

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION

with

INDEPENDENT AUDITOR'S REPORTS

and

COMMENTS AND RECOMMENDATIONS

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

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COUNTY OF MONMOUTH, NEW JERSEY

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COUNTY OF MONMOUTH, NEW JERSEY

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Tinton Falls, New Jersey

Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Borough of Tinton Falls County of Monmouth, State of New Jersey as of December 31, 2013 and 2012, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2013.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 discussed in Note 1 to the financial statements, the Borough prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws 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 meet the requirements of the State of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Tinton Falls, County of Monmouth, State of New Jersey, as of December 31, 2013 and 2012, or the results of its operations and changes in fund balance for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 1, the financial statements of the Length of Service Award Program Fund (“LOSAP”) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough’s financial statements as of and for the years ended December 31, 2013 and 2012. The LOSAP Trust Fund financial activities are included in the Borough’s Trust Fund, and represent 5.27% and 5.19% of the assets and liabilities, respectively, of the Borough’s Trust Funds as of December 31, 2013 and 2012.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Trust Fund financial statements been audited as described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Borough of Tinton Falls, County of Monmouth, State of New Jersey, as of December 31, 2013 and 2012, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2013 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2014, on our consideration of the Borough of Tinton Falls' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Tinton Falls' internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA # 483

May 12, 2014
Freehold, New Jersey

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

Honorable Mayor and Members
of the Borough Council
Tinton Falls, Borough of, 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Tinton Falls, Borough of (herein referred to as "the Municipality"), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements, and have issued our report thereon dated May 12, 2014 in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division of Local Government Services.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Municipality'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 the Municipality's internal control. Accordingly, we do not express an opinion on the effectiveness of the Municipality'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 Municipality's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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 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.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA #483

May 12, 2014
Freehold, New Jersey

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|-----------------------------------|
| BASIC FINANCIAL STATEMENTS |
|-----------------------------------|

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CURRENT FUND

EXHIBITS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS

December 31, 2013 and 2012

| Assets | Reference | 2013 | 2012 | Liabilities, Reserves and Fund Balance | Reference | 2013 | 2012 |
|--------------------------------------|-----------|------------------|------------------|--|-----------|------------------|------------------|
| Cash | 1-A | \$ 12,425,981.14 | \$ 14,420,152.78 | Appropriation Reserves | A-3,9-A | \$ 569,315.36 | \$ 879,633.72 |
| Cash - Change Fund | 2-A | 875.00 | 675.00 | Encumbrances Payable | 10-A | 440,009.21 | 538,195.27 |
| Due From State of New Jersey - | | | | Accounts Payable | 11-A | 117,325.40 | 213,941.26 |
| Seniors' and Veterans' Deductions | 3-A | 2,067.91 | - | County Taxes Payable | 12-A | 40,450.17 | 12,200.54 |
| | | | | Prepaid Taxes | 13-A | 247,229.00 | 183,483.46 |
| | | | | Tax Overpayments | 14-A | 17,138.14 | 17,018.23 |
| | | | | Special Emergency Notes Payable | 19-A | 740,203.00 | 1,192,000.00 |
| Receivables With Full Reserves: | | | | Due To State of New Jersey - | | | |
| Delinquent Property Taxes Receivable | 4-A | 562,023.37 | 499,843.69 | Seniors' and Veterans' Deductions | 3-A | - | 4,464.20 |
| Tax Title Liens Receivable | 5-A | 30,756.50 | 25,526.33 | Regional District School Tax Payable | 15-A | 2,797,754.92 | 3,867,396.77 |
| Tax Installments Receivable | 6-A | 10,552.86 | 22,593.99 | Regional District High School Tax | | | |
| Revenue Accounts Receivable | 7-A | 51,303.04 | 46,771.73 | Payable | 16-A | 3,324,039.17 | 3,375,033.58 |
| Due From Fire/EMS/School - Fuel | A-1,1-A | 10,190.84 | 16,299.21 | Reserve for: | | | |
| Debris Liens Receivable | A | 4,042.38 | 3,780.66 | Water Street | 20-A | - | 89,796.56 |
| | | | | FEMA - Super Storm Sandy | 20-A | - | 112,500.00 |
| | | | | | | 8,293,464.37 | 10,485,663.59 |
| Deferred Charges: | | | | | | | |
| Special Emergency Authorizations | 8-A | 646,567.27 | 1,192,000.00 | Reserve for Receivables | A | 668,868.99 | 614,815.61 |
| | | | | Fund Balance | A-1 | 4,782,026.95 | 5,127,194.19 |
| | | | | | | 13,744,360.31 | 16,227,673.39 |
| Grant Fund: | | | | Grant Fund: | | | |
| Cash | 22-A | 249,422.06 | 152,053.24 | Encumbrances Payable | 24-A | 11,159.72 | 1,435.67 |
| Grants Receivable | 23-A | 2,885.00 | - | Reserve for Grants: | | | |
| | | | | Appropriated | 25-A | 152,815.46 | 139,277.64 |
| | | | | Unappropriated | 26-A | 88,331.88 | 11,339.93 |
| Total Grant Fund | | 252,307.06 | 152,053.24 | Total Grant Fund | | 252,307.06 | 152,053.24 |
| Total Assets | | \$ 13,996,667.37 | \$ 16,379,696.63 | Total Liabilities, Reserves and Fund Balance | | \$ 13,996,667.37 | \$ 16,379,726.63 |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

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

Years ended December 31, 2013 and 2012

| | <u>Reference</u> | <u>2013</u> | <u>2012</u> |
|---|------------------|------------------------|------------------------|
| Revenue and Other Income Realized: | | | |
| Fund Balance Utilized | A-2 | \$ 3,950,000.00 | \$ 3,950,000.00 |
| Miscellaneous Revenue Anticipated | A-2 | 6,577,237.82 | 7,320,643.81 |
| Receipts From Delinquent Taxes | A-2 | 506,431.29 | 620,609.07 |
| Receipts From Current Taxes | A-2,4-A | 55,484,991.53 | 54,434,932.06 |
| Non-Budget Revenue | A-2,1-A | 543,476.58 | 441,147.79 |
| Other Credit To Income: | | | |
| Unexpended Balance of Appropriation Reserves | 9-A | 569,603.24 | 494,497.31 |
| Cancellation of Reserves | A-1 | - | 74,695.75 |
| Due From Fire/EMS/School - Fuel | A,1-A | 16,299.21 | 12,605.45 |
| Cancellation of Accounts Payable | 11-A | <u>17,250.00</u> | <u>-</u> |
| Total Revenue | | <u>67,665,289.67</u> | <u>67,349,131.24</u> |
| Expenditures: | | | |
| Budget Appropriations Within "CAPS": | | | |
| Operations: | | | |
| Salaries and Wages | A-3 | 9,696,244.43 | 9,456,338.84 |
| Other Expenses | A-3 | 6,594,056.82 | 6,388,012.52 |
| Deferred Charges and Statutory Expenditures | A-3 | 2,170,699.00 | 2,273,570.00 |
| Appropriations Excluded From "CAPS": | | | |
| Operations: | | | |
| Other Expenses | A-3 | 574,910.66 | 1,310,121.37 |
| Capital Improvements | A-3 | 128,570.35 | 282,000.00 |
| Municipal Debt Service | A-3 | 1,965,106.14 | 2,602,102.52 |
| Deferred Charges | A-3 | 292,000.00 | 204,000.00 |
| County Taxes | 12-A | 8,703,114.23 | 8,422,341.52 |
| Regional District School Tax | 15-A | 20,046,655.00 | 20,392,444.01 |
| Regional District High School Tax | 16-A | 11,188,541.00 | 11,290,470.21 |
| Municipal Open Space Tax | 17-A | 634,552.36 | 620,698.36 |
| Special District Taxes | 18-A | 1,880,317.00 | 2,058,516.00 |
| Due From State of New Jersey - Senior Citizens' Deductions Disallowed | 3-A | 1,750.00 | 8,531.51 |
| Due From Fire/EMS/School - Fuel | A,1-A | 10,190.84 | 16,299.21 |
| Refund of Prior Year Revenue | 1-A | <u>173,749.08</u> | <u>232,190.88</u> |
| Total Expenditures | | <u>64,060,456.91</u> | <u>65,557,636.95</u> |
| Excess in Revenue | | 3,604,832.76 | 1,791,494.29 |
| Adjustment To Income Before Fund Balance: | | | |
| Expenditures Above Which Are By Statute | | | |
| Deferred Charges To Budget of Succeeding Year | A-1 | <u>-</u> | <u>750,000.00</u> |
| Statutory Excess To Fund Balance | | 3,604,832.76 | 2,541,494.29 |
| Fund Balance, January 1 | A | <u>5,127,194.19</u> | <u>6,535,699.90</u> |
| | | 8,732,026.95 | 9,077,194.19 |
| Decreased By: | | | |
| Utilized as Anticipated Revenue | A-2 | <u>3,950,000.00</u> | <u>3,950,000.00</u> |
| Fund Balance, December 31 | A | <u>\$ 4,782,026.95</u> | <u>\$ 5,127,194.19</u> |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-2
Page 1 of 2

