropriation</u>	<u>Transfer from Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Reserve for Encumbrances</u>	<u>Canceled</u>	<u>Balance Dec. 31,2016</u>
Senior Citizens - Title III		\$ 213,000.00		\$ 213,000.00			
Recycling Tonnage Grant	\$ 138,510.58	36,443.44	\$ 483.50	25,717.64	\$ 1,458.00		\$ 148,261.88
Neighborhood Preservation Program - Balanced Housing	262,202.99			251,142.34			11,060.65
FY 2015 Federal Emergency Management Assistance - Federal	472.88		4,527.12	3,340.92	63.80		1,595.28
FY 2015 Federal Emergency Management Assistance - Match	5,799.30		4,527.12	3,340.92	63.80		6,921.70
FY 2016 Federal Emergency Management Assistance - Federal		7,000.00					7,000.00
FY 2016 Federal Emergency Management Assistance - Match		7,000.00					7,000.00
DEDR - Municipal Drug and Alcohol Alliance - State 2015	13,704.76		22,155.99	35,860.75			
DEDR - Municipal Drug and Alcohol Alliance - Local 2015	3,426.18		5,539.00	8,965.18			
DEDR - Municipal Drug and Alcohol Alliance - State Share		63,915.00		33,909.99	15,769.61		14,235.40
DEDR - Municipal Drug and Alcohol Alliance - Municipal Share		15,978.75		7,296.03	5,256.54		3,426.18
Drunk Driving Enforcement Fund	64.80	11,076.81	543.75	10,264.12			1,421.24
Alcohol Education and Rehabilitation	20,146.42	7,614.36		800.00			26,960.78
2016 Drive Sober or Get Pulled Over		5,000.00		5,000.00			
2015 Drive Sober or Get Pulled Over Year End Holiday Crackdown	5,000.00			5,000.00			
Hazardous Discharge Site Remediation - Tides Motel	3,693.95						3,693.95
Hazardous Discharge Site Remediation - Sewall	9,576.91						9,576.91
Hazardous Discharge Site Remediation - Childnese Property	60,523.30	39,236.06	55,596.86	4,423.10	103,488.51		47,444.61
Hazardous Discharge Site Remediation Fund - Childnese Match		13,078.69					13,078.69
Hazardous Discharge Site Remediation Program - Welsh Farms		60,320.00		13,441.20	46,878.80		
Hazardous Discharge Site Remediation - Shark River Municipal Marina	1,180.00		48,327.75	1,040.00	47,287.75		1,180.00
COPS in Shops - Summer Shore Initiative		3,400.00		3,400.00			
National Parks and Recreation 2012 ACHIEVE	2,324.00						2,324.00
Hazardous Mitigation Grant Program-Energy Allocation Initiative	18,000.00			18,000.00			
Clean Communities	122,342.13	78,207.41	47,997.12	112,092.54	12,548.20		123,905.92
Body Armor Replacement Fund - N.J.	6,730.37			955.00	1,382.28		4,393.09
Body Armor Replacement Fund - N.J.	4,346.21			4,346.21			
Body Armor Replacement Fund - N.J.	9,062.38			9,062.38			
Body Armor Replacement Fund - N.J.	6,742.00			6,691.78	50.22		
Body Armor Replacement Fund - N.J.		6,514.90					6,514.90
Monmouth County Workforce Investment Board Youth Initiative	32,120.47		7.21				32,127.68

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

<u>Grant</u>	<u>Balance Dec. 31,2015</u>	<u>Transfer from 2016 Budget Appropriation</u>	<u>Transfer from Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Reserve for Encumbrances</u>	<u>Canceled</u>	<u>Balance Dec. 31,2016</u>
Interfaith Neighbors Senior Meal Program	8,647.75	48,325.00		46,496.34		\$ 2,472.00	8,004.41
NJSP HMEP Training Grant		26,000.00		23,800.00			2,200.00
Municipal Public Access Planning - 2015	15,000.00			9,775.00	5,225.00		
Municipal Public Access Planning -2016		15,000.00					15,000.00
Post Sandy Planning Grant - Community Facilities Plan			10,393.75	10,392.50	1.25		
Post Sandy Planning Grant - Strategic Report			18,765.00	15,262.50	3,502.50		
Post Sandy Planning Grant - Land Development Ordinance			47,435.00	26,437.50	20,997.50		
Sandy/Enviro Resources Inventory		20,000.00		18,420.00	1,455.00		125.00
Sandy/Commun Resiliency North Island		45,000.00		9,686.25	35,278.75		35.00
Sandy/Parks, Rec, Open Space Master Plan		25,000.00		18,515.00	6,110.00		375.00
Sandy/Commun Resiliency SRH		45,000.00		12,615.00	32,350.00		35.00
Sandy/Ord to Reduce Flood Risk		14,500.00		422.50	13,967.50		110.00
NJDL&PS 2016 Click It or Ticket Seat Belt Mobilization		5,000.00		5,000.00			
Edward Byrne Memorial Justice Assistance Grant - 2015			5,911.00	5,911.00			
Edward Byrne Memorial Justice Assistance Grant - 2016		54,233.00			54,231.00		2.00
Highway Safety 2015 Pedestrian Safety Grant	19.60						19.60
Highway Safety 2016 Pedestrian Safety Grant	3,025.00			3,025.00			
Highway Safety 2017 Pedestrian Safety Grant		7,000.00		2,975.00			4,025.00
NJDOT Youth Corps - Urban Gateway Program	4,665.92		620.00				5,285.92
2014 Bulletproof Vest Partnership Grant	1,050.74			1,050.74			
2015 Bulletproof Vest Partnership Grant	20,195.03			20,004.64	190.39		
2016 Bulletproof Vest Partnership Grant		4,775.00			1,242.11		3,532.89
US EPA - Brownfields Petroleum Assessment	2,000.00		198,000.00	150.00	198,150.00		1,700.00
US EPA - Brownfields Hazardous Assessment	2,000.00		198,000.00	55,187.51	143,112.49		1,700.00
NJ Green Communities		3,000.00		3,000.00			
Statewide Insurance Fund Grant		15,004.38					15,004.38
SCHLIP Program (Code Enforcement) S & W		19,000.00					19,000.00
	<u>\$ 782,573.67</u>	<u>\$ 914,622.80</u>	<u>\$ 668,830.17</u>	<u>\$ 1,065,216.58</u>	<u>\$ 750,061.00</u>	<u>\$ 2,472.00</u>	<u>\$ 548,277.06</u>
<u>Ref.</u>	A	A-3/A-24	A	A-4	A	A-1/A-24	A

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Funding</u> <u>Received</u>	<u>Transferred</u> <u>to Grants</u> <u>Receivable</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Drunk Driving Enforcement Fund	\$ <u>11,076.81</u>	\$ <u>12,245.14</u>	\$ <u>11,076.81</u>	\$ <u>12,245.14</u>
	\$ <u><u>11,076.81</u></u>	\$ <u><u>12,245.14</u></u>	\$ <u><u>11,076.81</u></u>	\$ <u><u>12,245.14</u></u>
	<u>Ref.</u> A	A-4	A-25	A

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

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

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Budget Requirement</u>	<u>Balance Dec. 31, 2015</u>	<u>Raised in 2016 Budget</u>	<u>Balance Dec. 31, 2016</u>
11-26-12	Hurricane Sandy	\$ 3,600,000.00	\$ 593,000.00	\$ 1,162,186.00	\$ 616,814.00	\$ 545,372.00
10-13-13	Revaluation of Real Property & Tax Map Updates	1,000,000.00	200,000.00	<u>600,000.00</u>	<u>200,000.00</u>	<u>400,000.00</u>
				<u>\$ 1,762,186.00</u>	<u>\$ 816,814.00</u>	<u>\$ 945,372.00</u>
			Ref.	A	A-3	A

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
 SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Cash Receipts</u>	<u>Cash Disbursed</u>	<u>Balance Dec. 31, 2016</u>
11-26-12	Hurricane Sandy	3,600,000.00	11-09-16	11-08-17	1.10%	\$ 1,162,186.00	\$ 545,372.00	\$ 1,162,186.00	\$ 545,372.00
10-10-13	Revaluation of Real Property and Tax Map Updates	800,000.00	04-05-16	04-04-17	0.80%	<u>600,000.00</u>	<u>400,000.00</u>	<u>600,000.00</u>	<u>400,000.00</u>
						<u>\$ 1,762,186.00</u>	<u>\$ 945,372.00</u>	<u>\$ 1,762,186.00</u>	<u>\$ 945,372.00</u>
			<u>Ref.</u>			A	A-5	A-4	A

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENT - HURRICANE SANDY

Ref.

Balance, December 31, 2015 and 2016

A

\$ 91,970.75

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>Trust Other Fund</u>
Balance, December 31, 2015	B	\$ 3,653.75	\$ 5,040,323.45
Increased by Receipts:			
Reserve for Animal Control			
Trust Fund Expenditures	B-2	\$ 25,985.20	
Due to State of New Jersey	B-3	2,768.80	
Escrow Funds	B-5		\$ 275,799.45
Various Reserves	B-6		5,520,016.34
Self-Insurance Receivable	B		146,621.49
		<u>28,754.00</u>	<u>5,942,437.28</u>
		32,407.75	10,982,760.73
Decreased by Disbursements:			
Animal Control Trust Fund			
Expenditures (R.S. 4:19-15.11)	B-2	8,856.20	
Due to State of New Jersey	B-3	2,847.40	
Escrow Funds	B-5		685,896.33
Various Reserves	B-6		5,150,142.16
		<u>11,703.60</u>	<u>5,836,038.49</u>
Balance, December 31, 2016	B	<u>\$ 20,704.15</u>	<u>\$ 5,146,722.24</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND
 SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance, December 31, 2015	B	\$ 3,556.55
Increased by:		
Dog License Fees Collected	B-1	25,985.20
		<u>29,541.75</u>
Decreased by:		
Expenditures Under R.S. 4:19-15.11:		
Cash Disbursed	B-1	\$ 8,856.20
Encumbrances	B-8	14,954.62
		<u>23,810.82</u>
Balance, December 31, 2016	B	<u><u>\$ 5,730.93</u></u>

License and Penalty Fees Collected:

<u>Year</u>	<u>Amount</u>
2014	\$ 27,824.80
2015	25,503.40
	<u>\$ 53,328.20</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY

	<u>Ref.</u>	
Balance, December 31, 2015	B	\$ 97.20
Increased by:		
Cash Receipts	B-1	<u>2,768.80</u>
		2,866.00
Decreased by:		
Cash Disbursed	B-1	<u>2,847.40</u>
Balance, December 31, 2016	B	<u><u>\$ 18.60</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF INTERFUNDS RECEIVABLE/(PAYABLE)

	<u>Ref.</u>	Total (MEMO ONLY)	Current Fund	Sewer Utility Operating Fund	Federal and State Grant Fund
Balance, December 31, 2015:					
Interfunds Receivable	B	\$ <u>28,588.68</u>			\$ <u>28,588.68</u>
Interfunds Payable	B	<u>(268,783.93)</u>	\$ <u>(254,004.67)</u>	\$ <u>(14,779.26)</u>	
Decreased by:					
Canceled	B-6	<u>1,925.00</u>	<u>1,925.00</u>	<u>-</u>	<u>-</u>
		<u>1,925.00</u>	<u>1,925.00</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2016:					
Interfunds Receivable	B	28,588.68			\$ <u>28,588.68</u>
Interfunds Payable	B	<u>(270,708.93)</u>	\$ <u>(255,929.67)</u>	\$ <u>(14,779.26)</u>	
		<u>\$ (242,120.25)</u>			

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF RESERVE FOR ESCROW FUNDS

	<u>Ref.</u>	<u>Total</u>	<u>Developers'</u> <u>Escrow Trust</u> <u>Fund Account</u>	<u>Inspection</u> <u>Fees</u>	<u>Developers'</u> <u>Escrow</u> <u>Account</u>	<u>Special</u> <u>Developers'</u> <u>Escrow</u> <u>Account</u>
Balance, December 31, 2015	B	\$ 1,827,012.03	\$ 1,357,087.17	\$ 274,634.55	\$ 84,450.00	\$ 110,840.31
Increased by:						
Cash Receipts	B-1	275,799.45	71,691.55	38,896.00	23,000.00	142,211.90
Reserve for Encumbrances	B-7	81,284.87	6,502.50	1,805.00	-	72,977.37
		<u>2,184,096.35</u>	<u>1,435,281.22</u>	<u>315,335.55</u>	<u>107,450.00</u>	<u>326,029.58</u>
Decreased by:						
Cash Disbursements	B-1	685,896.33	394,442.57	105,331.35	27,718.00	158,404.41
Reserve for Encumbrances	B-7	56,395.82	6,387.21	5,272.00	479.00	44,257.61
		<u>742,292.15</u>	<u>400,829.78</u>	<u>110,603.35</u>	<u>28,197.00</u>	<u>202,662.02</u>
Balance, December 31, 2016	B	<u>\$ 1,441,804.20</u>	<u>\$ 1,034,451.44</u>	<u>\$ 204,732.20</u>	<u>\$ 79,253.00</u>	<u>\$ 123,367.56</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF VARIOUS RESERVES