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

Year ended December 31, 2013

| | <u>Reference</u> | <u>Budget</u> | <u>Budget Amendments</u> | <u>Realized</u> | <u>Excess/ (Deficit)</u> |
|---|------------------|------------------|------------------------------|------------------|------------------------------|
| Surplus Anticipated | A-1 | \$ 3,950,000.00 | \$ - | \$ 3,950,000.00 | \$ - |
| Miscellaneous Revenues: | | | | | |
| Licenses: | | | | | |
| Alcoholic Beverages | 7-A | 35,000.00 | - | 36,997.00 | 1,997.00 |
| Other | 7-A | 20,000.00 | - | 30,961.00 | 10,961.00 |
| Fees and Permits | 7-A | 375,000.00 | - | 396,543.25 | 21,543.25 |
| Fines and Costs: | | | | | |
| Municipal Court | 7-A | 700,000.00 | - | 679,890.56 | (20,109.44) |
| Interest and Costs on Taxes | 7-A | 109,000.00 | - | 135,996.91 | 26,996.91 |
| Interest on Investments and Deposits | 7-A | 60,000.00 | - | 48,355.73 | (11,644.27) |
| Commercial Garbage Fees | 7-A | 75,000.00 | - | 69,829.50 | (5,170.50) |
| Energy Receipts Tax | 7-A | 1,490,459.00 | - | 1,490,459.00 | - |
| Uniform Construction Code Fees | 7-A | 210,000.00 | - | 542,045.00 | 332,045.00 |
| Host Municipalities Act | 7-A | 1,750,000.00 | - | 1,908,995.42 | 158,995.42 |
| Franchise Fees | 7-A | 236,445.54 | - | 236,445.54 | - |
| Open Space Trust: | | | | | |
| Bond Principal | 7-A | 83,451.17 | - | 83,451.17 | - |
| Interest on Bonds | 7-A | 63,290.89 | - | 63,290.89 | - |
| FEMA - Superstorm Sandy | 7-A | 37,500.00 | - | 37,500.00 | - |
| Reserve for FEMA - Superstorm Sandy | 7-A | 112,500.00 | - | 112,500.00 | - |
| Hotel Occupancy Tax | 7-A | 340,000.00 | - | 469,894.12 | 129,894.12 |
| Capital Surplus | 7-A | 49,900.00 | - | 49,900.00 | - |
| Capital Reserve - Historic District | 7-A | 12,071.41 | - | 12,071.41 | - |
| Tinton Falls Active Adult LLC | 7-A | - | 28,570.35 | 28,570.35 | - |
| Municipal Court Services - Monmouth Beach & Eatontown | 7-A | - | 45,000.00 | 45,000.00 | - |
| Monmouth County Joint Insurance Fund | 23-A | - | 450.00 | 450.00 | - |
| Ranney School | 23-A | - | 40,000.00 | 40,000.00 | - |
| Clean Communities Program | 23-A | - | 38,905.22 | 38,905.22 | - |
| Alcohol Education Rehabilitation Fund | 23-A | - | 4,960.82 | 4,960.82 | - |
| Monmouth County Historical Grant | 23-A | 2,885.00 | - | 2,885.00 | - |
| Donation - Fire Prevention Training | 23-A | 7,600.00 | - | 7,600.00 | - |
| Body Armor Replacement Fund | 23-A | 3,739.93 | - | 3,739.93 | - |
| Total Miscellaneous Revenues | A-1 | 5,773,842.94 | 157,886.39 | 6,577,237.82 | 645,508.49 |
| Receipts From Delinquent Taxes | A-1,A-2 | 450,000.00 | - | 506,431.29 | 56,431.29 |
| Property Taxes for Support of Municipal Budget Appropriations: | | | | | |
| Local Tax for Municipal Purposes | A-2 | 12,514,968.00 | - | 12,955,796.54 | 440,828.54 |
| Budget Totals | | 22,688,810.94 | 157,886.39 | 23,989,465.65 | 1,142,768.32 |
| Non-Budget Revenue | A-2 | - | - | 543,476.58 | 543,476.58 |
| | A-3 | \$ 22,688,810.94 | \$ 157,886.39 | \$ 24,532,942.23 | \$ 1,686,244.90 |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

Exhibit A-2
Page 2 of 2

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

Year ended December 31, 2013

| <u>Analysis of Realized Revenue</u> | <u>Reference</u> | |
|--|------------------|--------------------------------|
| Revenue From Collections | A-1,4-A | \$ 55,484,991.53 |
| Allocated To: | | |
| Regional District School Tax | 4-A | \$ 21,046,655.00 |
| Regional District High School Tax | 4-A | 11,188,541.00 |
| County Taxes | 4-A | 8,703,114.23 |
| Municipal Open Space Tax | 4-A | 634,552.36 |
| Special District Taxes | 4-A | <u>1,880,317.00</u> |
| | | <u>43,453,179.59</u> |
| Balance for Support of Municipal Budget Appropriations | | 12,031,811.94 |
| Add: Appropriation Reserve for Uncollected Taxes | A-3 | <u>923,984.60</u> |
| Amount for Support of Municipal Budget Appropriations | A-2 | <u><u>\$ 12,955,796.54</u></u> |
| Receipts From Delinquent Taxes: | | |
| Delinquent Tax Collections | 4-A | \$ 494,390.16 |
| Tax Installment Collections | 1-A,6-A | <u>12,041.13</u> |
| | A-2 | <u><u>\$ 506,431.29</u></u> |
| <u>Analysis of Non-Budget Revenue</u> | | |
| Miscellaneous Revenue Not Anticipated: | | |
| Payment in Lieu of Taxes: | | |
| Ranney School | | \$ 35,076.84 |
| Tinton Falls Senior L.P. | | 25,263.00 |
| Pines I at Tinton Falls | | 61,009.62 |
| Meadowbrook Apartments | | 65,619.17 |
| Sycamore Manor | | 123,000.00 |
| Meadowbrook II | | 5,987.74 |
| State of New Jersey Fire Safety Bureau | | 43,407.01 |
| Fire Prevention Fees | | 89,576.00 |
| Copies | | 199.12 |
| Postage | | 229.56 |
| NSF Check Fees | | 360.00 |
| Garbage Reimbursements | | 17,022.00 |
| Prior Year Reimbursements | | 23,195.44 |
| Sale of Scrap | | 25,934.00 |
| 6% Interest - Tax Penalty | | 3,132.43 |
| Escheated Tax Premiums | | 2,100.00 |
| Debris Liens | | 2,886.52 |
| Sale of Garbage Cans | | 1,540.10 |
| Municipal Court Reconciling Items | | 55.00 |
| Miscellaneous | | 792.09 |
| State of New Jersey Inspection Fines | | 10,841.08 |
| State of N.J. Admin Fee - Senior Citizens & Veterans | | 2,449.86 |
| Inspection Fees - Street Openings | | <u>3,800.00</u> |
| | A-1,1-A | <u><u>\$ 543,476.58</u></u> |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Year ended December 31, 2013

| | Appropriations | | Expended | | Cancelled |
|--|--------------------|-------------------------------|--------------------|-----------|-----------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations Operations - Within "CAPS" | | | | | |
| GENERAL APPROPRIATIONS | | | | | |
| Borough Council: | | | | | |
| Salaries and Wages | \$ 18,001.00 | \$ 18,001.00 | \$ 18,000.58 | \$ - | \$ 0.42 |
| Other Expenses | 5,940.00 | 5,940.00 | 927.00 | 2,013.00 | 3,000.00 |
| Office of the Mayor: | | | | | |
| Salaries and Wages | 5,001.00 | 5,001.00 | 5,000.06 | - | 0.94 |
| Other Expenses | 18,000.00 | 8,000.00 | 960.50 | 2,039.50 | 5,000.00 |
| Municipal Clerk: | | | | | |
| Salaries and Wages | 140,175.00 | 140,175.00 | 136,170.73 | 1,004.27 | 3,000.00 |
| Other Expenses | 56,960.00 | 41,960.00 | 23,141.77 | 12,818.23 | 6,000.00 |
| Office of the Tax Assessor: | | | | | |
| Salaries and Wages | 124,825.00 | 124,825.00 | 124,440.11 | - | 384.89 |
| Other Expenses | 59,495.00 | 59,495.00 | 48,112.08 | 11,382.92 | - |
| Division of Administration: | | | | | |
| Salaries and Wages | 315,275.00 | 315,275.00 | 311,704.32 | - | 3,570.68 |
| Other Expenses | 71,270.00 | 71,270.00 | 70,041.35 | 1,228.65 | - |
| Human Resources: | | | | | |
| Salaries and Wages | 99,885.00 | 99,885.00 | 99,584.53 | - | 300.47 |
| Other Expenses | 1,980.00 | 1,980.00 | 1,549.64 | 430.36 | - |
| Division of Central Services: | | | | | |
| Salaries and Wages | 111,275.00 | 111,275.00 | 108,375.00 | - | 2,900.00 |
| Other Expenses: | | | | | |
| Unemployment Insurance | | | | | |
| Miscellaneous Other Expenses | 50,000.00 | 50,000.00 | 50,000.00 | - | - |
| Division of Engineering: | | | | | |
| Other Expenses | 44,700.00 | 46,700.00 | 44,125.76 | 2,574.24 | - |
| Historical Sites Office: | | | | | |
| Other Expenses | 110,000.00 | 130,000.00 | 128,854.78 | 1,145.22 | - |
| Division of Law: | | | | | |
| Other Expenses | 5,000.00 | 5,000.00 | 1,848.46 | 3,151.54 | - |
| Salaries and Wages | 159,570.00 | 159,570.00 | 159,560.18 | - | 9.82 |
| Other Expenses | 120,000.00 | 130,000.00 | 112,639.78 | 17,360.22 | - |
| Division of Central Maintenance: | | | | | |
| Salaries and Wages | 415,360.00 | 415,360.00 | 378,579.17 | 8,771.79 | 28,009.04 |
| Other Expenses | 286,107.00 | 286,107.00 | 274,973.63 | 11,133.37 | - |
| Division of Streets: | | | | | |
| Salaries and Wages | 444,485.00 | 444,485.00 | 409,818.45 | 14,666.55 | 20,000.00 |
| Other Expenses | 191,005.00 | 191,005.00 | 172,651.99 | 13,353.01 | 5,000.00 |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Year ended December 31, 2013

| | Appropriations | | Expended | | Cancelled |
|--|--------------------|-------------------------------|--------------------|-----------|------------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations Operations - Within "CAPS" | | | | | |
| GENERAL APPROPRIATIONS (continued) | | | | | |
| Division of Sanitation: | | | | | |
| Salaries and Wages | 1,110,775.00 | 1,110,775.00 | 946,203.08 | 27,907.13 | 136,664.79 |
| Other Expenses: | | | | | |
| Landfill/Solid Waste Disposal Costs | 127,500.00 | 127,500.00 | 108,110.75 | 10,814.90 | 8,574.35 |
| Miscellaneous Other Expenses | 27,130.00 | 27,130.00 | 21,511.74 | 5,618.26 | - |
| Division of Buildings and Grounds: | | | | | |
| Salaries and Wages | 293,600.00 | 293,600.00 | 269,790.01 | 6,664.04 | 17,145.95 |
| Other Expenses | 95,872.00 | 95,872.00 | 84,827.39 | 11,044.61 | - |
| Maintenance of Parks: | | | | | |
| Salaries and Wages | 345,256.00 | 345,256.00 | 330,904.69 | 14,351.31 | - |
| Other Expenses | 45,125.00 | 45,125.00 | 35,363.94 | 9,761.06 | - |
| Shade Tree: | | | | | |
| Other Expenses | 1,400.00 | 1,400.00 | 326.01 | 1,073.99 | - |
| Community Services Act: | | | | | |
| Other Expenses | 60,000.00 | 60,000.00 | 47,441.00 | 12,559.00 | - |
| Police: | | | | | |
| Salaries and Wages | 4,295,135.00 | 4,295,135.00 | 4,246,195.23 | 18,939.77 | 30,000.00 |
| Other Expenses | 269,765.00 | 269,765.00 | 269,232.34 | 532.66 | - |
| Division of Emergency Management: | | | | | |
| Salaries and Wages | 12,000.00 | 12,000.00 | 7,457.83 | 542.17 | 4,000.00 |
| Other Expenses | 51,785.00 | 51,785.00 | 26,589.64 | 5,195.36 | 20,000.00 |
| Municipal Prosecutor: | | | | | |
| Salaries and Wages | 38,005.00 | 38,005.00 | 38,000.04 | - | 4.96 |
| Other Expenses | 4,000.00 | 2,000.00 | - | 2,000.00 | - |
| Division of Finance: | | | | | |
| Salaries and Wages | 244,170.00 | 244,170.00 | 240,883.18 | 3,286.82 | - |
| Other Expenses: | | | | | |
| Auditing Services | 26,775.00 | 26,775.00 | 26,775.00 | - | - |
| Miscellaneous Other Expenses | 11,155.00 | 11,155.00 | 10,089.87 | 1,065.13 | - |
| Division of Revenue: | | | | | |
| Salaries and Wages | 182,025.00 | 182,025.00 | 176,160.04 | 2,064.96 | 3,800.00 |
| Other Expenses | 18,775.00 | 18,775.00 | 15,325.08 | 3,449.92 | - |
| Division of Health: | | | | | |
| Other Expenses: | | | | | |
| First Aid | 100,000.00 | 100,000.00 | 100,000.00 | - | - |
| Miscellaneous Other Expenses | 135,000.00 | 135,000.00 | 133,845.00 | 1,155.00 | - |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Year ended December 31, 2013

| | Appropriations | | Expended | | Cancelled |
|--|-----------------|----------------------------|-----------------|-----------|-----------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations Operations - Within "CAPS" | | | | | |
| GENERAL APPROPRIATIONS (continued) | | | | | |
| Environmental Health Services: | | | | | |
| Other Expenses | 33,100.00 | 31,600.00 | 29,350.00 | 2,250.00 | - |
| Contribution To Social Service Agencies: | | | | | |
| Other Expenses | 19,700.00 | 19,700.00 | 16,340.00 | 3,360.00 | - |
| Alliance Program: | | | | | |
| Other Expenses | 6,700.00 | 6,700.00 | 6,499.85 | 200.15 | - |
| Division of Recreation: | | | | | |
| Salaries and Wages | 322,575.00 | 322,575.00 | 277,112.89 | 15,462.11 | 30,000.00 |
| Other Expenses | 163,600.00 | 163,600.00 | 141,910.24 | 21,689.76 | - |
| Municipal Library: | | | | | |
| Other Expenses | 125,775.00 | 125,775.00 | 125,775.00 | - | - |
| Division of Housing: | | | | | |
| Other Expenses | 28,000.00 | 26,500.00 | - | 1,500.00 | 25,000.00 |
| Division of Planning: | | | | | |
| Salaries and Wages | 70,925.00 | 70,925.00 | 60,848.64 | - | 10,076.36 |
| Other Expenses | 42,125.00 | 37,125.00 | 26,490.94 | 5,634.06 | 5,000.00 |
| Division of Zoning: | | | | | |
| Salaries and Wages | 67,560.00 | 67,560.00 | 65,558.93 | - | 2,001.07 |
| Other Expenses | 33,328.00 | 33,328.00 | 20,410.66 | 5,917.34 | 7,000.00 |
| Division of Code Enforcement: | | | | | |
| Salaries and Wages | 159,606.00 | 159,606.00 | 156,599.04 | - | 3,006.96 |
| Other Expenses | 4,330.00 | 4,330.00 | 2,512.71 | 1,817.29 | - |
| Division of Fire Prevention: | | | | | |
| Salaries and Wages | 160,900.00 | 160,900.00 | 155,668.82 | - | 5,231.18 |
| Other Expenses | 7,230.00 | 7,230.00 | 6,752.63 | 477.37 | - |
| Animal Control Services: | | | | | |
| Other Expenses | 23,045.00 | 26,045.00 | 24,439.97 | 1,605.03 | - |
| Municipal Court: | | | | | |
| Salaries and Wages | 481,290.00 | 481,290.00 | 477,281.18 | 4,008.82 | - |
| Other Expenses | 28,030.00 | 28,030.00 | 26,981.94 | 1,048.06 | - |
| Public Defender: | | | | | |
| Salaries and Wages | 21,505.00 | 21,505.00 | 20,999.16 | - | 505.84 |
| Other Expenses | 800.00 | 800.00 | - | - | 800.00 |
| Public Employees Occupational Safety and Health Act: | | | | | |
| Other Expenses | 3,500.00 | 3,500.00 | 385.00 | 3,115.00 | - |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Year ended December 31, 2013

| General Appropriations Operations - Within "CAPS" | Appropriations | | Expended | | Cancelled |
|--|--------------------|-------------------------------|--------------------|------------|------------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| INSURANCE | | | | | |
| Group Insurance | 2,599,303.00 | 2,599,303.00 | 2,599,303.00 | - | - |
| Liability Insurance | 230,030.00 | 230,030.00 | 230,030.00 | - | - |
| Workers Compensation | 257,775.00 | 257,775.00 | 257,775.00 | - | - |
| UNIFORM CONSTRUCTION CODE APPROPRIATIONS | | | | | |
| OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17) | | | | | |
| State Uniform Construction Code: | | | | | |
| Salaries and Wages | 358,000.00 | 358,000.00 | 357,678.80 | - | 321.20 |
| Other Expenses | 9,970.00 | 9,970.00 | 9,301.16 | 668.84 | - |
| UNCLASSIFIED | | | | | |
| Electricity | 214,800.00 | 214,800.00 | 145,037.03 | 29,762.97 | 40,000.00 |
| Street Lighting | 116,000.00 | 116,000.00 | 108,451.17 | - | 7,548.83 |
| Telephone | 122,300.00 | 122,300.00 | 114,152.98 | 8,147.02 | - |
| Water | 13,000.00 | 13,000.00 | 3,815.33 | 9,184.67 | - |
| Gas | 49,000.00 | 49,000.00 | 45,066.44 | 3,933.56 | - |
| Fuel Oil | 434,800.00 | 434,800.00 | 354,815.02 | 79,984.98 | - |
| Telecommunications | 74,900.00 | 74,900.00 | 63,366.26 | 11,533.74 | - |
| Accumulated Leave Compensation | 91,100.00 | 91,100.00 | 91,100.00 | - | - |
| Total Operations - Within "CAPS" | 16,720,159.00 | 16,724,159.00 | 15,837,901.52 | 452,399.73 | 433,857.75 |
| Detail: | | | | | |
| Salaries and Wages | 9,993,179.00 | 9,997,179.00 | 9,578,574.69 | 117,669.74 | 300,934.57 |
| Other Expenses | 6,726,980.00 | 6,726,980.00 | 6,259,326.83 | 334,729.99 | 132,923.18 |
| Deferred Charges and Statutory Expenditures - Municipal Within "CAPS" | | | | | |
| Statutory Expenditures: | | | | | |
| Contribution To: | | | | | |
| Public Employees Retirement System | 508,156.00 | 508,156.00 | 508,156.00 | - | - |
| Social Security System (O.A.S.I.) | 746,640.00 | 742,640.00 | 686,125.88 | 41,514.12 | 15,000.00 |
| Police and Firemen's Retirement System of NJ | 925,903.00 | 925,903.00 | 925,903.00 | - | - |
| Defined Contribution Retirement Program | 9,000.00 | 9,000.00 | 3,723.40 | 5,276.60 | - |
| Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS" | 2,189,699.00 | 2,185,699.00 | 2,123,908.28 | 46,790.72 | 15,000.00 |
| Total General Appropriations for Municipal Purposes - Within "CAPS" | 18,909,858.00 | 18,909,858.00 | 17,961,809.80 | 499,190.45 | 448,857.75 |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Year ended December 31, 2013

| | Appropriations | | Expended | | Cancelled |
|--|-----------------|----------------------------|-----------------|-----------|-----------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| General Appropriations Operations - Within "CAPS" | | | | | |
| Group Insurance | 116,697.00 | 116,697.00 | 81,854.92 | 4,842.08 | 30,000.00 |
| Emergency Telecommunications System - 911 System | 25,020.00 | 25,020.00 | 25,019.05 | - | 0.95 |
| LOSAP - Volunteer Ambulance | 46,005.00 | 46,005.00 | - | 46,005.00 | - |
| NIDES Stormwater Permit (N.J.S.A. 40A:4-45.3(cc)): | | | | | |
| Division of Streets: | | | | | |
| Other Expenses | 14,075.00 | 14,075.00 | 12,297.08 | 1,777.92 | - |
| Recycling Tax | 31,000.00 | 31,000.00 | 25,196.64 | 5,803.36 | - |
| Total Other Operations - Excluded from "CAPS" | 232,797.00 | 232,797.00 | 144,367.69 | 58,428.36 | 30,000.95 |
| Interlocal Municipal Service Agreements: | | | | | |
| County of Monmouth: | | | | | |
| Police Dispatching Services | 220,829.00 | 220,829.00 | 220,828.64 | - | 0.36 |
| Municipal Court - Monmouth Beach & Eatontown | 45,000.00 | 45,000.00 | 40,936.65 | 4,063.35 | - |
| Total Interlocal Municipal Service Agreements | 265,829.00 | 265,829.00 | 261,765.29 | 4,063.35 | 0.36 |
| Public and Private Programs Offset By Revenues: | | | | | |
| Clean Communities | 38,905.22 | 38,905.22 | 38,905.22 | - | - |
| SFSP Fire District Payment | 4,860.00 | 4,860.00 | 4,860.00 | - | - |
| Body Armor Replacement Fund | 3,739.93 | 3,739.93 | 3,739.93 | - | - |
| Monmouth County Historical Grant | 5,770.00 | 5,770.00 | 5,770.00 | - | - |
| Alcohol Education | 4,960.82 | 4,960.82 | 4,960.82 | - | - |
| Monmouth County JIF - 2012 Safety Incentive | 450.00 | 450.00 | 450.00 | - | - |
| Ramsey School Policing Services | 40,000.00 | 40,000.00 | 40,000.00 | - | - |
| Donation Fire Prevention Training | 7,600.00 | 7,600.00 | 7,600.00 | - | - |
| Total Public and Private Programs Offset By Revenues | 106,285.97 | 106,285.97 | 106,285.97 | - | - |
| Total Operations - Excluded from "CAPS" | 604,911.97 | 604,911.97 | 512,418.95 | 62,491.71 | 30,001.31 |
| Detail: | | | | | |
| Other Expenses | 604,911.97 | 604,911.97 | 512,418.95 | 62,491.71 | 30,001.31 |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Year ended December 31, 2013