	Balance		Increases	Decreases	Balance
	<u>Dec. 31, 2015</u>				<u>Dec. 31, 2016</u>
Fire Prevention Services	\$ 474.00				\$ 474.00
POAA	10,602.96	\$ 812.00			11,414.96
Veterans Memorial Park	41,598.65	4,246.50	\$ 9,703.65		36,141.50
Fuel Agencies	102,645.47	53,618.00	74,077.72		82,185.75
Hurricane Sandy	1,496.11				1,496.11
Tax Map Revaluation	1,175.00	750.00	1,925.00		-
Emergency Management	4,874.33	2,287.30	7,161.63		-
Public Defender	22,013.03	19,435.00	10,221.58		31,226.45
Senior Citizen Donations	13,156.34	33,791.27	25,817.68		21,129.93
Senior Citizen Building Donations	9,993.52		2,040.66		7,952.86
Law Enforcement	79,052.58	32,819.65	21,979.36		89,892.87
Unclaimed Moneys	32,842.62	12,543.05	312.64		45,073.03
Unemployment Trust	97,922.96	66,902.73	49,690.65		115,135.04
Municipal Alliance	15,640.11	2,530.86	150.00		18,020.97
Older Americans	0.86	250.07	250.00		0.93
Special Police	232,568.99	801,756.96	835,674.90		198,651.05
Police Vest	5,622.83	2,038.12	2,865.00		4,795.95
Recreation Trust	140,970.44	48,904.30	67,326.90		122,547.84
Wesley Lake Trust	264.47				264.47
Open Space	3,148.56	3.15			3,151.71
Tree Preservation	135,221.09	1,833.95	4,741.05		132,313.99
Tax Collector's Trust	1,533,125.63	4,185,268.19	4,037,173.10		1,681,220.72
Affordable Housing	611,802.52	271,374.09	17,249.35		865,927.26
Federal LETF	71.24	14,541.34	54.00		14,558.58
Accumulated Leave	40,314.42				40,314.42
	<u>\$ 3,136,598.73</u>	<u>\$ 5,555,706.53</u>	<u>\$ 5,168,414.87</u>		<u>\$ 3,523,890.39</u>

	<u>Ref.</u>	B		B
Cash Received	B-1	\$ 5,520,016.34		
Reserve for Encumbrances	B-7	35,690.19		
		<u>\$ 5,555,706.53</u>		
Cash Disbursed	B-1		\$ 5,150,142.16	
Canceled	B-4		1,925.00	
Reserve for Encumbrances	B-7		16,347.71	
			<u>\$ 5,168,414.87</u>	

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

TRUST OTHER FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>		
Balance, December 31, 2015	B		\$ 116,975.06
Increased by:			
Charges to Reserve for Escrow Funds	B-5	\$ 56,395.82	
Charges to Various Reserves	B-6	<u>16,347.71</u>	
			<u>72,743.53</u>
Decreased by:			
Transfer to Reserve for Escrow Funds	B-5	81,284.87	
Transfer to Various Reserves	B-6	<u>35,690.19</u>	
			<u>116,975.06</u>
Balance, December 31, 2016	B		<u><u>\$ 72,743.53</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2015	B	\$ -
Increased by:		
Charges to Reserve for Animal Control	B-2	<u>14,954.62</u>
Balance, December 31, 2016	B	<u>\$ 14,954.62</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance, December 31, 2015	C		\$ 614,201.29
Increased by Receipts:			
Due from Jersey Shore Medical Center -			
Cell Tower	C	\$ 200,000.00	
Interfund - Marina Utility Capital Fund	C-4	5,891.63	
Grants Receivable	C-5	250,000.00	
Budget Appropriation - Capital Improvement			
Fund	C-9	100,000.00	
Due from Ocean Grove Camp Meeting			
Association	C-10	84,880.23	
Bond Anticipation Notes	C-14	3,617,231.00	
Various Reserves	C-15	45,336.49	
Interlocal Receivable	C-16	10,191.92	
		<u>4,313,531.27</u>	
			<u>4,927,732.56</u>
Decreased by Disbursements:			
Due from Jersey Shore Medical Center -			
Cell Tower	C	200,000.00	
Utilized as Revenue in Current Fund	C-1	100,000.00	
Interfund - Current Fund	C-4	17,314.05	
Interfund - Marina Utility Capital Fund	C-4	500,000.00	
Improvement Authorizations	C-8	1,936,760.23	
Bond Anticipation Notes	C-14	1,867,231.00	
Various Reserves	C-15	182,685.95	
		<u>4,803,991.23</u>	
Balance, December 31, 2016	C		<u><u>\$ 123,741.33</u></u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
 ANALYSIS OF GENERAL CAPITAL CASH

	<u>Balance</u> <u>Dec. 31, 2016</u>
Fund Balance	\$ 136,950.42
Capital Improvement Fund	58,139.75
Reserve for Encumbrances	3,802,944.26
Various Reserves	139,835.75
Interfund - Current Fund	(17,314.05)
Interfund - Marina Capital Fund	(494,108.37)
Grants Receivable	(4,603,671.50)
Improvement Authorizations:	
<u>Ordinance</u>	
<u>Number</u>	
1245 Installation of Traffic Signal	(291.00)
04-32 Lake Alberta Watershed Improvements	23,696.03
05-29 Acquisition, Demolition, and Improvements of Neptune Boulevard	47,596.98
07-38 Purchase and Installation of Street Lighting on Broadway	1,353.82
07-40 Ocean Grove Storm Water Management Project - Phase III and Township-Wide Storm Drain Labeling and Mapping	128,473.02
09-27 Ocean Grove Drainage Project - Broadway Area	16,122.48
11-02 Various Improvements to the Senior Center	3,236.99
11-05/14-30 Concourse/Seaview Island Flood Mitigation	(178,548.42)
12-17 Various Improvements to Parks and Facilities	7,365.58
12-24 Acquisition of Equipment Associated with the Implementation of a Single Stream Recycling Program	11,311.10
13-14 Various 2013 Roadway and Drainage Improvements	920,904.79
13-23 Emergency Watershed Protection Program	160,783.95
13-27 Acquisition of Real Property (Division Street Property)	1,775.67
13-28 Pedestrian/Bicycle Lane Transportation	644,215.65
13-39 Implementation of the Energy Efficiency Improvement Program and the Boiler Replacement Project	(676,157.39)
13-40 Demolition of the Welsh Farms Property	(169,894.81)
14-09/14-43 Reconstruction of Ocean Grove Boardwalk	(779,545.11)

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
 ANALYSIS OF GENERAL CAPITAL CASH

Balance
Dec. 31, 2016

Improvement Authorizations (cont.):

<u>Ordinance Number</u>		
14-12	Sidewalk and Accessibility Project on Neptune Boulevard and Other Identified Locations	(90,655.10)
14-13/14-29	Development of Veterans Park	(883,664.08)
14-20	Acquisition and Installation of Various Public Safety Technology and Equipment	(379,959.34)
15-03	Improvements in the West Lake Avenue Redevelopment Area	188,783.48
15-06	Central Avenue Roadway Reconstruction and Drainage Improvements	(222,680.00)
15-07	Alberta Basin Drainage Project	595,084.75
15-37	Various Parks Improvements	(162,867.89)
15-38	Various Facilities Improvements (Senior Center/Municipal Complex/Public Works Facility/OEM Facility)	(205,489.61)
15-40	Sunshine Village Park Improvements	200,849.97
15-46	Shark River Dredging	(280,940.00)
16-08	Loffredo Field Improvements	212,650.00
16-27	Various 2016 Capital Improvements	
	(i) Acquisition of heavy duty vehicles and equipment	(350,407.79)
	(ii) Acquisition of computer and communications equipment	76,439.76
	(iii) Improvements to various parks, lakes and streetscape	209,318.84
	(iv) Improvements to the Department of Public Works Complex, Senior Center, Municipal Complex and other municipal facilities	1,476,312.75
	(v) Implementation of the 2016 Community Development Block Grant Program Tenth Avenue Rehabilitation Project	291,996.00
16-33	Improvements to Brighton Avenue, Lakewood Road and Adjoining Roadways	263,794.00
		<u>\$ 123,741.33</u>

Ref. C

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF INTERFUND RECEIVABLE

	<u>Ref.</u>	<u>Total (MEMO ONLY)</u>	<u>Current Fund</u>	<u>Marina Utility Capital Fund</u>
Balance, December 31, 2015	C	\$ -	\$ -	\$ -
Increased by:				
Cash Disbursements	C-2	517,314.05	17,314.05	500,000.00
Decreased by:				
Cash Receipts	C-2	<u>5,891.63</u>	<u> </u>	<u>5,891.63</u>
Balance, December 31, 2016 - Due From	C	<u>\$ 511,422.42</u>	<u>\$ 17,314.05</u>	<u>\$ 494,108.37</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE

<u>Ordinance Number</u>	<u>Grant Description</u>	Balance December 31, <u>2015</u>	2016 Grant <u>Awards</u>	Cash <u>Receipts</u>	Balance December 31, <u>2016</u>
11-05	FEMA Grant (Concourse/Seaview Island Flood Mitigation)	\$ 430,176.75			\$ 430,176.75
11-24	County of Monmouth Open Space (Wesley Lake Wall)	250,000.00		\$ 250,000.00	
12-08	County of Monmouth Open Space (Three Park Playgrounds)	239,000.00			239,000.00
13-13	County of Monmouth Open Space (Jumping Brook)	250,000.00			250,000.00
13-28	NJ Dept. of Transportation (Pedestrian/Bicycle Enhancement)	580,000.00			580,000.00
15-03	U.S. Department of Housing and Urban Development - Community Development Block Grant Disaster Recovery Program - West Lake Avenue Redevelopment Area	800,114.00			800,114.00
15-06	NJ Department Dept. of Transportation (Central Ave. Roadway Reconstruction and Drainage Improvements).	273,590.00			273,590.00
15-07	NJ Office of Emergency Management/Federal Emergency Management Agency, Pre-Disaster Mitigation Program	696,084.75			696,084.75
15-40	County of Monmouth Open Space (Sunshine Village Park Improvements)	232,000.00			232,000.00
16-08	Monmouth County Open Space Grant		\$ 250,000.00		250,000.00
16-27	FEMA Public Assistance Grant		450,000.00		450,000.00
16-27	Community Development Block Grant		138,512.00		138,512.00
16-33	NJ Department of Transportation		264,194.00		264,194.00
		<u>\$ 3,750,965.50</u>	<u>\$ 1,102,706.00</u>	<u>\$ 250,000.00</u>	<u>\$ 4,603,671.50</u>
		<u>Ref.</u> C	C-8	C-2	C

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

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

	<u>Ref.</u>		
Balance, December 31, 2015	C		\$ 18,797,811.18
Increased by:			
Refunding Bonds Issued	C-13		<u>2,395,000.00</u>
			21,192,811.18
Decreased by:			
Budget Appropriation to Pay Green Trust Loan	C-12	\$ 77,989.05	
Budget Appropriation to Pay Bonds	C-13	1,819,000.00	
Bonds Refunded	C-13	<u>2,532,000.00</u>	
			<u>4,428,989.05</u>
Balance, December 31, 2016	C		\$ <u><u>16,763,822.13</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Improvement Description	Balance Dec. 31, 2015	Increased by: 2016 Authorizations	Decreased by:		Balance Dec. 31, 2016	Analysis of Balance Dec. 31, 2016		
				Due from Ocean Grove Camp Meeting Association	Paid by Budget Appropriation		Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
11-05/14-30	Concourse/Seaview Island Flood Mitigation	\$ 190,000.00				\$ 190,000.00		\$ 178,548.42	\$ 11,451.58
1245	Installation of Traffic Signal	291.00				291.00		291.00	
13-13	Various 2013 Improvements to Parks and Other Township Facilities, Including Improvements to Jumping Brook Ballfields	133,000.00			\$ 4,600.00	128,400.00	\$ 128,400.00		
13-14	Various 2013 Roadway and Drainage Improvements	1,188,735.00			31,000.00	1,157,735.00	1,157,631.00		104.00
13-23	Emergency Watershed Protection Measures Program, Including Wesley and Fletcher Basins	359,100.00			6,100.00	353,000.00	352,900.00		100.00
13-27	Acquisition and the Payment of the Purchase Price of Real Property Being Designated as Block 173, Lot 31.01 on the Official tax Map of the Township of Neptune and Various Improvements Thereof	114,000.00			1,500.00	112,500.00	112,500.00		
13-28	Pedestrian/Bicycle Lane Transportation Enhancement Project	120,000.00			4,200.00	115,800.00	115,800.00		
13-39	Implementation of the Energy Efficiency Improvement Program and the Boiler Replacement Project	712,500.00				712,500.00		676,157.39	36,342.61
13-40	Demolition of the Welsh Farms Property	190,000.00				190,000.00		169,894.81	20,105.19
14-09/14-43	Reconstruction of Ocean Grove Boardwalk	874,460.21		\$ 84,880.23		789,579.98		779,545.11	10,034.87
14-12	Sidewalk and Accessibility Project on Neptune Boulevard and Other Identified Locations	150,500.00				150,500.00		90,655.10	59,844.90
14-13/14-29	Development of Veterans Park	950,000.00				950,000.00		883,664.08	66,335.92
14-20	Acquisition and Installation of Various Public Safety Technology and Equipment	380,000.00				380,000.00		379,959.34	40.66
15-06	Central Avenue Roadway Reconstruction and Drainage Improvements	226,410.00				226,410.00		222,680.00	3,730.00
15-07	Alberta Basin Drainage Project	253,915.25				253,915.25			253,915.25
15-37	Various Parks Improvements	285,000.00				285,000.00		162,867.89	122,132.11
15-38	Various Facilities Improvements (Senior Center/ Municipal Complex/Public Works Facility/OEM Facility)	570,000.00				570,000.00		205,489.61	364,510.39
15-40	Sunshine Village Park Improvements	235,600.00				235,600.00			235,600.00
15-46	Shark River Dredging	285,000.00				285,000.00		280,940.00	4,060.00
16-08	Loffredo Field Improvements		\$ 332,500.00			332,500.00			332,500.00
16-27	Various 2016 Capital Improvements								
	(i) Acquisition of heavy duty vehicles and equipment		665,000.00			665,000.00	282,161.00	350,407.79	32,431.21
	(ii) Acquisition of computer and communications equipment		427,500.00			427,500.00	181,390.00		246,110.00
	(iii) Improvements to various parks, lakes and streetscape		475,000.00			475,000.00	201,544.00		273,456.00
	(iv) Improvements to the Department of Public Works Complex, Senior Center, Municipal Complex and other municipal facilities		2,232,500.00			2,232,500.00	947,256.00		1,285,244.00
	(v) Implementation of the 2016 Community Development Block Grant Program Tenth Avenue Rehabilitation Project		324,413.00			324,413.00	137,649.00		186,764.00

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Improvement Description	Balance Dec. 31, 2015	Increased by: 2016 Authorizations	Decreased by:		Balance Dec. 31, 2016	Analysis of Balance Dec. 31, 2016		
				Due from Ocean Grove Camp Meeting Association	Paid by Budget Appropriation		Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
16-33	Improvements to Brighton Avenue, Lakewood Road and Adjoining Roadways		235,806.00			235,806.00			235,806.00
		\$ 7,218,511.46	\$ 4,692,719.00	\$ 84,880.23	\$ 47,400.00	\$ 11,778,950.23	\$ 3,617,231.00	\$ 4,381,100.54	\$ 3,780,618.69
<u>Ref</u>	C		C-8/C-18	C-10/C-18	C-14	C	C-14	C-3	
								<u>Ref.</u>	
							Improvement Authorizations Unfunded	C-8	\$ 7,038,150.45
							Unexpended Proceeds of Bond Anticipation Notes:		
							<u>Ordinance</u>		
							13-14	\$ 920,904.79	
							13-23	160,783.95	
							13-27	1,775.67	
							13-28	120,000.00	
							16-27(ii)	76,439.76	
							16-27(iii)	209,318.84	
							16-27(iv)	1,476,312.75	
							16-27(v)	291,996.00	
									<u>3,257,531.76</u>
									\$ <u>3,780,618.69</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2015		Increased by 2016		Decreased by			Balance Dec. 31, 2016	
				Funded	Unfunded	Reserve for Encumbrances	Authorizations	Paid	Reserve for Encumbrances	Canceled	Funded	Unfunded
01-14	Acquisition and Improvements to Real Property	04-09-01	\$ 125,000.00	\$ 2,375.00					\$ 2,375.00			
03-17/05-03	Main Avenue Streetscape Improvement Program	04-14-03	1,250,000.00	2,761.53					2,761.53			
04-32	Lake Alberta Watershed Improvements	07-26-04	255,400.00	23,696.03							\$ 23,696.03	
05-24	Main Avenue Drainage Project Phase II	06-13-05	500,000.00	9,968.68							9,968.68	
05-29	Acquisition, Demolition and Improvements of Neptune Boulevard	06-27-05	300,000.00	56,121.98			\$ 1,625.00	\$ 6,900.00				47,596.98
07-38	Purchase and Installation of Street Lighting on Broadway	06-25-07	100,000.00	24,923.48		\$ 10,382.84		29,441.00	4,511.50			1,353.82
07-40	Ocean Grove Storm Water Management Project - Phase III and Township-Wide Storm Drain Labeling and Mapping	06-25-07	720,000.00	154,343.05		702.74		13,521.69	13,051.08			128,473.02
08-49	Acquisition and Installation of a Storm Water Mgt. Facility in the Gables Area	12-01-08	200,000.00	9,715.45							9,715.45	
09-20	Bradley Park Pedestrian and ADA Accessibility Project	05-11-09	500,000.00	34,795.79							34,795.79	
09-27	Ocean Grove Drainage Project - Broadway Area	06-22-09	375,000.00	16,122.48								16,122.48
09-34	Acquisition and Payment of Purchase Price of Real Property Designated as Block 7013, Lot 11	08-24-09	550,000.00	15.00							15.00	
09-35	Acquisition and Installation of Various Equipment	08-24-09	200,000.00	199.28		5,160.72		5,160.36			199.64	
09-36	Acquisition of Various Vehicles and Equipment for the Department of Public Works and the Senior Citizens Center	08-24-09	1,000,000.00	2,457.30							2,457.30	
10-10	Renovations to the Senior Center	04-26-10	950,000.00	500.08							500.08	
11-02	Various Improvements to the Senior Center	01-24-11	600,000.00	15,004.52				10,307.73	1,459.80			3,236.99
11-05/14-30	Concourse/Seaview Island Flood Mitigation	01-24-11	850,000.00	473,336.58	\$ 190,000.00	35,490.28		12,262.40	675,112.88			\$ 11,451.58
11-06	Acquisition of Property - Block 217, Lot 58	01-24-11	300,000.00	41,567.14							41,567.14	
11-19	Various Roadway Improvements	04-11-11	600,000.00	165.25							165.25	
11-24	Wesley Lake Wall Reconstruction - Phase II	04-25-11	350,000.00	274.35							274.35	
11-25	Various Roadway Improvements	04-25-11	400,000.00	1,065.05		951.00		1,176.00			840.05	
12-07	Various Improvements to Municipal Buildings & Facilities	03-26-12	350,000.00	40.91							40.91	
12-15	Acquisition of Various Equipment	06-11-12	100,000.00	0.03							0.03	
12-17	Various Improvements to Parks and Facilities	06-11-12	250,000.00	95,841.72		2,190.00		2,269.60	88,396.54			7,365.58
12-24	Acquisition of Equipment Associated with the Implementation of a Single Stream Recycling Program	07-23-12	1,100,000.00	11,311.10								11,311.10
13-13	Various 2013 Improvements to Parks and Other Township Facilities, Including Improvements to Jumping Brook Ballfields	04-08-13	390,000.00		28.75			28.75				
13-14	Various 2013 Roadway and Drainage Improvements	04-08-13	1,500,000.00	931,747.98		157,961.28		53,944.00	114,756.47			921,008.79
13-23	Emergency Watershed Protection Measures Program, Including Wesley and Fletcher Basins	08-12-13	1,500,000.00	161,280.77		22,032.50		22,429.32				160,883.95
13-27	Acquisition and the Payment of the Purchase Price of Real Property Being Designated as Block 173, Lot 31.01 on the Official Tax Map of the Township of Neptune and Various Improvements Thereof	08-12-13	120,000.00		2,300.67	1,822.50		666.75	1,680.75			1,775.67
13-28	Pedestrian/Bicycle Lane Transportation Enhancement Project	08-12-13	700,000.00	524,740.65	120,000.00	1,000.00		525.00	1,000.00			524,215.65
13-39	Implementation of the Energy Efficiency Improvement Program and the Boiler Replacement Project	10-10-13	750,000.00	659,082.00		27,750.00		8,804.33	641,685.06			36,342.61
13-40	Demolition of the Welsh Farms Property	10-10-13	200,000.00		9,561.56	10,543.63						20,105.19

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2015		Increased by 2016		Decreased by			Balance Dec. 31, 2016	
				Funded	Unfunded	Reserve for Encumbrances	Authorizations	Paid	Reserve for Encumbrances	Canceled	Funded	Unfunded
14-09/14-43	Reconstruction of Ocean Grove Boardwalk	02-10-14 10-27-14	2,200,000.00		137,977.45	684,986.50		774,120.46	38,808.62			10,034.87
14-12	Sidewalk and Accessibility Project on Neptune Boulevard and Other Identified Locations	03-24-14	300,000.00		84,553.04	5,361.34		9,227.14	20,842.34			59,844.90
14-13/14-29	Development of Veterans Park	03-24-14 08-11-14	1,000,000.00		66,335.92	70,107.09		40,772.35	29,334.74			66,335.92
14-20	Acquisition and Installation of Various Public Safety Technology and Equipment	06-09-14	400,000.00		17,606.40	281,868.69		141,458.06	157,976.37			40.66
15-03	Improvements in the West Lake Avenue Redevelopment Area	02-23-15	800,114.00	799,614.00				2,305.52	608,525.00		188,783.48	
15-06	Central Avenue Roadway Reconstruction and Drainage Improvements	02-23-15	500,000.00	212,040.00	226,410.00	41,300.00		25,116.54	450,903.46			3,730.00
15-07	Alberta Basin Drainage Project	02-23-15	950,000.00	598,084.75	253,915.25	97,500.00		33,496.25	67,003.75		595,084.75	253,915.25
15-37	Various Parks Improvements	08-24-15	300,000.00	14,439.97	285,000.00			152,152.86	25,155.00			122,132.11
15-38	Various Facilities Improvements (Senior Center/ Municipal Complex/Public Works Facility/ OEM Facility)	08-24-15	600,000.00	1,132.97	570,000.00			116,861.41	89,761.17			364,510.39
15-40	Sunshine Village Park Improvements	09-14-15	480,000.00	243,839.97	235,600.00			28,048.75	14,941.25		200,849.97	235,600.00
15-46	Shark River Dredging	10-08-15	300,000.00	14,060.00	285,000.00			295,000.00				4,060.00
16-08	Loffredo Field Improvements	03-24-16	600,000.00				\$ 600,000.00	13,470.00	41,380.00		212,650.00	332,500.00
16-27	Various 2016 Capital Improvements	08-22-16										
	(i) Acquisition of heavy duty vehicles and equipment		700,000.00					700,000.00	572,406.61			32,431.21
	(ii) Acquisition of computer and communications equipment		450,000.00					450,000.00	100,958.62			322,549.76
	(iii) Improvements to various parks, lakes and streetscape		500,000.00					500,000.00	17,225.16			482,774.84
	(iv) Improvements to the Department of Public Works Complex, Senior Center, Municipal Complex and other municipal facilities		2,800,000.00					2,800,000.00	2,050.00	36,393.25		2,761,556.75
	(v) Implementation of the 2016 Community Development Block Grant Program Tenth Avenue Rehabilitation Project		480,000.00					480,000.00	1,240.00			478,760.00
16-33	Improvements to Brighton Avenue, Lakewood Road and Adjoining Roadways	09-26-16	500,000.00					500,000.00	400.00		263,794.00	235,806.00
				\$ 3,384,554.09	\$ 4,236,399.79	\$ 1,457,111.11	\$ 6,030,000.00	\$ 1,936,760.23	\$ 3,802,944.26	\$ 105,676.20	\$ 2,224,533.85	\$ 7,038,150.45
		Ref.		C	C	C-11		C-2	C-11	C-1	C	C/C-7
	Grants and Other Receivables	C-5					\$ 1,102,706.00					
	Deferred Charges - Unfunded	C-7/C-18					4,692,719.00					
	Capital Improvement Fund	C-9					234,575.00					
							\$ 6,030,000.00					

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 192,714.75
Increased by:		
Budget Appropriation	C-2	<u>100,000.00</u> 292,714.75
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-8	<u>234,575.00</u>
Balance, December 31, 2016	C	<u><u>\$ 58,139.75</u></u>

SCHEDULE OF DUE FROM OCEAN GROVE CAMP MEETING ASSOCIATION

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 874,460.21
Decreased by:		
Cash Receipts	C-2/C-7	<u>84,880.23</u>
Balance, December 31, 2016	C	<u><u>\$ 789,579.98</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 1,457,111.11
Increased by:		
Charged to Improvement Authorizations	C-8	<u>3,802,944.26</u>
		5,260,055.37
Decreased by:		
Applied to Improvement Authorizations	C-8	<u>1,457,111.11</u>
Balance, December 31, 2016	C	\$ <u><u>3,802,944.26</u></u>