| | Appropriations | | Expended | | |
|---|--------------------|-------------------------------|--------------------|---------------|---------------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | Cancelled |
| General Appropriations | | | | | |
| Operations - Excluded From "CAPS" | | | | | |
| Capital Improvements - Excluded From "CAPS" | | | | | |
| Capital Improvement Fund | 70,000.00 | 70,000.00 | 70,000.00 | - | - |
| Purchase of Automated Refuse Containers | 40,000.00 | 40,000.00 | 22,366.80 | 7,633.20 | 10,000.00 |
| Historic - Crawford House | 12,071.41 | 12,071.41 | - | - | 12,071.41 |
| West Park Ave. Overlay | 28,570.35 | 28,570.35 | 28,570.35 | - | - |
| Total Capital Improvements - Excluded From "CAPS" | 150,641.76 | 150,641.76 | 120,937.15 | 7,633.20 | 22,071.41 |
| Municipal Debt Service - Excluded From "CAPS" | | | | | |
| Payment of Bond Principal | 1,185,000.00 | 1,185,000.00 | 1,185,000.00 | - | - |
| Interest on Bonds | 725,600.00 | 725,478.23 | 725,600.00 | - | 121.77 |
| Interest on Notes | 8,700.00 | 8,700.00 | 8,627.90 | - | 72.10 |
| Green Trust Loan Program: | | | | | |
| Loan Repayments for Principal and Interest | 46,001.00 | 46,001.00 | 46,000.01 | - | 0.99 |
| Total Municipal Debt Service - Excluded From "CAPS" | 1,965,301.00 | 1,965,301.00 | 1,965,106.14 | - | 194.86 |
| Deferred Charges - Municipal - Excluded From "CAPS" | | | | | |
| Deferred Charges: | | | | | |
| Special Emergency Authorizations - 5 Years (N.J.S 40A:4-55) | 292,000.00 | 292,000.00 | 292,000.00 | - | - |
| Total Deferred Charges - Municipal - Excluded From "CAPS" | 292,000.00 | 292,000.00 | 292,000.00 | - | - |
| Total General Appropriations for Municipal Purposes - Excluded From "CAPS" | 3,012,854.73 | 3,012,854.73 | 2,890,462.24 | 70,124.91 | 52,267.58 |
| Subtotal General Appropriations | 21,922,712.73 | 21,922,712.73 | 20,852,272.04 | 569,315.36 | 501,125.33 |
| Reserve for Uncollected Taxes | 923,984.60 | 923,984.60 | 923,984.60 | - | - |
| Total General Appropriations | \$ 22,846,697.33 | \$ 22,846,697.33 | \$ 21,776,256.64 | \$ 569,315.36 | \$ 501,125.33 |
| Reference | A-2 | A-3 | | A | A-3 |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Year ended December 31, 2013

| | Appropriations | | Expended | |
|-----------------------------------|--------------------|-------------------------------|--------------------------------|----------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved |
| General Appropriations | | | | |
| Operations - Excluded From "CAPS" | | | | |
| Budget as Adopted | A-2 | \$ 22,688,810.94 | | |
| Added by N.J.S. 40A:4-87 | A-2 | 157,886.39 | | |
| | | <u>\$ 22,846,697.33</u> | | |
| Analysis of Paid or Charged: | | | | |
| Reserve for Uncollected Taxes | A-2 | | \$ 923,984.60 | |
| Cash Disbursed | 1-A | | 20,021,721.86 | |
| Encumbrances Payable | 10-A | | 440,009.21 | |
| Deferred Charges: | | | | |
| Special Emergency Authorizations | 8-A | | 292,000.00 | |
| Reserve for Appropriated Grants | 25-A | | 98,540.97 | |
| | | | <u>\$ 21,776,256.64</u> | |
| | | | <u><u>\$ 21,776,256.64</u></u> | |

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

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TRUST FUND

EXHIBIT

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GENERAL CAPITAL FUND

EXHIBITS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS

December 31, 2013 and 2012

| <u>Assets</u> | <u>Reference</u> | <u>2013</u> | <u>2012</u> | <u>Liabilities, Reserves and Fund Balance</u> | <u>Reference</u> | <u>2013</u> | <u>2012</u> |
|--------------------------------------|------------------|-------------------------|-------------------------|---|------------------|-------------------------|-------------------------|
| Cash and Investments | | | | Serial Bonds Payable | 6-C | \$ 19,621,000.00 | \$ 19,321,000.00 |
| Deferred Charges To Future Taxation: | | | | Bond Anticipation Notes | 7-C | 5,333,234.00 | 1,151,550.00 |
| Funded | | | | Green Trust Loan Program | 8-C | 154,748.53 | 197,018.47 |
| Unfunded | | | | Due to Open Space Trust Fund | C, 1-C | - | 6,898.39 |
| Grants Receivable | | | | Accounts Payable | C, 1-C | 4,200.00 | 11,200.00 |
| | | | | Encumbrances Payable | 9-C | 857,329.13 | 587,378.61 |
| | | | | Improvement Authorizations: | | | |
| | 1-C, 2-C | \$ 9,004,363.33 | \$ 3,983,547.20 | Funded | 10-C | 2,686,066.27 | 2,318,210.59 |
| | 3-C | 19,775,748.53 | 19,518,018.47 | Unfunded | 10-C | 6,314,091.00 | 5,331,839.94 |
| | 4-C | 6,314,091.00 | 5,254,505.00 | Capital Improvement Fund | 11-C | 977.00 | 72,866.80 |
| | 5-C | 56,250.00 | 425,000.00 | Miscellaneous Reserves | 12-C | 137,220.15 | 129,794.18 |
| | | | | Fund Balance | C-1 | 41,586.78 | 53,313.69 |
| Total Assets | | <u>\$ 35,150,452.86</u> | <u>\$ 29,181,070.67</u> | Total Liabilities, Reserves and Fund Balance | | <u>\$ 35,150,452.86</u> | <u>\$ 29,181,070.67</u> |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE
REGULATORY BASIS

Year ended December 31, 2013

| | <u>Reference</u> | | |
|---------------------------------------|------------------|------------------|----------------------------|
| Balance, December 31, 2012 | C | | \$ 53,313.69 |
| Increased By: | | | |
| Accounts Payable Canceled | 11-C | \$ 50.09 | |
| Premium On Sale of Bonds | 1-C | <u>38,123.00</u> | |
| | | | <u>38,173.09</u> |
| | | | 91,486.78 |
| Decreased By: | | | |
| Anticipated as Revenue - Current Fund | 1-C | | <u>49,900.00</u> |
| Balance, December 31, 2013 | C | | <u><u>\$ 41,586.78</u></u> |

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

SEWER UTILITY FUND

EXHIBITS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND

COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS

December 31, 2013 and 2012

| <u>Assets</u> | <u>Reference</u> | <u>2013</u> | <u>2012</u> | <u>Liabilities, Reserves and Fund Balances</u> | <u>Reference</u> | <u>2013</u> | <u>2012</u> |
|--|------------------|------------------|------------------|--|------------------|------------------|------------------|
| Operating Fund: | | | | Operating Fund: | | | |
| Cash | 1-D | \$ 1,734,317.71 | \$ 1,430,552.45 | Appropriation Reserves | D-4,6-D | \$ 219,987.66 | \$ 202,500.81 |
| Cash - Change Fund | D | 50.00 | 50.00 | Encumbrances Payable | 7-D | 94,691.82 | 70,559.37 |
| | | | | Accounts Payable | 8-D | 2,000.00 | 2,000.00 |
| | | | | Overpaid Sewer Rents | D | 379.09 | 379.09 |
| | | | | Prepaid Sewer Rents | 9-D | 373,440.40 | 288,695.53 |
| | | 1,734,367.71 | 1,430,602.45 | Prepaid Connection Fee | D | 2,673.44 | 2,673.44 |
| | | | | Reserve for Connection Fees | 10-D | 96,205.76 | 246,205.76 |
| | | | | | | 789,378.17 | 813,014.00 |
| Receivables With Full Reserves: | | | | Reserve for Receivables | D | 148,098.25 | 141,711.19 |
| Sewer Rent Receivable | 3-D | 148,098.25 | 141,711.19 | Fund Balance | D-1 | 944,989.54 | 617,588.45 |
| Total Operating Fund | | 1,882,465.96 | 1,572,313.64 | Total Operating Fund | | 1,882,465.96 | 1,572,313.64 |
| Capital Fund: | | | | Capital Fund: | | | |
| Cash | 1-D,2-D | 239,031.51 | 389,585.50 | Bond Anticipation Notes | 14-D | 85,000.00 | - |
| Fixed Capital | 4-D | 9,939,652.43 | 9,939,652.43 | Improvement Authorizations: | | | |
| Fixed Capital Authorized and Completed | 5-D | 530,000.00 | 530,000.00 | Funded | 11-D | - | 334,468.64 |
| | | | | Unfunded | 11-D | 3,568.64 | 110,000.00 |
| | | | | Encumbrances Payable | 11-D | 230,784.23 | 50,438.22 |
| | | | | Reserve for: | | | |
| | | | | Amortization | 12-D | 9,939,652.43 | 9,939,652.43 |
| | | | | Deferred Amortization | 13-D | 445,000.00 | 420,000.00 |
| | | | | Fund Balance | D-2 | 4,678.64 | 4,678.64 |
| Total Capital Fund | | 10,708,683.94 | 10,859,237.93 | Total Capital Fund | | 10,708,683.94 | 10,859,237.93 |
| Total Assets | | \$ 12,591,149.90 | \$ 12,431,551.57 | Total Liabilities, Reserves and Fund Balances | | \$ 12,591,149.90 | \$ 12,431,551.57 |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS

Years ended December 31, 2013 and 2012

| | <u>Reference</u> | <u>2013</u> | <u>2012</u> |
|-------------------------------------|------------------|-----------------------------|-----------------------------|
| Revenue and Other Income Realized: | | | |
| Fund Balance Utilized | D-3 | \$ 480,000.00 | \$ 480,000.00 |
| Sewer Rents | D-3 | 3,766,719.00 | 3,739,157.77 |
| Reserve for Connection Fees | D-3,9-D | 150,000.00 | 150,000.00 |
| Non-Budget Revenue | D-3,1-D | 354,422.57 | 74,534.53 |
| Other Credits To Income: | | | |
| Accounts payable Cancelled | 8-D | - | 2,784.06 |
| Unexpended Balance of Appropriation | | | |
| Reserves | 6-D | <u>192,689.68</u> | <u>136,313.26</u> |
| Total Revenue | | <u>4,943,831.25</u> | <u>4,582,789.62</u> |
| Expenditures: | | | |
| Operating | D-4 | 3,957,591.16 | 3,874,812.00 |
| Capital Improvements | D-1 | 55,000.00 | - |
| Deferred Charges and Statutory | | | |
| Expenditures | D-4 | 123,839.00 | 123,497.00 |
| Refund Prior Year Revenue | 1-D | <u>-</u> | <u>731.76</u> |
| Total Expenditures | | <u>4,136,430.16</u> | <u>3,999,040.76</u> |
| Excess in Revenue | | 807,401.09 | 583,748.86 |
| Fund Balance, January 1 | D | <u>617,588.45</u> | <u>513,839.59</u> |
| | | 1,424,989.54 | 1,097,588.45 |
| Decreased By: | | | |
| Utilized as Anticipated Revenue | D-1 | <u>480,000.00</u> | <u>480,000.00</u> |
| Fund Balance, December 31 | D | <u><u>\$ 944,989.54</u></u> | <u><u>\$ 617,588.45</u></u> |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

COMPARATIVE STATEMENT OF FUND BALANCE
REGULATORY BASIS

Years ended December 31, 2013 and 2012

| | <u>Reference</u> | |
|-------------------------------------|------------------|--------------------|
| Balance, December 31, 2013 and 2012 | D | <u>\$ 4,678.64</u> |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS

Year ended December 31, 2013

| | <u>Budget</u> | <u>Realized</u> | <u>Excess/ (Deficit)</u> |
|--|------------------------|------------------------|------------------------------|
| Surplus Utilized | \$ 480,000.00 | \$ 480,000.00 | \$ - |
| Sewer Rents | 3,657,353.00 | 3,766,719.00 | 109,366.00 |
| Reserve for Connection Fees | 150,000.00 | 150,000.00 | - |
| Miscellaneous Revenue Not Anticipated | <u>-</u> | <u>354,422.57</u> | <u>354,422.57</u> |
| | <u>\$ 4,287,353.00</u> | <u>\$ 4,751,141.57</u> | <u>\$ 463,788.57</u> |
| <u>Reference</u> | D-4 | D-1 | D-3 |
| Miscellaneous: | | | |
| Interest on Investments | | \$ 3,954.38 | |
| Delinquent Charges | | 28,895.77 | |
| Sewer Connection Charge | | 311,480.38 | |
| Miscellaneous Revenue | | <u>10,092.04</u> | |
| 1-D | | <u>\$ 354,422.57</u> | |

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Year ended December 31, 2013

| | Appropriations | | Expended | | Cancelled |
|--|------------------------|-------------------------------|------------------------|-------------------|----------------------|
| | Original Budget | Budget After Modifications | Paid or Charged | Reserved | |
| Operating: | | | | | |
| Salaries and Wages | \$ 553,020.00 | \$ 553,020.00 | \$ 523,906.27 | \$ 9,113.73 | \$ 20,000.00 |
| Other Expenses | <u>3,555,480.00</u> | <u>3,555,480.00</u> | <u>3,245,125.36</u> | <u>179,445.80</u> | <u>130,908.84</u> |
| Total Operating | <u>4,108,500.00</u> | <u>4,108,500.00</u> | <u>3,769,031.63</u> | <u>188,559.53</u> | <u>150,908.84</u> |
| Capital Improvements: | | | | | |
| Capital Outlay | <u>55,000.00</u> | <u>55,000.00</u> | <u>26,000.00</u> | <u>29,000.00</u> | <u>-</u> |
| Total Capital Improvements | <u>55,000.00</u> | <u>55,000.00</u> | <u>26,000.00</u> | <u>29,000.00</u> | <u>-</u> |
| Deferred Charges: | | | | | |
| Deferred Charges To Future Taxation: Ord. 12-1334 | <u>25,000.00</u> | <u>25,000.00</u> | <u>25,000.00</u> | <u>-</u> | <u>-</u> |
| Total Deferred Charges | <u>25,000.00</u> | <u>25,000.00</u> | <u>25,000.00</u> | <u>-</u> | <u>-</u> |
| Statutory Expenditures: | | | | | |
| Contributions To: | | | | | |
| Public Employees' Retirement System | 55,246.00 | 55,246.00 | 55,232.00 | - | 14.00 |
| Social Security System (O.A.S.I.) | 42,307.00 | 42,307.00 | 39,878.87 | 2,428.13 | - |
| Unemployment Compensation Insurance | <u>1,300.00</u> | <u>1,300.00</u> | <u>1,300.00</u> | <u>-</u> | <u>-</u> |
| Total Statutory Expenditures | <u>98,853.00</u> | <u>98,853.00</u> | <u>96,410.87</u> | <u>2,428.13</u> | <u>14.00</u> |
| Total Sewer Utility Appropriations | <u>\$ 4,287,353.00</u> | <u>\$ 4,287,353.00</u> | <u>\$ 3,916,442.50</u> | <u>219,987.66</u> | <u>\$ 150,922.84</u> |
| | <u>Reference</u> | D-3 | D-4 | D | D-4 |
| Cash Disbursements | 1-D | | \$ 3,821,750.68 | | |
| Encumbrances Payable | 7-D | | <u>94,691.82</u> | | |
| | | | <u>\$ 3,916,442.50</u> | | |

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

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GENERAL FIXED ASSETS ACCOUNT GROUP

EXHIBIT

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS

December 31, 2013 and 2012

| <u>Assets</u> | <u>Reference</u> | <u>2013</u> | <u>2012</u> | <u>Fund Balance</u> | <u>Reference</u> | <u>2013</u> | <u>2012</u> |
|-----------------------------------|------------------|------------------|------------------|----------------------------|------------------|------------------|------------------|
| Land | 1-E | \$ 13,194,388.85 | \$ 13,194,388.85 | | | | |
| Buildings | 1-E | 24,936,207.62 | 24,936,207.62 | | | | |
| Improvements Other Than Buildings | 1-E | 41,291.65 | 41,291.65 | | | | |
| Machinery and Equipment | 1-E | 10,318,920.14 | 10,669,961.85 | Investment in Fixed Assets | 1-E | \$ 48,490,808.26 | \$ 48,841,849.97 |
| Total Assets | | \$ 48,490,808.26 | \$ 48,841,849.97 | Fund Balance | | \$ 48,490,808.26 | \$ 48,841,849.97 |

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

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

The financial statements of the Borough of Tinton Falls, County of Monmouth, New Jersey ("Borough") include every board, body, officer or commission maintained wholly or in part by funds appropriated by the Borough, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit and are not considered component units under GASB 14. Included within the financial statements are taxes levied, collected and turned over to School Boards and appropriations for contributions to Volunteer Fire Departments and First Aid Squads. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Funds

GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with GAAP.

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

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

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

B. Description of Funds (continued)

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

Sewer Utility Operating and Capital Funds - are used to account for sewer operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the water/sewer utility to the general public be financed through user fees. Operations relating to the acquisition of sewer capital facilities are recorded within the Sewer Utility Capital Fund.

General Fixed Assets Account Group - The Borough has complied with Technical Accounting Directive No. 85-2 issued by the Division of Local Government Services. Technical Accounting Directive No. 85-2 utilizes the following accounting policies:

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

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

No depreciation is provided for in the financial statements.

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

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

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

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

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

Revenues

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

Expenditures

- (a) Disbursements for Current Fund inventory-type items are considered expenditures at the time of purchase;
- (b) Prepaid expenses are not recorded;
- (c) Interest on long-term debt included in the General Capital Fund is recorded as an expenditure when paid;
- (d) The encumbrance method of accounting, which records commitments such as purchase orders and contracts as a charge against the current year's budget in addition to expenditures made or accrued, is utilized. The cash basis of accounting, however, is followed for recording the Borough's share of contributions for fringe benefits, such as retirement plans, accrued sick leave and vacation leave.

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

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

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

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

D. Budgets and Budgetary Accounting

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

E. Grants

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

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

Capital Fund - State and federal grants and assistance awards are recorded as a funding source for improvement authorizations or are established as receivables with an offsetting reserve.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

F. Assessment and Collection of Property Taxes

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

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

G. Foreclosed Property

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

H. Interfund Receivables

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

I. Deferred Charges to Future Taxation Funded and Unfunded

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans

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

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

| <u>Year</u> | <u>PERS</u> | <u>PFRS</u> |
|-------------|---------------|---------------|
| 2013 | \$ 563,388.00 | \$ 925,903.00 |
| 2012 | 578,237.00 | 1,037,939.00 |
| 2011 | 568,639.00 | 1,133,506.00 |

Under the provisions of Chapter 78, P.L. 2011, employee pension contribution rates increased during 2011 by the following amounts:

- For PERS members, the employee pension contribution rate increased from 5.5% to 6.5% of salary. An additional increase to be phased over the next 7 years will bring the total pension contribution rate to 7.5% of salary.

For PERS Prosecutors Part members, the employee pension contribution rate increased from 8.5% to 10% of salary.

- For PFRS members, the employee pension contribution rate increased from 8.5% to 10% of salary.

For local government employees and State employees who are not paid through the State Centralized Payroll Unit or not reported on a biweekly payroll schedule, the increase was effective with the first payroll amount to be paid on or after October 1, 2011.

The second phase of the employee contribution increase from 6.5% to 7.5% applies to PERS members. This increase is to be phased in equally over a 7-year period beginning July 2012. The contribution rate will increase by 0.14% each year with the first payroll of July until the 7.5% contribution rate is reached in July, 2018.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

K. Volunteer Length of Service Award Plan

The Borough has established a Volunteer Length of Service Award Plan (“LOSAP”) (“Plan”) to ensure retention of the Tinton Falls Emergency Medical Services Squads. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a “length of service award plan under Section 457(e)11 of the Internal Revenue Code”.

Report Requirements – N.J.A.C. 5:30-14.49 requires that the Borough perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accountants Statements for Accounting and Auditing Review services. The review report is available at the municipal building.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments

Deposits

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

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

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

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

Investments

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

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Government Money Market Mutual Funds.
- (c) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an Act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (d) Bonds or other obligations of the Borough, or bonds or other obligations of school districts of which the Borough is a part or within which the school district is located.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments (continued)

Investments (continued)

- (e) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.
- (f) Local Government Investment Pools.
- (g) Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, C. 281 (C.52:18A:90.4).

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

- (a) The underlying securities are permitted investments, pursuant to the list contained in (a) and (c) above.
- (b) The custody of the collateral is transferred to a third party. This means the bank must contract with a trusted third party to hold the collateral to ensure it is not pledged against any other investments.
- (c) The maturity of the agreement is not more than 30 days.
- (d) The underlying securities are purchased through a GUDPA bank.
- (e) A master repurchase agreement providing for the custody and security of collateral is executed.

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

- (a) It is managed in accordance with the SEC's government money market rules (2a-7).
- (b) It is rated in the highest category by a nationally recognized statistical rating organization.
- (c) Have their portfolio limited to U.S. Government securities as defined in 2a-7 and repurchase agreements that are collateralized by such U.S. Government securities.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments (continued)

Investments (continued)

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

- (a) All investments made or redeemed over the past month.
- (b) Each organization holding local unit funds.
- (c) The amount of securities purchased or sold, class or type of securities purchased, book value, earned income, fees incurred, and market value of all investments as of the report date.
- (d) Other information that may be required by the governing body.

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

M. Inventories of Supplies

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

2. Deposits and Investments

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

Deposits

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

Bank balances at December 31, 2013 and 2012 are insured up to \$250,000.00 in the aggregate by the FDIC for each bank. At December 31, 2013 and 2012, the book values of the Borough's deposits were \$30,090,677.94 and \$26,031,195.04, respectively.

Custodial Credit Risk Related to Deposits

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

At December 31, 2013 and 2012, the Borough's bank balances of \$31,659,455.81 and \$27,162,212.52, respectively, were exposed to Custodial Credit Risk as follows:

| | <u>2013</u> | <u>2012</u> |
|--------------------------------|-------------------------|-------------------------|
| Insured | \$ 29,569,106.48 | \$ 25,382,969.28 |
| Uninsured and Uncollateralized | <u>2,090,349.33</u> | <u>1,779,243.24</u> |
| | <u>\$ 31,659,455.81</u> | <u>\$ 27,162,212.52</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

2. Deposits and Investments (continued)

Deposits (continued)

New Jersey Cash Management Fund

During the year, the Borough participated in the New Jersey Cash Management Fund ("Fund"). The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Fund's participants. Deposits with the Fund are not subject to custodial credit risk as defined above. At December 31, 2013 and 2012, the Borough's deposits with the Fund were \$618,607.13 and \$618,259.93, respectively.