SCHEDULE OF GREEN TRUST LOANS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 887,811.18
Decreased by:		
Paid by Budget Appropriation	C-6	<u>77,989.05</u>
Balance, December 31, 2016	C	\$ <u><u>809,822.13</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2015	Issued	Paid by Budget Appropriation	Refunding	Balance Dec. 31, 2016
			Outstanding	December 31, 2016						
Pooled Governmental Loan Revenue Bonds, Series 2005	12-19-05	5,147,000.00	12-01-17	\$ 4,000.00	4.000%	\$ 5,000.00		\$ 1,000.00		\$ 4,000.00
Pooled Governmental Loan	12-21-06	2,114,000.00				254,000.00		254,000.00		
Pooled Governmental Loan	12-13-07	5,518,000.00	12-01-17	440,000.00	5.000%	3,391,000.00		419,000.00	\$ 2,532,000.00	440,000.00
General Obligation Bonds Series 2011	09-15-11	7,100,000.00	09-01-17 to 18	500,000.00	3.000%					
			09-01-19	500,000.00	2.250%					
			09-01-20	500,000.00	2.375%					
			09-01-21	500,000.00	2.500%					
			09-01-22 to 24	500,000.00	3.000%					
			09-01-25 to 26	500,000.00	4.000%	5,500,000.00		500,000.00		5,000,000.00
Revenue Refunding Bonds, Series 2012	05-22-12	4,800,000.00	12-01-17	440,000.00	4.000%					
			12-01-18	460,000.00	4.000%					
			12-01-19	480,000.00	4.000%					
			12-01-20	495,000.00	4.000%					
			12-01-21	310,000.00	4.000%					
			12-01-22	320,000.00	5.000%					
			12-01-23	335,000.00	5.000%					
			12-01-24	350,000.00	5.000%					
			12-01-25	365,000.00	5.000%	3,980,000.00		425,000.00		3,555,000.00
Pooled Governmental Loan Revenue Bonds, Series 2013	12-24-13	5,180,000.00	12-01-17	275,000.00	4.000%					
			12-01-18	290,000.00	4.000%					
			12-01-19	300,000.00	4.000%					
			12-01-20	310,000.00	5.000%					
			12-01-21	325,000.00	5.000%					
			12-01-22	345,000.00	5.000%					
			12-01-23	360,000.00	5.000%					
			12-01-24	380,000.00	5.000%					
			12-01-25	395,000.00	5.000%					
			12-01-26	400,000.00	5.000%					
			12-01-27	400,000.00	5.000%					
			12-01-28	400,000.00	5.000%					
			12-01-29	400,000.00	5.000%	4,780,000.00		200,000.00		4,580,000.00

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2016</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Refunding</u>	<u>Balance Dec. 31, 2016</u>
Pooled Governmental Loan Revenue Refunding Bond, Series 2016	3-24-16	2,395,000.00	12-01-17		2.000%				
			12-01-18	435,000.00	4.000%				
			12-01-19	455,000.00	4.000%				
			12-01-20	470,000.00	5.000%				
			12-01-21	495,000.00	5.000%				
			12-01-22	520,000.00	5.000%				
						\$ 2,395,000.00	20,000.00		2,375,000.00
					\$ 17,910,000.00	\$ 2,395,000.00	\$ 1,819,000.00	\$ 2,532,000.00	\$ 15,954,000.00
				<u>Ref.</u>	C	C-6	C-6	C-6	C

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of			Interest Rate	Balance			Balance Dec. 31, 2016
		Original Note	Date of Issue	Date of Maturity		Dec. 31, 2015	Increased	Decreased	
13-13	Various 2013 Improvements to Parks and Other Township Facilities	09-13-13	09-07-16	09-06-17	2.00%	\$ 133,000.00	\$ 128,400.00	\$ 133,000.00	\$ 128,400.00
13-14	Various 2013 Roadway and Drainage Improvements	09-13-13	09-07-16	09-06-17	2.00%	1,188,631.00	1,157,631.00	1,188,631.00	1,157,631.00
13-23	Emergency Watershed Protection Program	09-13-13	09-07-16	09-06-17	2.00%	359,000.00	352,900.00	359,000.00	352,900.00
13-27	Acquisition of Real Property (Division Street Property)	09-13-13	09-07-16	09-06-17	2.00%	114,000.00	112,500.00	114,000.00	112,500.00
13-28	Pedestrian/Bicycle Lane Transportation	09-13-13	09-07-16	09-06-17	2.00%	120,000.00	115,800.00	120,000.00	115,800.00
16-27	Various 2016 Capital Improvements								
	(i) Acquisition of heavy duty vehicles and equipment	12-31-16	12-31-16	02-28-17	0.00%		282,161.00		282,161.00
	(ii) Acquisition of computer and communications equipment	12-31-16	12-31-16	02-28-17	0.00%		181,390.00		181,390.00
	(iii) Improvements to various parks, lakes and streetscape	12-31-16	12-31-16	02-28-17	0.00%		201,544.00		201,544.00
	(iv) Improvements to the Department of Public Works Complex, Senior Center, Municipal Complex and other municipal facilities	12-31-16	12-31-16	02-28-17	0.00%		947,256.00		947,256.00
	(v) Implementation of the 2016 Community Development Block Grant Program Tenth Avenue Rehabilitation Project	12-31-16	12-31-16	02-28-17	0.00%		137,649.00		137,649.00
						\$ 1,914,631.00	\$ 3,617,231.00	\$ 1,914,631.00	\$ 3,617,231.00
					<u>Ref.</u>	C	C-2		C/C-7
					Cash Disbursed			\$ 1,867,231.00	
					Budget Appropriation			47,400.00	
								\$ 1,914,631.00	

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF VARIOUS RESERVES

<u>Description</u>	<u>Balance</u> Dec. 31, 2015	<u>Increased by:</u>		<u>Decreased by:</u>		<u>Balance</u> Dec. 31, 2016
		<u>Cash</u> <u>Receipts</u>	<u>Reserve</u> <u>For</u> <u>Interlocal</u>	<u>Anticipated</u> <u>as Current</u> <u>Revenue</u>		
Reserve to Pay Debt Service	\$ 250,307.34	\$ 45,336.49	\$ 10,191.92	\$ 167,000.00	\$	138,835.75
Reserve to Pay Debt Service - Ordinance 98-38 Beach Erosion and Fishing Pier	5,726.95			5,726.95		
Reserve for 2013 Bond issuance Costs	9,959.00			9,959.00		
Reserve for Main Avenue Improvements	<u>1,000.00</u>					<u>1,000.00</u>
	<u>\$ 266,993.29</u>	<u>\$ 45,336.49</u>	<u>\$ 10,191.92</u>	<u>\$ 182,685.95</u>	<u>\$</u>	<u>139,835.75</u>
<u>Ref.</u>	C	C-2	C-17	C-2		C

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
 SCHEDULE OF INTERLOCAL RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 10,191.92
Decreased by:		
Cash Receipts	C-2	<u>10,191.92</u>
Balance, December 31, 2016	C	<u><u>\$ -</u></u>

SCHEDULE OF RESERVE FOR INTERLOCAL RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 10,191.92
Decreased by:		
Reserve for Debt Service	C-15	<u>10,191.92</u>
Balance, December 31, 2016	C	<u><u>\$ -</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED
BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2015	Increased by:		Decreased by:		Balance Dec. 31, 2016
			2016 Authorizations	Bond Anticipation Notes Issued	Due from Ocean Grove Camp Meeting Assoc.		
11-05/14-30	Concourse/Seaview Island Flood Mitigation	\$ 190,000.00					\$ 190,000.00
1245	Installation of Traffic Signal	291.00					291.00
13-14	Various 2013 Roadway and Drainage Improvements	104.00					104.00
13-23	Emergency Watershed Protection Measures Program, Including Wesley and Fletcher Basins	100.00					100.00
13-39	Implementation of the Energy Efficiency Improvement Program and the Boiler Replacement Project	712,500.00					712,500.00
13-40	Demolition of the Welsh Farms Property	190,000.00					190,000.00
14-09/14-43	Reconstruction of Ocean Grove Boardwalk	874,460.21			\$ 84,880.23		789,579.98
14-12	Sidewalk and Accessibility Project on Neptune Boulevard and Other Identified Locations	150,500.00					150,500.00
14-13/14-29	Development of Veterans Park	950,000.00					950,000.00
14-20	Acquisition and Installation of Various Public Safety Technology and Equipment	380,000.00					380,000.00
15-06	Central Avenue Roadway Reconstruction and Drainage Improvements	226,410.00					226,410.00
15-07	Alberta Basin Drainage Project	253,915.25					253,915.25
15-37	Various Parks Improvements	285,000.00					285,000.00
15-38	Various Facilities Improvements (Senior Center/ Municipal Complex/Public Works Facility/ OEM Facility	570,000.00					570,000.00
15-40	Sunshine Village Park Improvements	235,600.00					235,600.00
15-46	Shark River Dredging	285,000.00					285,000.00
16-08	Loffredo Field Improvements		\$ 332,500.00				332,500.00

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED
BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2015	Increased by:		Decreased by:		Balance Dec. 31, 2016
			2016 Authorizations	Bond Anticipation Notes Issued	Due from Ocean Grove Camp Meeting Assoc.		
16-27	Various 2016 Capital Improvements						
	(i) Acquisition of heavy duty vehicles and equipment		665,000.00	\$ 282,161.00			382,839.00
	(ii) Acquisition of computer and communications equipment		427,500.00	181,390.00			246,110.00
	(iii) Improvements to various parks, lakes and streetscape		475,000.00	201,544.00			273,456.00
	(iv) Improvements to the Department of Public Works Complex, Senior Center, Municipal Complex and other municipal facilities		2,232,500.00	947,256.00			1,285,244.00
	(v) Implementation of the 2016 Community Development Block Grant Program Tenth Avenue Rehabilitation Project		324,413.00	137,649.00			186,764.00
16-33	Improvements to Brighton Avenue, Lakewood Road and Adjoining Roadways		235,806.00				235,806.00
		<u>\$ 5,303,880.46</u>	<u>\$ 4,692,719.00</u>	<u>\$ 1,750,000.00</u>	<u>\$ 84,880.23</u>		<u>\$ 8,161,719.23</u>
		<u>Ref.</u>	<u>C-7/C-8</u>	<u>C-14</u>	<u>C-7</u>		<u>(Footnote C)</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND
SCHEDULE OF CASH

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2015	D	\$ 5,084,303.73	\$ 907,527.09
Increased by Receipts:			
Miscellaneous Revenue Anticipated	D-3	\$ 1,166,557.44	
Miscellaneous Revenue Not Anticipated	D-3	172,028.23	
Consumer Accounts Receivable	D-8	5,948,618.75	
Sewer Liens Receivable	D-9	1,810.00	
Customer Overpayments	D-14	17,145.68	
Special Emergency Notes Payable	D-25	90,000.00	
Budget Appropriation-Capital Improvement Fund	D-20		\$ 100,000.00
		<u>7,396,160.10</u>	<u>100,000.00</u>
		12,480,463.83	1,007,527.09
Decreased by Disbursements:			
2016 Appropriations	D-4	5,886,624.27	
Appropriation Reserves	D-12	197,098.93	
Refund Customer Overpayments	D-14	473.65	
Interfund - Marina Utility Operating Fund	D-15	2,229.04	
Accrued Interest Payable	D-16	128,816.49	
Special Emergency Note	D-25	180,000.00	
Improvement Authorizations	D-19		280,196.79
		<u>6,395,242.38</u>	<u>280,196.79</u>
Balance, December 31, 2016	D	<u>\$ 6,085,221.45</u>	<u>\$ 727,330.30</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
ANALYSIS OF SEWER UTILITY CAPITAL CASH

	Balance <u>Dec. 31, 2016</u>
Capital Improvement Fund	\$ 259,258.25
Reserve for Encumbrances	1,097,097.34
Reserve for FEMA Reimbursement	215,892.76
Reserve for Debt Service	235.02
Fund Balance	15,552.97

<u>Ordinance Number</u>	<u>Improvement Description</u>	
07-41	Gables Area Sanitary Sewer System Replacement Project - Phase III	2.96
08-51/09-21	Upgrades to the Pennsylvania Avenue Sanitary Sewer Pumping Station	32,758.47
09-37	Acquisition of Various Vehicles and Equipment for the Sewer Utility	(250.00)
12-14	Various Sewer Utility Improvements	46,351.36
15-36	Reconstruction of the Sanitary Sewer System	(919,543.83)
16-28	Various Sewer Utility Improvements and the Acquisition of a Sewer Utility Vehicle	<u>(20,025.00)</u>
		<u>\$ 727,330.30</u>

Ref. D

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY AUTHORIZATION

<u>Year</u> <u>Authorized</u>	<u>Purpose</u>	<u>Authorized</u>	<u>Required</u> <u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>December 31,</u> <u>2015</u>	<u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>December 31,</u> <u>2016</u>
2012	Hurricane Sandy	\$ 500,000.00	\$ 90,000.00	\$ <u>180,000.00</u>	\$ <u>90,000.00</u>	\$ <u>90,000.00</u>
				D	D-4	D

Ref.

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>		
Balance, December 31, 2015	D		\$ 425,955.12
Increased by:			
Sewer Rents Levied			<u>6,041,448.20</u>
			6,467,403.32
Decreased by:			
Collections	D-3/D-5	\$ 5,948,618.75	
Overpayments Applied	D-3/D-14	14,423.52	
Transfer to Sewer Liens Receivable	D-9	<u>1,810.00</u>	
			<u>5,964,852.27</u>
Balance, December 31, 2016	D		\$ <u><u>502,551.05</u></u>

SCHEDULE OF SEWER LIENS RECEIVABLE

	<u>Ref.</u>		
Balance, December 31, 2015	D		\$ -
Increased by:			
Transfer from Consumer Accounts Receivable	D-8		<u>1,810.00</u>
			1,810.00
Decreased by:			
Cash Receipts	D-3/D-5		<u>1,810.00</u>
Balance, December 31, 2016	D		\$ <u><u>-</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>		
Balance, December 31, 2015	D		\$ 19,139,611.57
Transfer from:			
Fixed Capital Authorized and Uncompleted	D-11	\$ 298,183.00	
Capital Outlay:			
Operating Budget	D-21	50,000.00	
Appropriation Reserve	D-21	<u>166,200.00</u>	
			<u>514,383.00</u>
			<u>19,653,994.57</u>
Decreased by:			
Authorizations Canceled	D-19		<u>1,108.51</u>
Balance, December 31, 2016	D		<u><u>\$ 19,652,886.06</u></u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
 SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2015	2016 Authorizations		Transfer to Fixed Capital	Canceled	Balance Dec. 31, 2016
		Date	Amount		Capital Improvement Fund	Deferred Charges to Future Revenue			
98-35	Phase II Rehabilitation/Infiltration and Inflow Program, Improvements to Hillside and Beverly Pump Stations	09-28-98	\$ 1,000,000.00	\$ 18.01			\$	18.01	
99-51/ 00-17	Construction and Reconstruction of Various Sewer Lines, Stations, Facilities and Related Assets	10-18-99 04-24-00	1,000,000.00	21.41				21.41	
06-35	Improvements to Sanitary Sewer Infrastructure	07-10-06	300,000.00	300,000.00			\$ 298,183.00	1,817.00	
07-41	Gables Area Sanitary Sewer System Replacement Project - Phase III	06-25-07	550,000.00	550,000.00				97.04	\$ 549,902.96
08-51/ 09-21	Upgrades to the Pennsylvania Avenue Sanitary Sewer Pumping Station	12-22-08 06-22-09	1,000,000.00 588,500.00	1,588,500.00					1,588,500.00
12-14	Various Sewer Utility Improvements	06-11-12	700,000.00	700,000.00					700,000.00
15-36	Reconstruction of the Sanitary Sewer System	08-24-15	1,000,000.00	1,000,000.00					1,000,000.00
16-28	Various Sewer Utility Improvements and the Acquisition of a Sewer Utility Vehicle	08-22-16	600,000.00		\$ 30,000.00	\$ 570,000.00			600,000.00
				\$ 4,138,539.42	\$ 30,000.00	\$ 570,000.00	\$ 298,183.00	\$ 1,953.46	\$ 4,438,402.96
		<u>Ref.</u>		D	D-19/D-22	D-19/D-26	D-10	D-19/D-22	D

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 451.72		\$ 451.72		\$ 451.72
Other Expenses	21,057.87	\$ 21,634.98	42,692.85	\$ 25,656.75	17,036.10
TNSA - Annual Charge	15,467.30		15,467.30		15,467.30
Group Insurance for Employees	14,779.37		14,779.37		14,779.37
Capital Improvements:					
Capital Outlay	153,303.12	21,696.88	175,000.00	171,442.18	3,557.82
Statutory Expenditures:					
Contribution to:					
Social Security System	<u>3,937.27</u>		<u>3,937.27</u>		<u>3,937.27</u>
	<u>\$ 208,996.65</u>	<u>\$ 43,331.86</u>	<u>\$ 252,328.51</u>	<u>\$ 197,098.93</u>	<u>\$ 55,229.58</u>
<u>Ref.</u>	D	D-13		D-5	D-1

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 43,331.86
Increased by:		
Transferred from Budget Appropriations	D-4	66,241.81
		<u>109,573.67</u>
Decreased by:		
Transferred to Appropriation Reserves	D-12	43,331.86
		<u>43,331.86</u>
Balance, December 31, 2016	D	\$ <u><u>66,241.81</u></u>

SCHEDULE OF CUSTOMER OVERPAYMENTS

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 16,127.98
Increased by:		
Cash Received	D-5	17,145.68
		<u>33,273.66</u>
Decreased by:		
Canceled	D-1	\$ 79.97
Cash Disbursements	D-5	473.65
Applied to Consumer Accounts Receival	D-8	14,423.52
		<u>14,977.14</u>
Balance, December 31, 2016	D	\$ <u><u>18,296.52</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
SCHEDULE OF INTERFUNDS RECEIVABLE/(PAYABLE)

	<u>Ref.</u>	<u>Total</u> <u>(Memo Only)</u>	<u>Trust</u> <u>Other</u> <u>Fund</u>	<u>Marina Utility</u> <u>Operating</u> <u>Fund</u>
Balance, December 31, 2015				
Interfunds Receivable	D	\$ 14,779.26	\$ 14,779.26	
Interfunds Payable	D	<u>(2,229.04)</u>		\$ <u>(2,229.04)</u>
Increased by:				
Disbursements	D-5	2,229.04		2,229.04
		<u>14,779.26</u>	<u>14,779.26</u>	
Decreased by:				
Accrued Interest	D-16	1,235.10		1,235.10
Balance, December 31, 2016				
Interfunds Receivable	D	14,779.26	\$ 14,779.26	
Interfunds Payable	D	<u>(1,235.10)</u>		\$ <u>(1,235.10)</u>
		<u>\$ 13,544.16</u>		

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
 SCHEDULE OF ACCRUED INTEREST PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 14,746.53
Increased by:		
Budget Appropriations	D-4	128,949.73
		143,696.26
Decreased by:		
Interest Paid	D-5	\$ 128,816.49
Interfund - Marina Operating	D-15	1,235.10
		130,051.59
Balance, December 31, 2016	D	\$ 13,644.67

Analysis of Accrued Interest December 31, 2016

Principal Outstanding <u>Dec. 31, 2016</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Serial Bonds:					
\$ 36,000.00	5.000%	12-01-16	12-31-16	30 Days	\$ 150.00
1,035,000.00	Various	12-01-16	12-31-16	30 Days	3,879.17
291,000.00	Various	12-01-16	12-31-16	30 Days	1,076.67
935,000.00	Various	12-01-16	12-31-16	30 Days	3,458.33
200,000.00	Various	12-01-16	12-31-16	30 Days	770.83
\$ 2,497,000.00					9,335.00
Loans Payable:					
\$ 883,790.33	Various	08-01-16	12-31-16	150 Days	4,166.67
Special Emergency Notes:					
\$ 90,000.00	1.100%	11-9-16	12-31-16	52 Days	143.00
					\$ 13,644.67
	<u>Ref.</u>				D-16

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER UTILITY SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2015	Bonds Issued	Paid by Budget Appropriation	Refunded	Balance Dec. 31, 2016
			Outstanding	December 31, 2016						
Pooled Governmental Loan Revenue Bonds, Series 2006	12-21-06	\$ 722,000.00				\$ 51,000.00		\$ 51,000.00		
Pooled Governmental Loan	12-13-07	504,000.00	12-01-17	\$ 36,000.00	5.000%	280,000.00		35,000.00	\$ 209,000.00	\$ 36,000.00
Governmental Pooled Loan Revenue Refunding Bonds Series 2012	05-22-12	1,310,000.00	12-01-17	95,000.00	4.000%					
			12-01-18	100,000.00	4.000%					
			12-01-19	105,000.00	4.000%					
			12-01-20	110,000.00	4.000%					
			12-01-21	110,000.00	4.000%					
			12-01-22	120,000.00	5.000%					
			12-01-23	125,000.00	5.000%					
			12-01-24	130,000.00	5.000%					
			12-01-25	140,000.00	5.000%	1,125,000.00		90,000.00		1,035,000.00
Pooled Governmental Loan Refunding Revenue Bonds Series 2014	12-4-14	291,000.00	12-01-17	54,000.00	3.000%					
			12-01-18	55,000.00	4.000%					
			12-01-19	58,000.00	5.000%					
			12-01-20	61,000.00	5.000%					
			12-01-21	63,000.00	5.000%	291,000.00				291,000.00
Pooled Governmental Loan Revenue Bond Series 2014	12-24-14	1,005,000.00	12-01-17	35,000.00	4.000%					
			12-01-18	35,000.00	4.000%					
			12-01-19	35,000.00	4.000%					
			12-01-20	40,000.00	4.000%					
			12-01-21	40,000.00	5.000%					
			12-01-22	40,000.00	5.000%					
			12-01-23	45,000.00	5.000%					
			12-01-24	50,000.00	5.000%					
			12-01-25	50,000.00	5.000%					
			12-01-26	55,000.00	5.000%					
			12-01-27	55,000.00	5.000%					
			12-01-28	55,000.00	5.000%					
			12-01-29	60,000.00	5.000%					
			12-01-30	65,000.00	5.000%					
			12-01-31	65,000.00	4.000%					
			12-01-32	70,000.00	4.000%					
			12-01-33	70,000.00	3.250%					
			12-01-34	70,000.00	3.250%	970,000.00		35,000.00		935,000.00

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
 SCHEDULE OF SEWER UTILITY SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2015	Bonds Issued	Paid by Budget Appropriation	Refunded	Balance Dec. 31, 2016
			Outstanding	December 31, 2016						
Refunding of Pooled Governmental Loan Revenue Refunding Bonds Series 2012	03-24-16	\$ 200,000.00	12-01-18	\$ 35,000.00	4.000%					
			12-01-19	40,000.00	4.000%					
			12-01-20	40,000.00	5.000%					
			12-01-21	40,000.00	5.000%					
			12-01-22	45,000.00	5.000%					
							\$ 200,000.00			\$ 200,000.00
						\$ 2,717,000.00	\$ 200,000.00	\$ 211,000.00	\$ 209,000.00	\$ 2,497,000.00
					<u>Ref.</u>	D	D-22		D-22	D
		Reserve for Amortization			D-21		\$ 156,875.00			
		Deferred Reserve for Amortization			D-22		54,125.00			
							\$ 211,000.00			

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 343,794.88
Increased by:		
Charged to Improvement Authorizations	D-19	<u>1,097,097.34</u>
		1,440,892.22
Decreased by:		
Applied to Improvement Authorizations	D-19	<u>343,794.88</u>
Balance, December 31, 2016	D	<u><u>\$ 1,097,097.34</u></u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY
 SEWER UTILITY CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2015		Increased by		Decreased by			Balance Dec. 31, 2016	
				Funded	Unfunded	2016 Authorizations	Prior Year Encumbrances	Paid or Charged	Reserve for Encumbrances	Cancelled	Funded	Unfunded
98-35	Phase II Rehabilitation/Infiltration and Inflow Program, Improvements to Hillside and Beverly Pump Stations	09-28-98	\$ 1,000,000.00	\$ 18.01						\$ 18.01		
99-51/00-17	Construction and Reconstruction of Various Sewer Lines, Stations, Facilities and Related Assets	10-18-99 04-24-00	1,000,000.00	21.41						21.41		
01-25	Reconstruction of Gables Area Sanitary Sewer System Phase I	05-29-01	750,000.00	1,108.51						1,108.51		
06-35	Improvements to Sanitary Sewer Infrastructure	07-10-06	300,000.00	1,817.00						1,817.00		
07-41	Gables Area Sanitary Sewer System Replacement Project - Phase III	06-25-07	550,000.00			\$ 316,526.32		\$ 162,481.05	\$ 153,945.27	97.04	\$ 2.96	
08-51	Upgrades to the Pennsylvania Avenue Sanitary Sewer Pumping Station	12-22-08 06-22-09	1,000,000.00 3,507,000.00	32,508.47	\$ 250.00						32,758.47	
12-14	Various Sewer Utility Improvements	06-11-12	700,000.00	60,941.81			27,268.56	16,156.79	25,702.22		46,351.36	
15-36	Reconstruction of the Sanitary Sewer System	08-24-15	1,000,000.00	49,439.97	950,000.00			101,158.95	867,824.85		\$ 30,456.17	
16-28	Various Sewer Utility Improvements and the Acquisition of a Sewer Utility Vehicle	08-22-16	600,000.00			\$ 600,000.00		400.00	49,625.00		549,975.00	
				\$ 145,855.18	\$ 950,250.00	\$ 600,000.00	\$ 343,794.88	\$ 280,196.79	\$ 1,097,097.34	\$ 3,061.97	\$ 79,112.79	\$ 580,431.17
	<u>Ref.</u>			D	D		D-18	D-5	D-18	D-2	D	D
	Capital Improvement Fund		D-11/D-20			\$ 30,000.00						
	Deferred Charges to Future Revenue		D-11			570,000.00						
	Fixed Capital		D-10/D-20						\$ 1,108.51			
	Fixed Capital Authorized and Incomplete		D-11						1,953.46			
						\$ 600,000.00			\$ 3,061.97			