Investments

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Borough does not have a policy for Custodial Risk. As of December 31, 2013 and 2012, \$374,416.53 and \$309,931.59, respectively, of the Borough's investments was exposed to Custodial Credit Risk, as follows:

| | <u>Fair Value (LOSAP)</u> | <u>Book Value</u> | <u>Total Reported Value</u> |
|--|-----------------------------------|-----------------------|-------------------------------------|
| <u>2013</u> | | | |
| Uninsured and Collateralized: | | | |
| Collateral held by pledging financial Institution's Trust Department but not in the Borough's name | <u>\$ 374,416.53</u> | <u>\$ 374,416.53</u> | <u>\$ 374,416.53</u> |
| <u>2012</u> | | | |
| Uninsured and Collateralized: | | | |
| Collateral held by pledging financial Institution's Trust Department but not in the Borough's name | <u>\$ 309,931.59</u> | <u>\$ 309,931.59</u> | <u>\$ 309,931.59</u> |

Interest Rate Risk

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

2. Deposits and Investments (continued)

Investments (continued)

Credit Risk

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

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

As of December 31, 2013 and 2012, the Borough had the following LOSAP investments:

| <u>Investments</u> | <u>Fair Value</u> | <u>Book Value</u> |
|--------------------|-----------------------|-----------------------|
| 2013: | | |
| LOSAP | <u>\$ 374,416.53</u> | <u>\$ 374,416.53</u> |
| 2012: | | |
| LOSAP | <u>\$ 309,931.59</u> | <u>\$ 309,931.59</u> |

Interest Rate Risk

LOSAP investment options are at the discretion of each individual participant and not the Borough.

Credit Risk

During the year, the Borough had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Borough.

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

The Borough is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

2. Deposits and Investments (continued)

As of December 31, 2012, the Borough has implemented the disclosure requirements of Governmental Accounting Standards Board Statement No. 40, Deposit and Investment Risk Disclosures ("GASB 40"), and accordingly, the Borough has assessed the Custodial Risk, the Concentration of Credit Risk, Credit Risk and Interest Rate Risk of its cash and investments.

- (a) Custodial Credit Risk - The Borough's deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the depositor-government's name. The deposit risk is that, in the event of the failure of a depository financial institution, the Borough will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Borough's investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Borough and are held by either: the counterparty or the counterparty's trust department or agent but not in the Borough's name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the Borough will not be able to recover the value of the investment or collateral securities that are in possession of an outside party.

As of December 31, 2013, the Borough's bank balance was not exposed to custodial credit risk since the full amount was covered either by FDIC insurance or GUDPA. The New Jersey Cash Management Fund which is administered by the New Jersey Department of the Treasury invests pooled monies from various State and non-State agencies in primarily short-term investments. These investments include: U.S. Treasuries, Short-Term Commercial Paper, U.S. Government Agency Bonds, Corporate Bonds and Certificates of Deposits. Agencies that are part of the fund typically earn returns that mirror short-term interest rates. The Fund is considered an investment pool and as such is not exposed to custodial credit risk. The New Jersey Asset and Rebate Management Program invests only in the following high quality securities: United States Treasury bills and notes and other obligations guaranteed by the United States of America, Federal agency bonds and notes with a maturity not greater than 397 days and repurchase agreements: fully collateralized by U.S. Treasury or Federal agency obligations held by the Program Custodian and collateral market-to-market regularly and maintained at a margin of 103%. The Borough does not have a formal policy for deposit custodial credit risk other than to maintain sufficient funds in the checking account to cover checks that have not cleared the account as of a specific date.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

2. Deposits and Investments (continued)

- (b) Concentration of Credit Risk - This is the risk associated with the amount of investments the Borough has with any one insurer that exceeds 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.
- (c) Credit Risk - GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. In general, the Borough does not have an investment policy regarding Credit Risk except to the extent previously outlined under the Borough's investment policy. The New Jersey Asset and Management Program Joint Account portfolio is rated "AAAM" by Standard & Poor's which is the highest rating available.
- (d) Interest Rate Risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Borough does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations.

3. Interfund Balances and Activity

There was no Interfund Activity in 2013.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

4. Taxes, Sewer Utility Receivables

Taxes

Taxes Receivable as of December 31, 2013 consists of the following:

| <u>2013</u> | <u>Current</u> | <u>Delinquent</u> | <u>Liens</u> | <u>Total</u> |
|-------------|----------------|-------------------|--------------|---------------|
| \$ | 554,819.84 | \$ 7,203.53 | \$ 30,756.50 | \$ 592,779.87 |

In 2013, the Borough collected \$494,390.16 from Delinquent Taxes, which represented 98.91% of the Delinquent Tax Receivable at December 31, 2012.

Taxes Receivable as of December 31, 2012 consists of the following:

| <u>2012</u> | <u>Current</u> | <u>Delinquent</u> | <u>Liens</u> | <u>Total</u> |
|-------------|----------------|-------------------|--------------|---------------|
| \$ | 492,160.06 | \$ 30,277.62 | \$ 25,526.33 | \$ 547,964.01 |

In 2012, the Borough collected \$620,609.07 from Delinquent Taxes, which represented 93.64% of the Delinquent Tax Receivable at December 31, 2011.

Sewer Utility

Sewer Rents Receivable as of December 31, 2013 consist of the following:

| <u>2013</u> | <u>Current</u> | <u>Delinquent</u> | <u>Liens</u> | <u>Total</u> |
|-------------|----------------|-------------------|--------------|---------------|
| \$ | 148,098.25 | \$ 0.00 | \$ 0.00 | \$ 148,098.25 |

In 2013, the Borough collected \$141,711.19 from Sewer Rents, which represented 100% of the Sewer Rents Receivable at December 31, 2012.

Sewer Rents Receivable as of December 31, 2012 consist of the following:

| <u>2012</u> | <u>Current</u> | <u>Delinquent</u> | <u>Liens</u> | <u>Total</u> |
|-------------|----------------|-------------------|--------------|---------------|
| \$ | 141,711.19 | \$ 0.00 | \$ 0.00 | \$ 141,711.19 |

In 2012, the Borough collected \$165,291.01 from Sewer Rents, which represented 100% of the Sewer Rents Receivable at December 31, 2011.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

5. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the years 2013 and 2012.

| <u>2013</u> | Balance, December 31, <u>2012</u> | <u>Additions</u> | <u>Retirements</u> | Balance, December 31, <u>2013</u> |
|----------------------------------|---|----------------------|----------------------|---|
| Land | \$ 13,194,388.85 | | | \$ 13,194,388.85 |
| Buildings | 24,936,207.62 | | | 24,936,207.62 |
| Improvements Other Than Bldgs | 41,291.65 | | | 41,291.65 |
| Machinery & Equipment | <u>10,669,961.85</u> | <u>\$ 106,610.06</u> | <u>\$ 457,651.77</u> | <u>10,318,920.14</u> |
| Total | <u>\$ 48,841,849.97</u> | <u>\$ 106,610.06</u> | <u>\$ 457,651.77</u> | <u>\$ 48,490,808.26</u> |

| <u>2012</u> | Balance, December 31, <u>2011</u> | <u>Additions</u> | <u>Retirements</u> | Balance, December 31, <u>2012</u> |
|----------------------------------|---|------------------------|----------------------|---|
| Land | \$ 12,952,088.85 | \$ 291,800.00 | \$ 49,500.00 | \$ 13,194,388.85 |
| Buildings | 25,015,643.07 | 1,400.00 | 80,835.45 | 24,936,207.62 |
| Improvements Other Than Bldgs | 41,291.65 | | | 41,291.65 |
| Machinery & Equipment | <u>10,433,368.91</u> | <u>767,418.24</u> | <u>530,825.30</u> | <u>10,669,961.85</u> |
| Total | <u>\$ 48,442,392.48</u> | <u>\$ 1,060,618.24</u> | <u>\$ 661,160.75</u> | <u>\$ 48,841,849.97</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

6. Long-Term Debt

The Borough's long-term debt consisted of the following at December 31, 2013:

General Serial Bonds

| | |
|--|-------------------------|
| 2006 General Improvement Bonds dated December 21, 2006 issued through the Monmouth County Improvement Authority at a variable rate of interest due in annual installments through December 1, 2016 | \$ 186,000.00 |
| 2008 General Improvement Bonds dated January 3, 2008 issued through the Monmouth County Improvement Authority at a variable rate of interest due in annual installments through January 1, 2029 | 7,180,00.00 |
| 2010 Refunding Bonds dated November 16, 2010 issued through the Monmouth County Improvement Authority at a variable rate of interest due in annual installments through July 1, 2032 | 5,305,00.00 |
| 2010 Open Space Refunding Bonds dated November 16, 2010 issued through the Monmouth County Improvement Authority at a variable rate of interest due in annual installments through July 1, 2032 | 840,000.00 |
| 2011 General Improvement Bonds dated January 1, 2011 issued through the Monmouth County Improvement Authority at a various rates of interest due in annual installments through January 1, 2021 | 2,900,000.00 |
| 2012 Refunding Bonds dated May 22, 2012 issued through the Monmouth County Improvement Authority at a 4% rate of interest due in annual installments through December 1, 2018 | 350,000.00 |
| 2012 General Improvement Bonds dated December 19, 2012 issued through the Monmouth County Improvement Authority at a various rates of interest due in annual installments through December 1, 2026 | 1,375,000.00 |
| 2013 General Improvement Bonds dated December 24, 2013 issued through the Monmouth County Improvement Authority at a various rates of interest due in annual installments through December 1, 2022 | <u>1,485,000.00</u> |
| | <u>\$ 19,621,000.00</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

6. Long-Term Debt (continued)

Debt service requirements during the next several years are as follows:

| <u>General</u> | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------|----|----------------------|------------------------|-------------------------|
| 2014 | \$ | 1,344,000.00 | \$ 741,744.88 | \$ 2,085,744.88 |
| 2015 | | 1,382,000.00 | 702,945.02 | 2,084,945.02 |
| 2016 | | 1,400,000.00 | 661,526.27 | 2,061,526.27 |
| 2017 | | 1,375,000.00 | 611,395.02 | 1,986,395.02 |
| 2018 | | 1,420,000.00 | 556,445.02 | 1,976,445.02 |
| 2019 | | 1,380,000.00 | 497,870.02 | 1,877,870.02 |
| 2020 | | 1,435,000.00 | 438,920.02 | 1,873,920.02 |
| 2021 | | 1,480,000.00 | 374,870.02 | 1,854,870.02 |
| 2022 | | 1,085,000.00 | 319,795.02 | 1,404,795.02 |
| 2023 | | 910,000.00 | 276,697.50 | 1,186,697.50 |
| 2024 | | 930,000.00 | 242,017.50 | 1,172,017.50 |
| 2025 | | 960,000.00 | 206,215.00 | 1,166,215.00 |
| 2026 | | 985,000.00 | 167,902.50 | 1,152,902.50 |
| 2027 | | 880,000.00 | 131,273.75 | 1,011,273.75 |
| 2028 | | 880,000.00 | 95,662.50 | 975,662.50 |
| 2029 | | 880,000.00 | 60,075.00 | 940,075.00 |
| 2030 | | 300,000.00 | 35,800.00 | 335,800.00 |
| 2031 | | 300,000.00 | 23,800.00 | 323,800.00 |
| 2032 | | <u>295,000.00</u> | <u>11,800.00</u> | <u>306,800.00</u> |
| | \$ | <u>19,621,000.00</u> | \$ <u>6,156,755.04</u> | \$ <u>25,777,755.04</u> |