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 189,258.25
Increased by:		
Budget Appropriation	D-5	100,000.00
		<u>289,258.25</u>
Decreased by:		
Appropriated to Finance Improvement Authorization	D-19	30,000.00
		<u>30,000.00</u>
Balance, December 31, 2016	D	\$ <u><u>259,258.25</u></u>

Exhibit D-21

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 17,701,702.36
Increased by:		
Capital Outlay:		
Operating Budget	D-10	\$ 50,000.00
Appropriation Reserve	D-10	166,200.00
Serial Bonds Paid by Operating Budget	D-17	156,875.00
Transfer from Deferred Reserve for Amortization	D-22	189,058.00
		<u>562,133.00</u>
		18,263,835.36
Decreased by:		
Authorizations Canceled	D-19	1,108.51
		<u>1,108.51</u>
Balance, December 31, 2016	D	\$ <u><u>18,262,726.85</u></u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
 SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2015	Increased by:				Decreased by:			Balance Dec. 31, 2016
				Capital Improvement Fund	Refunded Serial Bonds	Serial Bonds Paid	Loans Paid	Transfer to Reserve for Amortization	Refunding Bonds Issued	Canceled	
98-35	Phase II Rehabilitation/Infiltration and Inflow Program, Improvements to Hillside and Beverly Pump Stations	09-28-98	\$ 18.01							\$ 18.01	
99-51/ 00-17	Construction and Reconstruction of Various Sewer Lines, Stations, Facilities and Related Assets	10-18-99 04-24-00	21.41								21.41
06-35	Improvements to Sanitary Sewer Infrastructure	07-24-06	171,750.00			\$ 19,125.00		\$ 189,058.00			1,817.00
07-41	Gables Area Sanitary Sewer System Replacement Project - Phase III	06-25-07	270,000.00		\$ 209,000.00	35,000.00			\$ 200,000.00	97.04	\$ 313,902.96
08-51/ 09-21	Upgrades to the Pennsylvania Avenue Sanitary Sewer Pumping Station	12-22-08 06-22-09	373,207.47				\$ 64,137.70				437,345.17
12-14	Various Sewer Utility Improvements	06-11-12	96,273.71								96,273.71
15-36	Reconstruction of the Sanitary Sewer System	08-24-15	50,000.00								50,000.00
16-28	Various Sewer Utility Improvements and the Acquisition of a Sewer Utility Vehicle	08-22-16		\$ 30,000.00							30,000.00
			<u>\$ 961,270.60</u>	<u>\$ 30,000.00</u>	<u>\$ 209,000.00</u>	<u>\$ 54,125.00</u>	<u>\$ 64,137.70</u>	<u>\$ 189,058.00</u>	<u>\$ 200,000.00</u>	<u>\$ 1,953.46</u>	<u>\$ 927,521.84</u>
			D	D-11	D-17	D-17	D-23	D-21	D-17	D-11	D

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
 SCHEDULE OF LOANS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 947,928.03
Decreased by:		
Paid by Budget Appropriation	D-22	<u>64,137.70</u>
Balance, December 31, 2016	D	<u><u>\$ 883,790.33</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
SCHEDULE OF OGSA OBLIGATION RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2015	D	\$ 181,172.30
Decreased by:		
Current Year Collections	D-3	<u>36,234.46</u>
Balance, December 31, 2016	D	<u><u>\$ 144,937.84</u></u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND
 SCHEDULE OF EMERGENCY NOTES PAYABLE

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Amount</u> <u>Authorized</u>	<u>Date of</u> <u>Issue</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
11-26-12	Hurricane Sandy	500,000.00	11-9-16	11-8-17	1.10%	\$ <u>180,000.00</u>	\$ <u>90,000.00</u>	\$ <u>180,000.00</u>	\$ <u>90,000.00</u>
						\$ <u>180,000.00</u>	\$ <u>90,000.00</u>	\$ <u>180,000.00</u>	\$ <u>90,000.00</u>
					Ref.	D	D-5	D-5	D

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND
 SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2015</u>	<u>2016 Authorizations</u>	<u>Balance Dec. 31, 2016</u>
09-37	Acquisition of Various Vehicles and Equipment for the Sewer Utility	\$ 250.00		\$ 250.00
15-36	Reconstruction of the Sanitary Sewer System	950,000.00		950,000.00
16-28	Various Sewer Utility Improvements and the Acquisition of a Sewer Utility Vehicle	<u> </u>	\$ <u>570,000.00</u>	<u>570,000.00</u>
		<u>\$ 950,250.00</u>	<u>\$ 570,000.00</u>	<u>\$ 1,520,250.00</u>
	<u>Ref.</u>	(Footnote D)	D-11	(Footnote D)

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY FUND
SCHEDULE OF CASH

	Ref.	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2015	E	\$ 130,795.69	\$ 20,199.86
Increased by Receipts:			
Marina Fees and Costs	E-3	\$ 420,616.80	
Interest on Investments	E-3	1,213.82	
Miscellaneous	E-3	2,773.88	
Interfund - Current Fund	E	11,745.72	
Interfund - Sewer Operating Fund	E	2,229.04	
Interfund - Marina Capital Fund	E	150,000.00	
Sales Taxes Payable	E	2,648.00	
Premium on Sale on Bond Anticipation Notes	E-2		\$ 3,934.18
Bond Anticipation Notes	E-15		597,900.00
Capital Improvement Fund	E-17		25,000.00
Interfund - General Capital	E-18		500,000.00
Grants Receivable	E-21		1,686,546.28
		<u>591,227.26</u>	<u>2,813,380.46</u>
		722,022.95	2,833,580.32
Decreased by Disbursements:			
2016 Appropriations	E-4	409,532.22	
Appropriation Reserves	E-10	8,075.76	
Accounts Payable	E-12	1,277.69	
Accrued Interest Payable	E-13	59,112.37	
Special Emergency Note Payable	E-22	148,750.00	
Interfund - Sewer Operating Fund	E	1,235.10	
Sales Tax Payable	E	3,587.43	
Improvement Authorizations	E-16		1,736,704.80
Interfund - Marina Capital	E-24		150,000.00
		<u>631,570.57</u>	<u>1,886,704.80</u>
Balance, December 31, 2016	E	\$ <u><u>90,452.38</u></u>	\$ <u><u>946,875.52</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
ANALYSIS OF MARINA UTILITY CAPITAL CASH

	<u>Balance</u> <u>Dec. 31, 2016</u>
Capital Improvement Fund	\$ 48,950.00
Capital Fund Balance	10,342.44
Grants Receivable	(782,453.72)
Interfund - Marina Utility Operating	800,000.00
Interfund - General Capital Fund	494,108.37
Reserve for Encumbrances	325,587.46
Reserve for Reconstruction	100,000.00

<u>Ordinance</u> <u>Number</u>	<u>Improvement Description</u>	
13-18	Various Improvements	134.19
15-51	Shark River Dredging	3,969.28
16-29	Marina Site Remediation Project	<u>(53,762.50)</u>
		<u>\$ 946,875.52</u>

Ref.

E

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

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

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Amount</u> <u>Authorized</u>	<u>Required</u> <u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Decreased by</u> <u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
2012	Hurricane Sandy	\$ 1,000,000.00	\$ 148,000.00	\$ <u>294,500.00</u>	\$ <u>148,750.00</u>	\$ <u>145,750.00</u>
				\$ <u><u>294,500.00</u></u>	\$ <u><u>148,750.00</u></u>	\$ <u><u>145,750.00</u></u>
			<u>Ref.</u>	E	E-4	E

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ 5,865,000.00
Increased by:		
Capital Outlay	E-19	<u>15,400.00</u>
Balance, December 31, 2016	E	<u><u>\$ 5,880,400.00</u></u>
Analysis:		
Capital Outley		\$ 15,400.00
Ordinance 11-03 Various Improvements		300,000.00
Ordinance 07-19 Acquisition of Marina Property and Various Improvements		<u>5,565,000.00</u>
		<u><u>\$ 5,880,400.00</u></u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
 SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2015	2016 Authorizations			Balance Dec. 31, 2016
		Date	Amount		Capital Improvement Fund	Grants Receivable	Deferred Charges To Future Revenue	
12-18	Various Improvements	06/11/12	\$ 90,000.00	\$ 90,000.00				\$ 90,000.00
13-18	Various Improvements	05/13/13	1,500,000.00	1,500,000.00				1,500,000.00
15-04	Reconstruction of the Municipal Marina Building	02-23-15	2,500,000.00	2,500,000.00				2,500,000.00
15-51	Shark River Dredging	11-09-15	160,000.00	160,000.00				160,000.00
16-29	Marina Site Remediation Project	8-22-16	240,000.00		\$ 3,550.00	\$ 169,000.00	\$ 67,450.00	240,000.00
				\$ 4,250,000.00	\$ 3,550.00	\$ 169,000.00	\$ 67,450.00	\$ 4,490,000.00
		<u>Ref.</u>		E	E-16/E-20	E-16	E-16	E

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 404.43		\$ 404.43		\$ 404.43
Other Expenses	3,955.02	\$ 6,112.31	10,067.33	\$ 8,075.76	1,991.57
Statutory Expenditures:					
Public Employees' Retirement System	<u>1,500.00</u>		<u>1,500.00</u>		<u>1,500.00</u>
	<u>\$ 5,859.45</u>	<u>\$ 6,112.31</u>	<u>\$ 11,971.76</u>	<u>\$ 8,075.76</u>	<u>\$ 3,896.00</u>
<u>Ref.</u>	E	E-11		E-5	E-1

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ 6,112.31
Increased by:		
Transferred from Budget Appropriations	E-4	11,115.35
		<u>17,227.66</u>
Decreased by:		
Transferred to Appropriation Reserves	E-10	6,112.31
		<u>6,112.31</u>
Balance, December 31, 2016	E	<u>\$ 11,115.35</u>

SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ 2,791.75
Decreased by:		
Cash Disbursements	E-5	\$ 1,277.69
Accounts Payable Canceled	E-1	469.06
		<u>1,746.75</u>
Balance, December 31, 2016	E	<u>\$ 1,045.00</u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY OPERATING FUND
 SCHEDULE OF ACCRUED INTEREST PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ 6,146.34
Increased by:		
Budget Appropriations	E-4	69,213.27
		75,359.61
Decreased by:		
Interest Paid	E-5	59,112.37
		59,112.37
Balance, December 31, 2016	E	\$ <u>16,247.24</u>

Analysis of Accrued Interest December 31, 2016

Principal Outstanding <u>Dec. 31, 2016</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Serial Bonds:					
\$ 35,000.00	Various	12/01/16	12/31/16	30 Days	\$ 145.83
181,000.00	Various	12/01/16	12/31/16	30 Days	670.83
755,000.00	Various	12/01/16	12/31/16	30 Days	2,779.17
190,000.00	Various	12/01/16	12/31/16	276 Days	888.00
Bond Anticipation Notes:					
\$ 597,900.00	1.50%	02/04/16	12/31/16	326 Days	8,121.48
545,369.00	2.00%	09/07/16	12/31/16	113 Days	3,423.71
Special Emergency Notes:					
\$ 145,750.00	1.10%	11/12/16	12/31/16	49 Days	218.22
					218.22
					\$ 16,247.24