The January 2008, November 2010, January 2011, May 2012, December 2012, and December 2013 Bonds were issued at various rates through the Monmouth County Improvement Authority.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

6. Long-Term Debt (continued)

Debt service requirements during the next several years are as follows:

Green Trust Loan Program

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------|----------------------|--------------------|----------------------|
| 2014 | \$ 43,119.57 | \$ 2,880.43 | \$ 46,000.00 |
| 2015 | 43,986.28 | 2,013.72 | 46,000.00 |
| 2016 | 44,870.40 | 1,129.60 | 46,000.00 |
| 2017 | <u>22,772.27</u> | <u>227.73</u> | <u>23,000.00</u> |
| | <u>\$ 154,748.52</u> | <u>\$ 6,251.48</u> | <u>\$ 161,000.00</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

6. Long-Term Debt (continued)

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

| | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|-------------------------|-------------------------|-----------------------------|
| <u>Issued</u> | | | |
| General: | | | |
| Bonds, Notes and Loans | \$ <u>25,108,982.53</u> | \$ <u>25,476,568.47</u> | \$ <u>25,749,033.53</u> |
| Less: | | | |
| Reserve for Debt Service | | | 1,750.00 |
| Bonds Authorized By Another Public Body To Be Guaranteed By The Municipality | | 4,807,000.00 | 4,807,000.00 |
| Excess Financing | <u>1,633,234.00</u> | <u>1,151,550.00</u> | <u> </u> |
| | <u>1,633,234.00</u> | <u>5,958,550.00</u> | <u>4,808,750.00</u> |
| Net Debt Issued | <u>23,475,748.53</u> | <u>19,518,018.47</u> | <u>20,940,283.53</u> |
| <u>Authorized But Not Issued</u> | | | |
| General: | | | |
| Bonds and Notes | <u>2,614,091.00</u> | <u>5,254,505.00</u> | <u>4,639,155.00</u> |
| Total Authorized But Not Issued | <u>2,614,091.00</u> | <u>5,254,505.00</u> | <u>4,639,155.00</u> |
| Net Bonds and Notes Issued and Authorized But Not Issued | 26,089,839.53 | 24,772,523.47 | 25,579,398.53 |
| Less: | | | |
| Bonds authorized by Another Public Body to be Guaranteed by the municipality | <u>3,949,803.19</u> | <u>4,033,254.36</u> | <u>4,712,825.01</u> |
| Net Bonds and Notes Issued And Authorized But Not Issued After Adjustments | \$ <u>22,140,036.34</u> | \$ <u>20,739,269.11</u> | \$ <u>20,866,573.52</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

6. Long-Term Debt (continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.746%.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|----------------------|-------------------------|-------------------------|-------------------------|
| School District Debt | \$ 10,056,663.06 | \$ 10,056,663.06 | |
| Sewer Utility Debt | 85,000.00 | 85,000.00 | |
| General Debt | <u>27,723,073.53</u> | <u>5,583,037.19</u> | \$ 22,140,036.34 |
| | <u>\$ 37,864,736.59</u> | <u>\$ 15,724,700.25</u> | <u>\$ 22,140,036.34</u> |

Net Debt \$22,140,036.34 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$2,969,598,934.00 = 0.746%.

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

| | |
|---|-------------------------|
| 3.5% of Equalized Valuation Basis (Municipal) | \$ 103,935,962.69 |
| Less: Net Debt | <u>22,140,036.34</u> |
| Remaining Borrowing Power | <u>\$ 81,795,926.35</u> |

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

| | |
|---|----------------------|
| Cash Receipts From Fees, Rents or Other Charges for the Year | \$ 4,751,141.57 |
| Deductions: Operating and Maintenance Costs | <u>4,136,430.16</u> |
| Excess Revenue | <u>\$ 614,711.41</u> |

The calculation is used for the following purpose:

If there is an "excess in revenue" all such utility debt is deductible.

If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

7. Bond Anticipation Notes

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

At December 31, 2013, the Borough had the following outstanding bond anticipation notes in the General Capital Fund:

| <u>Purpose</u> | <u>Date Issued</u> | <u>Interest Rate</u> | <u>Amount</u> |
|---|------------------------|--------------------------|------------------------|
| Acquisition of Real Property – Open Space | 12/13/13 | 0.55% | \$ 1,800,000.00 |
| Acquisition of Real Property | 12/13/13 | 0.55% | 1,900,000.00 |
| 2012 Road Program | 07/09/13 | 0.70% | 990,234.00 |
| Various Equipment | 07/09/13 | 0.70% | <u>643,000.00</u> |
| | | | <u>\$ 5,333,234.00</u> |

At December 31, 2013, the Borough had the following outstanding bond anticipation notes in the Sewer Utility Capital Fund:

| | | | |
|-----------------------------------|----------|-------|---------------------|
| Various Pump Station Improvements | 07/09/13 | 0.70% | <u>\$ 85,000.00</u> |
|-----------------------------------|----------|-------|---------------------|

8. Bonds and Notes Authorized But Not Issued

At December 31, 2013, the Borough had authorized but not issued bonds and notes in the General Capital Fund in the amount of \$ 2,614,091.00, and none the Sewer Utility Capital.

9. Deferred Charges

The following Deferred Charge is shown on the December 31, 2013 Current Fund Balance Sheet and will be raised in succeeding years' budgets:

| | |
|--|----------------------|
| Special Emergency Authorization (N.J.S.A. 40A: 4-53) | \$ 210,203.44 |
| Special Emergency Authorization (N.J.S.A. 40A: 4-54) - Superstorm Sandy | <u>436,363.83</u> |
| | <u>\$ 646,567.27</u> |

The Township expects to be reimbursed 90% of these costs from the Federal Emergency Management Agency (FEMA).

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

10. Regional District School and Regional District High School Taxes

Regulations provide for deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Borough has elected to defer school taxes as follows:

| | <u>Regional District High School Tax</u> | | <u>Regional District School Tax</u> | |
|----------------|--|------------------------|-------------------------------------|------------------------|
| | <u>2013</u> | <u>2012</u> | <u>2013</u> | <u>2012</u> |
| Balance of Tax | \$ 5,594,270.72 | \$ 5,645,235.13 | \$ 2,797,754.92 | \$ 10,017,396.00 |
| Deferred | <u>2,270,231.55</u> | <u>2,270,231.55</u> | <u>7,149,999.23</u> | <u>6,149,999.23</u> |
| Tax Payable | <u>\$ 3,324,039.17</u> | <u>\$ 3,375,003.58</u> | <u>\$ 9,947,754.15</u> | <u>\$ 3,867,396.77</u> |

11. Fund Balances Appropriated

Current Fund

The Fund Balance at December 31, 2013 was \$4,782,026.95 of which \$3,950,000.00* was appropriated and included as anticipated revenue for the year ended December 31, 2014.

Sewer Utility Operating Fund

The Fund Balance at December 31, 2013 was \$944,989.54 of which \$575,000.00* was appropriated and included as anticipated revenue for the year ended December 31, 2014.

12. Accrued Sick and Vacation Benefits

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation and sick pay. Effective for financial statements dated December 31, 1987, the state has required all municipalities to disclose the estimated current cost of unused sick and vacation benefits at year-end. The Borough estimates the current cost of such unpaid compensation at December 31, 2013 to be \$1,376,040.85. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. The Trust Reserve for accumulated absences at December 31, 2013 totaled \$39,363.29.

* Budget not adopted as of the date of this report.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

13. Post-Employment Retirement Benefits

The Borough entered the State Health Benefits Program (“SHBP”) on March 1, 2009. There are 44 retirees or disabled employees (not including dependents) currently receiving benefits.

The Borough will contribute to the SHBP, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2009, the Borough authorized participation in the SHBP’s post-retirement benefit program through resolution number R-09-003. Eligibility to participate in the SHBP’s post-retirement benefit program begins after 25 years of creditable service in the State of New Jersey retirement system or for employees who become disabled with at least 10 years of creditable service in the State of New Jersey retirement system. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly-available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>.

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical 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 the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough pays 100% of the premiums for retirees and their dependents. The Borough also reimburses 100% of the Medicare premiums for retirees and their spouses.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

14. Contingent Liabilities

State and Federal Grants

The Borough receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2013, the Borough estimates that no material liabilities will result from such audits.

Pending Litigation

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

15. Risk Management

The Borough 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 disasters.

Property and Liability Insurance - The Borough maintains commercial insurance coverage for property, liability and surety bonds.

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund the New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The following is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's Trust Fund for the current and prior year:

| <u>Year</u> | <u>Borough Contributions</u> | <u>Interest Earned</u> | <u>Reimbursements</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|-------------|----------------------------------|----------------------------|-----------------------|------------------------------|---------------------------|
| 2013 | \$ 51,300.00 | \$ 772.52 | \$ 0.00 | \$ 19,188.91 | \$ 219,168.12 |
| 2012 | 61,300.00 | 715.04 | 0.00 | 13,282.21 | 186,284.51 |
| 2011 | 72,787.21 | 680.15 | 0.00 | 45,233.13 | 137,551.68 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013

16. Deferred Compensation Program

The Borough has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and amended pursuant to Section 401 (a)(31)(B) of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

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

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

17. Housing Trust Fund Mortgage

The Borough's Fair Share Housing Plan has called for the development of affordable supportive housing for the disabled. Accordingly, the Borough partnered with Meadowbrook II Partners, LP and the ARC of Monmouth County to subsidize the development of 12 supportive affordable housing units for disabled adults as part of Meadowbrook's development of an affordable senior apartment building. As the municipal sponsor, pursuant to N.J.S.A. 52:27D-311f, the Borough provided a \$300,000 mortgage derived from its Affordable Housing Trust Fund to support the development of these 12 supportive apartment units for persons with disabilities to be developed by Meadowbrook II Partners, LP and managed by the ARC of Monmouth County after completion.

The principal balance of the Loan is non-amortizing during the term of this Note. The Loan shall bear simple interest at the rate of one percent (1%) per annum on the outstanding principal balance of the Loan, which interest will accrue and be deferred until the Maturity Date (as hereinafter defined). The Loan, as to both principal and interest, shall be repaid by Maker to Lender on the date (the "Maturity Date") which is forty-five (45) years from September 12, 2012. Prior to the Maturity Date, no principal or interest payments are due under this Note.