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
 SCHEDULE OF MARINA UTILITY SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2015	Issued	Paid	Refunded	Balance Dec. 31, 2016
			Outstanding	December 31, 2016						
Pooled Governmental Loan Revenue Bonds Series 2006	12/21/06	\$ 452,000.00				\$ 32,000.00		\$ 32,000.00		-
Pooled Governmental Loan Revenue Bonds Series 2007	12/19/07	483,000.00	12/01/17	35,000.00	5.00%	268,000.00		33,000.00	\$ 200,000.00	\$ 35,000.00
Pooled Governmental Loan Refunding Revenue Bonds Series 2014	12/04/14	181,000.00	12/01/17	33,000.00	3.00%	181,000.00				181,000.00
			12/01/18	34,000.00	4.00%					
			12/01/19	36,000.00	5.00%					
			12/01/20	38,000.00	5.00%					
			12/01/21	40,000.00	5.00%					
Pooled Governmental Loan Revenue Bonds Series 2014	12/24/14	815,000.00	12/01/17-20	30,000.00	4.00%	785,000.00		30,000.00		755,000.00
			12/01/21	30,000.00	5.00%					
			12/01/22-24	35,000.00	5.00%					
			12/01/25-26	40,000.00	5.00%					
			12/01/27-28	45,000.00	5.00%					
			12/01/29-30	50,000.00	5.00%					
			12/01/31-32	55,000.00	4.00%					
			12/01/33-34	60,000.00	3.25%					
Pooled Governmental Loan Revenue Refunding Bonds, Series 2016	03/24/16	190,000.00	12/01/18	35,000.00	4.00%		\$ 190,000.00			190,000.00
			12/01/19	35,000.00	4.00%					
			12/01/20	40,000.00	5.00%					
			12/01/21	40,000.00	5.00%					
			12/01/22	40,000.00	5.00%					
						<u>\$ 1,266,000.00</u>	<u>\$ 190,000.00</u>	<u>\$ 95,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 1,161,000.00</u>
						Ref. E	E-19		E-19	E
Reserve for Amortization						E-19		\$ 65,000.00		
Deferred Reserve for Amortization						E-20		30,000.00		
								<u>\$ 95,000.00</u>		

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
 SCHEDULE OF MARINA UTILITY BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2015	Issued	Decreases	Balance Dec. 31, 2016
06-33/ 07-19	Acquisition of Marina Property and Various Improvements	11/09/07 02/04/16	09/07/16 02/04/16	09/06/17 02/03/17	2.00% 1.50%	\$ 201,000.00	\$ 25,000.00	\$ 3,000.00	\$ 198,000.00 25,000.00
11-03	Various Improvements to the Shark River Marina	01/24/11	09/07/16	09/06/17	2.00%	271,869.00		4,000.00	267,869.00
12-18	Various Improvements	09/14/12	09/07/16	09/06/17	2.00%	82,500.00		3,000.00	79,500.00
15-04	Reconstruction of the Municipal Marina Building	02/04/16	02/04/16	02/03/17	1.50%		420,900.00		420,900.00
15-51	Shark River Dredging	02/04/16	02/04/16	02/03/17	1.50%	-	152,000.00		152,000.00
						<u>\$ 555,369.00</u>	<u>\$ 597,900.00</u>	<u>\$ 10,000.00</u>	<u>\$ 1,143,269.00</u>
						<u>Ref.</u>	E	E-5/E-25	E
Reserve for Amortization						E-19		\$ 7,000.00	
Deferred Reserve for Amortization						E-20		3,000.00	
								<u>\$ 10,000.00</u>	

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

 MARINA UTILITY CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2015		Increased by		Decreased by		Balance Dec. 31, 2016	
				Funded	Unfunded	Reserve for Encumbrances	2016 Authorizations	Paid or Charged	Reserve for Encumbrances	Funded	Unfunded
12-18	Various Improvements	06-11-12	\$ 90,000.00		\$ 98.33	\$ 837.81		\$ 525.00	\$ 411.14		
13-18	Various Improvements	05-13-13	1,500,000.00	\$ 36,467.83		19,529.62		40,868.02	14,995.24	\$ 134.19	
15-04	Reconstruction of the Municipal Marina Building	02-23-15	2,500,000.00			1,623,639.64	\$	1,537,738.56	85,901.08		
15-51	Shark River Dredging	11-09-15	160,000.00	7,510.00	152,000.00			155,540.72			3,969.28
16-29	Marina Site Remediation Project	8-22-16	240,000.00				\$ 240,000.00	2,032.50	224,280.00		13,687.50
				\$ 43,977.83	\$ 152,098.33	\$ 1,644,007.07	\$ 240,000.00	\$ 1,736,704.80	\$ 325,587.46	\$ 134.19	\$ 17,656.78
		<u>Ref.</u>		E	E	E		E-5	E	E	E
Detail:											
	Grants Receivable	E-9/E-21				\$ 169,000.00					
	Deferred Charges to Future Revenue	E-9/E-25				67,450.00					
	Capital Improvement Fund	E-9/E-17				3,550.00					
						\$ 240,000.00					

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ 27,500.00
Inxreased by:		
Budget Appopriation	E-5	<u>25,000.00</u>
		52,500.00
Decreased by:		
Utilized to Fund Improvement Authorizations	E-16	<u>3,550.00</u>
Balance, December 31, 2016	E	<u><u>\$ 48,950.00</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
 SCHEDULE OF INTERFUND - GENERAL CAPITAL FUND

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ -
Increased by:		
Cash Receipts	E-5	500,000.00
		<u>500,000.00</u>
Decreased by:		
Premium on Sale on Bond Anticipation Notes and Excess Proceeds on Bond Refunding	E-2	5,891.63
		<u>5,891.63</u>
Balance, December 31, 2016	E	\$ <u>494,108.37</u>

Exhibit E-19

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ 4,886,131.00
Increased by:		
Refunded Serial Bonds	E-14	\$ 200,000.00
Capital Outlay	E-8	15,400.00
Budget Appropriation - Serial Bonds	E-14	65,000.00
Budget Appropriation - Bond Anticipation Notes	E-15	7,000.00
		<u>287,400.00</u>
Decreased by:		5,173,531.00
Refunding Bonds Issued	E-14	190,000.00
Balance, December 31, 2016	E	\$ <u>4,983,531.00</u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
 SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2015	Increased by			Grants Receivable	Balance Dec. 31, 2016
				Capital Improvement Fund	Serial Bonds Paid	Bond Anticipation Notes Paid by Budget		
12-18	Various Improvements	06-11-12	\$ 7,500.00			\$ 3,000.00		\$ 10,500.00
13-18	Various Improvements	05-13-13	715,000.00		\$ 30,000.00			745,000.00
15-04	Reconstruction of the Municipal Marina Building	02-23-15	2,079,100.00					2,079,100.00
15-51	Shark River Dredging	11-09-15	8,000.00					8,000.00
16-29	Marina Site Remediation Project	08-22-16		\$ 3,550.00			\$ 169,000.00	172,550.00
			<u>\$ 2,809,600.00</u>	<u>\$ 3,550.00</u>	<u>\$ 30,000.00</u>	<u>\$ 3,000.00</u>	<u>\$ 169,000.00</u>	<u>\$ 3,015,150.00</u>
		<u>Ref.</u>	E	E-9	E-14	E-15	E-9/E-21	E

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF GRANT RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ 2,300,000.00
Increased by:		
Grant Award	E-16/E-20	169,000.00
		<u>2,469,000.00</u>
Decreased by:		
Cash Receipts	E-5	1,686,546.28
		<u>1,686,546.28</u>
Balance, December 31, 2016	E	\$ <u><u>782,453.72</u></u>

Analysis:

Ordinance 13-18 - Green Acres		\$ 600,000.00
Ordinance 15-04 - FEMA Disaster Assistance		13,453.72
Ordinance 16-29 - Marina Site Remediation Project		169,000.00
		<u><u>782,453.72</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY OPERATING FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Cash Disbursed</u>	<u>Balance Dec. 31, 2016</u>
11/26/12	Hurricane Sandy	\$ 600,000.00	11/09/16	11/08/17	1.10%	\$ <u>294,500.00</u>	\$ <u>148,750.00</u>	\$ <u>145,750.00</u>
						\$ <u>294,500.00</u>	\$ <u>148,750.00</u>	\$ <u>145,750.00</u>
					<u>Ref.</u>	E	E-5	E

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR RECONSTRUCTION

	<u>Ref.</u>		
Balance, December 31, 2015 and 2016	E	\$	100,000.00

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
SCHEDULE OF INTERFUND - MARINA OPERATING FUND

	<u>Ref.</u>	
Balance, December 31, 2015	E	\$ 950,000.00
Decreased by:		
Cash Disbursements	E-5	<u>150,000.00</u>
Balance, December 31, 2016	E	<u><u>\$ 800,000.00</u></u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

MARINA UTILITY CAPITAL FUND
 SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	<u>Improvement Description</u>	Balance, December 31, <u>2015</u>	<u>2016</u> Authorizations	Bond Anticipation Notes <u>Issued</u>	Balance, December 31, <u>2016</u>
06-33/07-19	Acquisition of Marina Property and Various Improvements	\$ 25,000.00		\$ 25,000.00	
15-04	Reconstruction of the Municipal Marina Building	420,900.00	\$	420,900.00	
15-51	Shark River Dredging	152,000.00		152,000.00	
16-29	Marina Site Remediation Project	<u> </u>	<u>\$ 67,450.00</u>	<u> </u>	<u>\$ 67,450.00</u>
		<u>\$ 597,900.00</u>	<u>\$ 67,450.00</u>	<u>\$ 597,900.00</u>	<u>\$ 67,450.00</u>
		E	E-16	E-15	E

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

LOAN AND GRANT FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance, December 31, 2015	F		\$ 734,859.57
Increased by Receipts:			
Loan and Interest Payments			
Reciprocal Loans	F-2	\$ 35,581.98	
Façade Loans	F-3	30,808.28	
Late Fees	F-4	658.65	
Prepaid Interest	F-4	101.83	
Interest Income - Deposits	F-4	<u>697.25</u>	
			<u>67,847.99</u>
			802,707.56
Decreased by Disbursements:			
Grants Awarded		35,000.00	
Loans Granted		65,000.00	
Paint Program		20,200.41	
Administration of Programs		<u>8,000.00</u>	
	F-4		<u>128,200.41</u>
Balance, December 31, 2016	F		\$ <u>674,507.15</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

LOAN AND GRANT FUND
SCHEDULE OF RECIPROCAL LOANS RECEIVABLE

	Ref.	Totals	Accredited Dermatology	Headliners	Abbas Osman Family Trust Loan 1	Abbas Osman Family Trust Loan 2	All American Turf	Cityworks Neptune Office, LLC	Sunniland Furniture Inc. Loan	Waterfront Sunsets
Balance on Loans, December 31, 2015	F	\$ 294,835.34	\$ 36,862.28	\$ 76,051.92	\$ 68,594.63	\$ 21,928.55	\$ 22,527.62	\$ 19,533.58	\$ 31,728.66	\$ 17,608.10
Increased by:										
Accrued Interest		<u>3,465.41</u>	<u>523.86</u>	<u>1,437.28</u>	<u>68,594.63</u>	<u>21,928.55</u>	<u>825.19</u>	<u>19,533.58</u>	<u>679.08</u>	<u>17,608.10</u>
		<u>298,300.75</u>	<u>37,386.14</u>	<u>77,489.20</u>	<u>68,594.63</u>	<u>21,928.55</u>	<u>23,352.81</u>	<u>19,533.58</u>	<u>32,407.74</u>	<u>17,608.10</u>
Decreased by:										
Loan Payments Received	F-1/F-4	35,581.98	10,841.88	11,042.76	68,594.63	21,928.55	6,494.76	19,533.58	7,202.58	
Loan Cancelled		<u>110,056.76</u>	<u>10,841.88</u>	<u>11,042.76</u>	<u>68,594.63</u>	<u>21,928.55</u>	<u>6,494.76</u>	<u>19,533.58</u>	<u>7,202.58</u>	<u>-</u>
		<u>145,638.74</u>	<u>10,841.88</u>	<u>11,042.76</u>	<u>68,594.63</u>	<u>21,928.55</u>	<u>6,494.76</u>	<u>19,533.58</u>	<u>7,202.58</u>	<u>-</u>
Balance, December 31, 2016	F	\$ <u>152,662.01</u>	\$ <u>26,544.26</u>	\$ <u>66,446.44</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>16,858.05</u>	\$ <u>-</u>	\$ <u>25,205.16</u>	\$ <u>17,608.10</u>
Details as to Loans Receivable:										
Original Date of Loan			07/01/09	02/12/13	01/01/09	01/01/09	09/01/15	04/04/13	02/01/2015	5/15/2003
Interest Rate			1.625%	2.0%	2.38%	4.125%	4.125%	1.784%	2.38%	2.125%
Repayment Term - Years			10	10	7	9.67	4	5	10	10
Original Amount of Loan		\$ 487,503.10	\$ 100,000.00	\$ 100,000.00	\$ 71,661.63	\$ 20,145.83	\$ 23,910.14	\$ 34,785.50	\$ 37,000.00	\$ 100,000.00
Capitalized Interest		<u>39,360.82</u>	<u>7,858.36</u>	<u>6,016.33</u>	<u>6,202.80</u>	<u>3,906.52</u>	<u>1,066.36</u>	<u>1,057.43</u>	<u>1,300.76</u>	<u>11,952.26</u>
		<u>526,863.92</u>	<u>107,858.36</u>	<u>106,016.33</u>	<u>77,864.43</u>	<u>24,052.35</u>	<u>24,976.50</u>	<u>35,842.93</u>	<u>38,300.76</u>	<u>111,952.26</u>
Loans cancelled		110,056.76			68,594.63	21,928.55		19,533.58		
Payments Made to Date on Loans		<u>264,145.15</u>	<u>81,314.10</u>	<u>39,569.89</u>	<u>9,269.80</u>	<u>2,123.80</u>	<u>8,118.45</u>	<u>16,309.35</u>	<u>13,095.60</u>	<u>94,344.16</u>
		<u>374,201.91</u>	<u>81,314.10</u>	<u>39,569.89</u>	<u>77,864.43</u>	<u>24,052.35</u>	<u>8,118.45</u>	<u>35,842.93</u>	<u>13,095.60</u>	<u>94,344.16</u>
Balance on Loans, December 31, 2016	F-2	\$ <u>152,662.01</u>	\$ <u>26,544.26</u>	\$ <u>66,446.44</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>16,858.05</u>	\$ <u>-</u>	\$ <u>25,205.16</u>	\$ <u>17,608.10</u>

TOWNSHIP OF NEPTUNE
 COUNTY OF MONMOUTH, NEW JERSEY

LOAN AND GRANT FUND
 SCHEDULE OF FACADE IMPROVEMENT LOANS RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2015	F	\$ 50,873.71
Increased by:		
Loans Granted		\$ 65,000.00
Accrued Interest		<u>1,102.08</u>
		<u>66,102.08</u>
		116,975.79
Decreased by:		
Cash Receipts	F-1/F-4	<u>30,808.28</u>
Balance, December 31, 2016	F	<u>\$ 86,167.51</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

LOAN AND GRANT FUND
SCHEDULE OF RESERVE FOR LOAN AND GRANT FUND EXPENDITURES

	<u>Ref.</u>		
Balance, December 31, 2015	F		\$ 734,609.57
Increased by:			
Prior Year Encumbrances	F	\$ 250.00	
Late Fees	F-1	658.65	
Prepaid Interest	F-1	101.83	
Interest Income - Deposits	F-1	697.25	
Loan and Interest Payments:			
Reciprocal Loans	F-2	35,581.98	
Façade Loans	F-3	<u>30,808.28</u>	
			<u>68,097.99</u>
			802,707.56
Decreased by:			
Reserve for Encumbrances	F	40,000.00	
Grant Expenditures	F-1	<u>128,200.41</u>	
			<u>168,200.41</u>
Balance, December 31, 2016	F		\$ <u><u>634,507.15</u></u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

PUBLIC ASSISTANCE FUND
STATEMENT OF CASH - TREASURER

	<u>Ref.</u>	
Balance, December 31, 2015	G	\$ 19,614.94
Increased by:		
Interest Income		<u>19.62</u>
Balance, December 31, 2016	G	<u>\$ 19,634.56</u>

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSET ACCOUNT GROUP
 SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
General Fixed Assets:				
Land	\$ 18,406,960.52			\$ 18,406,960.52
Land Improvements	412,519.14			412,519.14
Buildings and Improvements	4,730,183.72			4,730,183.72
Machinery, Equipment and Vehicles	<u>18,914,154.19</u>	<u>\$ 1,364,604.99</u>	<u>\$ 579,432.00</u>	<u>19,699,327.18</u>
	<u>\$ 42,463,817.57</u>	<u>\$ 1,364,604.99</u>	<u>\$ 579,432.00</u>	<u>\$ 43,248,990.56</u>
<u>Ref.</u>	I			I

TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH
SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2016

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION
(EXCLUDING FIRE DISTRICT TAX)

Tax Rate	<u>2016</u> <u>\$2.153</u>	<u>2015</u> <u>\$2.114</u>	<u>2014</u> <u>\$2.570</u>
Apportionment of Tax Rate			
Municipal	.820	.795	.950
County	.294	.292	.361
Local School	1.039	1.027	1.259
Assessed Valuation			
2016	\$3,537,256,010.00		
2015		\$3,508,485,290.00	
2014			\$2,807,307,280.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collection</u>	<u>Percentage of Collection</u>
2016	\$80,338,226.28	\$79,171,861.63	98.54%
2015	77,963,065.62	76,716,484.87	98.40%
2014	76,074,398.36	74,850,831.49	98.39%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>Year Ended</u> <u>December 31</u>	<u>Amount</u> <u>of Tax</u> <u>Title Liens</u>	<u>Amount of</u> <u>Delinquent</u> <u>Taxes</u>	<u>Total</u> <u>Delinquent</u>	<u>Percentage</u> <u>of</u> <u>Tax Levy</u>
2016	\$13,331.58	\$1,022,804.86	\$1,036,136.44	1.28%
2015	4,700.48	1,141,739.29	1,146,439.77	1.47%
2014	24,515.17	1,144,546.50	1,169,061.67	1.54%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2016	\$5,242,800.00
2015	5,242,800.00
2014	5,246,000.00

COMPARISON OF SEWER UTILITY RENTS LEVIED

<u>Year</u>	<u>Levy</u>	<u>Prior Year Delinquent</u>	<u>Cash Collection</u>
2016	\$6,041,448.20	\$425,955.12	\$5,963,042.27
2015	6,080,763.84	426,168.58	6,080,977.30
2014	5,779,011.42	524,909.99	5,877,533.02

COMPARATIVE SCHEDULE OF FUND BALANCES

<u>Year</u>	<u>Balance December, 31</u>	<u>Utilized In Budget of Succeeding Year</u>
<u>Current Fund</u>		
2016	\$2,769,378.50	\$2,205,727.92
2015	3,130,200.46	2,400,000.00
2014	3,229,634.78	2,400,000.00
2013	3,761,814.80	2,762,000.00
2012	3,704,245.96	3,250,000.00
<u>Sewer Utility Fund</u>		
2016	\$5,736,835.61	\$0.00
2015	4,806,652.02	0.00
2014	3,225,115.41	0.00
2013	1,652,162.11	96,399.17
2012	1,013,369.87	86,600.00
<u>Marina Utility Fund</u>		
2016	\$49,031.13	\$0.00
2015	113,061.57	75,000.00
2014	136,667.53	120,000.00
2013	189,485.42	180,000.00
2012	133,314.77	50,745.00

SUMMARY OF MUNICIPAL DEBT
(Excluding Current and Operating Debt and Type II School Debt)

	<u>Year 2016</u>	<u>Year 2015</u>	<u>Year 2014</u>
<u>Issued</u>			
General Bonds, Notes and Loans	\$ 20,381,053.13	\$ 20,712,442.18	\$ 22,547,138.59
Sewer Utility Bonds, Notes and Loans	3,380,790.33	3,664,928.03	5,175,065.73
Marina Bonds, Notes and Loans	<u>2,304,269.00</u>	<u>1,821,369.00</u>	<u>2,824,369.00</u>
Total Debt Issued	<u>26,066,112.46</u>	<u>26,198,739.21</u>	<u>30,546,573.32</u>
<u>Authorized But Not Issued</u>			
General	8,161,719.23	5,303,880.46	3,838,879.64
Sewer Utility	1,520,250.00	950,250.00	250.00
Maina Utility	<u>67,450.00</u>	<u>597,900.00</u>	<u>25,000.00</u>
Total Authorized But Not Issued	<u>9,749,419.23</u>	<u>6,852,030.46</u>	<u>3,864,129.64</u>
Net Debt Issued and Authorized But Not Issued	35,815,531.69	33,050,769.67	34,410,702.96
Less:			
Funds Temporarily Held to Pay Bonds and Notes:			
General Capital Fund	138,835.75	256,034.29	263,308.61
Sewer Utility Fund	235.02	235.02	235.02
Marina Utility Fund	<u>-</u>	<u>-</u>	<u>-</u>
	<u>139,070.77</u>	<u>256,269.31</u>	<u>263,543.63</u>
Net Debt Issued and Authorized But Not Issued	<u>\$ 35,676,460.92</u>	<u>\$ 32,794,500.36</u>	<u>\$ 34,147,159.33</u>

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarization statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a Statutory Net Debt of 0.783%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local District School Debt	\$ -	\$ -	\$ -
General Debt	28,542,772.36	138,835.75	28,403,936.61
Sewer Utility Debt	4,901,040.33	4,901,040.33	-
Marina Utility Debt	<u>2,371,719.00</u>	<u>2,371,719.00</u>	<u>-</u>
	<u>\$ 35,815,531.69</u>	<u>\$ 7,411,595.08</u>	<u>\$ 28,403,936.61</u>

Net Debt \$28,403,936.61 divided by Equalized Valuation basis per N.J.S.A. 40A:2-6 as amended \$3,628,751,196.67 = 0.783%.

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

3 1/2% of Equalized Valuation Basis	\$ 127,006,921.88
Net Debt	<u>28,403,936.61</u>
Remaining Borrowing Power	\$ <u>98,602,355.27</u>

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

Cash Receipts from Fees, Rents or Other		
Charges for the Year		\$ 7,303,437.94
Deductions:		
Operating and Maintenance Costs	\$ 5,618,500.00	
Debt Service per Sewer Account	<u>521,275.27</u>	
		<u>6,139,775.27</u>
Excess in Revenue		\$ <u>1,163,662.67</u>

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

Cash Receipts from Fees, Rents or Other		
Charges for the Year		\$ 648,354.50
Deductions:		
Operating and Maintenance Costs	\$ 174,800.00	
Debt Service per Marina Account	<u>271,882.19</u>	
		<u>446,682.19</u>
Excess in Revenue		\$ <u>201,672.31</u>

The Chief Financial Officer should file an amended debt statement.

TOWNSHIP OF NEPTUNE - COUNTY OF MONMOUTH

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>Name</u>	<u>Title</u>
Kevin B. Mc Millan	Mayor
Dr. Michael Brantley	Deputy Mayor
Randy Bishop	Committeeman
Carol Rizzo as of 1/12/2016	Committeewoman
Nicholas Williams	Committeeman
Eric Houghtaling through 1/11/2016	Committeeman
Vito D. Gadaleta	Business Administrator
Michael J. Bascom	Tax Collector, Chief Financial Officer, Sewer Rent Collector, Tax Search Officer
Richard J. Cuttrell	Township Clerk
Gene Anthony	Township Attorney
Robin T. Wernik	Municipal Court Judge
Ursula Postell	Court Administrator

All employees listed above are covered by a dishonesty Public Employees' Blanket Bond, in the amount of \$1,000,000 per employee, written by the Statewide Insurance Fund.

**TOWNSHIP OF NEPTUNE
COUNTY OF MONMOUTH**

PART II

GENERAL COMMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

GENERAL COMMENTS

Contracts and Agreements Required To Be Advertised for N.J.S. 40A:11-4

N.J.S. 40A:11-4 states, “Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law”.

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Township Counsel’s opinion should be sought before a commitment is made.

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

- Bulk Waste Disposal
- Removal of Brush
- Removal of Leaves
- Upgrades to Municipal Complex Fire Alarm System
- Fleet Management and Maintenance
- Central Avenue Road Improvement Project
- Roof Repairs to the Public Works Garage
- Upgrade to Heating Hot Water Plant at the Municipal Complex
- Emergency Medical Billing Services
- Flood Mitigation Project on South Concourse
- Gables Sanitary Sewer Replacement Project – Phase IV
- Mack LR613 Labrie Expert 33cy Refuse Truck
- West Lake Avenue Streetscape Improvements – Phase II

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

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

Our examination of expenditures did not reveal individual payments in excess of the bid threshold “for the provision or performance of any goods or services” other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

GENERAL COMMENTS (continued)

Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states, "For all contracts that in the aggregate are less than the bid threshold but exceed 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in

Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S. 40A:11-6.1 (continued)

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 the 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".

Collection of Interest on Delinquent Tax, Assessments and Sewer Charges

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

The Governing Body, on January 1, 2016, adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

NOW, THEREFORE, BE IT RESOLVED, by the Township of Neptune, County of Monmouth, State of New Jersey, as follows:

1. Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged against the delinquency.
2. Any payment received after the prescribed grace period will be charged interest in the above manner from the original due date.

Sewer utility delinquencies are charged interest at the rate of 8% per annum on the first \$1,500.00 of sewer utility charges delinquent after due date and 18% per annum on any amount of charges in excess of \$1,500.00 becoming delinquent after due date.

Tax Sale

The last tax sale was held on March 10, 2016.

GENERAL COMMENTS (continued)

Tax Title Liens

The following comparison is made of the number of tax title liens receivable on December 31st of the last three (3) years.

<u>Year</u>	<u>Number of Liens</u>
2016	10
2015	9
2014	14

Appreciation

I desire to express my appreciation for the cooperation received from the Township Officials and Employees and the courtesies extended during the course of the audit.

Very truly yours,

Charles J. Fallon CPA RMA

Charles J. Fallon
Registered Municipal Accountant #506

For the Firm
FALLON & LARSEN LLP

TOWNSHIP OF NEPTUNE

COUNTY OF MONMOUTH

PART III

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2016

**TOWNSHIP OF NEPTUNE
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Other Matters

2016-01 **Finding:** Interfunds are reflected on the balance sheet of various funds at year end.

Recommendation: That all interfunds be liquidated prior to year.

* The above comment is similar to that of the prior year.