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SUPPLEMENTARY STATEMENTS

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CURRENT FUND
STATEMENTS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF CASH - TREASURER

Year ended December 31, 2013

| | <u>Reference</u> | | |
|--|------------------|---------------|--------------------------------|
| Balance, December 31, 2012 | A | | \$ 14,420,152.78 |
| Increased By Receipts: | | | |
| Non-Budget Revenues | A-1,A-2 | \$ 543,476.58 | |
| Due From Fire/EMS/School - Fuel | A,A-1 | 16,299.21 | |
| State of New Jersey - Senior Citizens' and Veterans' Deductions | 3-A | 117,743.10 | |
| Property Taxes Receivable | 4-A | 55,669,873.02 | |
| Tax Installments Receivable | 6-A | 12,041.13 | |
| Revenue Accounts Receivable | 7-A | 6,366,196.85 | |
| Deferred Charges | 8-A | 72,663.58 | |
| Prepaid Taxes | 13-A | 247,229.00 | |
| Tax Overpayments | 14-A | 2,925.10 | |
| Special Emergency Notes | 19-A | 740,203.00 | |
| Due To State | 21-A | 41,702.00 | |
| | | <hr/> | <hr/> |
| | | | 63,830,352.57 |
| | | | 78,250,505.35 |
| Decreased By Disbursements: | | | |
| Due From Fire/EMS/School - Fuel | A,A-1 | 10,190.84 | |
| Refund of Prior Year Revenue | A-1 | 173,749.08 | |
| 2013 Budget Appropriations | A-3 | 20,021,721.86 | |
| Change Fund | 2-A | 200.00 | |
| 2012 Appropriation Reserves | 9-A | 743,959.37 | |
| Accounts Payable | 11-A | 92,659.65 | |
| County Taxes | 12-A | 8,674,864.60 | |
| Tax Overpayments | 14-A | 2,805.19 | |
| Regional District School Taxes | 15-A | 21,116,296.85 | |
| Regional District High School Taxes | 16-A | 11,239,505.41 | |
| Municipal Open Space Tax | 17-A | 634,552.36 | |
| Special District Taxes | 18-A | 1,880,317.00 | |
| Special Emergency Notes | 19-A | 1,192,000.00 | |
| Due To State | 21-A | 41,702.00 | |
| | | <hr/> | <hr/> |
| | | | 65,824,524.21 |
| Balance, December 31, 2013 | A | | <u><u>\$ 12,425,981.14</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF CHANGE FUNDS

Year ended December 31, 2013

| | Balance December 31, <u>2012</u> | <u>Increase</u> | Balance December 31, <u>2013</u> |
|----------------------------|--|------------------|--|
| Clerk of Municipal Court | \$ 500.00 | \$ 200.00 | \$ 700.00 |
| Office of Municipal Clerk: | | | |
| Municipal Clerk | 50.00 | - | 50.00 |
| Central Services | 25.00 | - | 25.00 |
| Collector | <u>100.00</u> | <u>-</u> | <u>100.00</u> |
| | <u>\$ 675.00</u> | <u>\$ 200.00</u> | <u>\$ 875.00</u> |
| <u>Reference</u> | A | 1-A | A |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF DUE FROM/(TO) STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

Year ended December 31, 2013

| | <u>Reference</u> | | |
|---|------------------|-----------------|---------------------------|
| Balance, December 31, 2012 | A | | \$ (4,464.20) |
| Increased By: | | | |
| Cash Received From State of New Jersey | 1-A | \$ 117,743.10 | |
| Senior Citizens' Disallowed | 3-A | 1,224.79 | |
| Senior Citizens' Disallowed - 2012 | A-1,4-A | <u>1,750.00</u> | |
| | | | <u>120,717.89</u> |
| Decreased By: | | | (125,182.09) |
| Senior Citizens' Deductions per | | | |
| Tax Duplicate | 3-A | \$ 23,250.00 | |
| Veterans' Deductions per Tax Duplicate | 3-A | 101,250.00 | |
| Senior Citizens' and Veterans' Deductions | | | |
| Allowed By Tax Collector | 3-A | <u>2,750.00</u> | |
| | | | <u>127,250.00</u> |
| Balance, December 31, 2013 | A | | <u><u>\$ 2,067.91</u></u> |

Calculation of Amount - Schedule of Taxes Receivable

| | | | |
|---|-----|-----------------|-----------------------------|
| Senior Citizens' Deductions per | | | |
| Tax Billings | 3-A | \$ 23,250.00 | |
| Veterans' Deductions per Tax Billings | 3-A | 101,250.00 | |
| Senior Citizens' and Veterans' Deductions | | | |
| Allowed By Tax Collector | 3-A | <u>2,750.00</u> | |
| | | | \$ 127,250.00 |
| Less: Senior Citizens' Deductions | | | |
| Disallowed By Tax Collector | 3-A | | <u>1,224.79</u> |
| Balance Applied To Taxes | 4-A | | <u><u>\$ 126,025.21</u></u> |

STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year ended December 31, 2013

| Balance December 31, 2012 | 2013 Levy | Senior Citizens' and Veterans' Deductions Disallowed | Collections | | Due From/(To) State of New Jersey | Transferred To Tax Title Items | (Cancellations)/ Adjustments | Balance December 31, 2013 |
|---|--------------|--|-------------|---------------|---|--------------------------------------|---------------------------------|---------------------------------|
| | | | 2012 | 2013 | | | | |
| 2007 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2008 | \$ | - | - | 500.00 | - | - | - | - |
| 2009 | 2,149.07 | - | - | 750.00 | - | - | - | 354.02 |
| 2010 | 1,974.83 | - | - | 1,795.05 | - | - | - | 1,974.83 |
| 2011 | 2,309.73 | - | - | - | - | - | - | 2,309.73 |
| 2012 | 492,160.06 | 1,750.00 | - | 491,345.11 | - | - | - | 2,564.95 |
| 2013 | - | 1,224.79 | 183,483.46 | 55,175,482.86 | 127,250.00 | 5,230.17 | (183,094.15) | 554,819.84 |
| Reference | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| | 4-A | 3-A | 13-A | 1-A | 3-A | 5-A | 4-A | A |
| Analysis of Property Tax Levy | | | | | | | | |
| Tax Yield | | | | | | | | |
| General Purpose Tax | | | | | | | | |
| Special District Taxes | | | | | | | | |
| Added/Omitted Taxes (R.S. 54-4-63, 1 et seq.) | | | | | | | | |
| Tax Levy | | | | | | | | |
| Regional District School Tax | | | | | | | | |
| Regional District High School Tax | | | | | | | | |
| County Taxes: | | | | | | | | |
| County Tax | | | | | | | | |
| County Library Tax | | | | | | | | |
| County Open Space Tax | | | | | | | | |
| Due County for Added and Omitted Taxes | | | | | | | | |
| Municipal Open Space Tax | | | | | | | | |
| Fire Districts Taxes | | | | | | | | |
| Local Tax for Municipal Purposes | | | | | | | | |
| Add: Additional Tax Levied | | | | | | | | |
| Analysis of Current Year Tax Collections | | | | | | | | |
| 2012 Cash Collections of 2013 Taxes | | | | | | | | |
| 2013 Cash Collections of 2013 Taxes | | | | | | | | |
| Veterans' and Senior Citizens' Deductions | | | | | | | | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF TAX TITLE LIENS RECEIVABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|---------------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | A | \$ 25,526.33 |
| Increased By: | | |
| Transfers From Taxes Receivable | 4-A | <u>5,230.17</u> |
| Balance, December 31, 2013 | A | <u><u>\$ 30,756.50</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF TAX INSTALLMENTS RECEIVABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | A | \$ 22,593.99 |
| Decreased By: | | |
| Collections | A-2,1-A | <u>12,041.13</u> |
| Balance, December 31, 2013 | A | <u><u>\$ 10,552.86</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2013

| | <u>Reference</u> | Balance December 31, 2012 | Accrued in 2013 | Collections | Balance December 31, 2013 |
|--------------------------------------|------------------|---------------------------------|------------------------|------------------------|---------------------------------|
| Miscellaneous Revenues: | | | | | |
| Licenses: | | | | | |
| Alcoholic Beverages | A-2 | \$ - | \$ 36,997.00 | \$ 36,997.00 | \$ - |
| Other | A-2 | - | 30,961.00 | 30,961.00 | - |
| Fees and Permits | A-2 | - | 396,543.25 | 396,543.25 | - |
| Fines and Costs: | | | | | |
| Municipal Court | A-2 | 46,771.73 | 684,421.87 | 679,890.56 | 51,303.04 |
| Interest and Costs on Taxes | A-2 | - | 135,996.91 | 135,996.91 | - |
| Interest on Investments and Deposits | A-2 | - | 48,355.73 | 48,355.73 | - |
| Commercial Garbage Fees | A-2 | - | 69,829.50 | 69,829.50 | - |
| Energy Receipts Tax | A-2 | - | 1,490,459.00 | 1,490,459.00 | - |
| Uniform Construction Code Fees | A-2 | - | 542,045.00 | 542,045.00 | - |
| Host Municipalities Act | A-2 | - | 1,908,995.42 | 1,908,995.42 | - |
| Franchise Fees | A-2 | - | 236,445.54 | 236,445.54 | - |
| Open Space Trust: | | | | | |
| Bond Principal | A-2 | - | 83,451.17 | 83,451.17 | - |
| Interest on Bonds | A-2 | - | 63,290.89 | 63,290.89 | - |
| FEMA - Superstorm Sandy | A-2 | - | 37,500.00 | 37,500.00 | - |
| Reserve for FEMA - Superstorm Sandy | A-2 | - | 112,500.00 | 112,500.00 | - |
| Hotel Occupancy Tax | A-2 | - | 469,894.12 | 469,894.12 | - |
| Capital Surplus | A-2 | - | 49,900.00 | 49,900.00 | - |
| Capital Reserve - Historic District | A-2 | - | 12,071.41 | 12,071.41 | - |
| Tinton Falls Active Adult LLC | A-2 | - | 28,570.35 | 28,570.35 | - |
| Municipal Court Services | A-2 | - | 45,000.00 | 45,000.00 | - |
| | | <u>\$ 46,771.73</u> | <u>\$ 6,483,228.16</u> | <u>\$ 6,478,696.85</u> | <u>\$ 51,303.04</u> |
| | <u>Reference</u> | A | 7-A | | A |
| Cash Receipts | 1-A | | | \$ 6,366,196.85 | |
| Reserve for: | | | | | |
| FEMA - Super Storm Sandy | 20-A | | | <u>112,500.00</u> | |
| | | | | <u>\$ 6,478,696.85</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF DEFERRED CHARGES

Year ended December 31, 2013

| <u>Description</u> | <u>Amount Authorized</u> | <u>Balance December 31, 2012</u> | <u>Decreased By</u> | <u>Balance December 31, 2013</u> |
|--|------------------------------|--|-------------------------|--|
| Special Emergency Authorizations - 5 Years: | | | | |
| 11/09/10 Severance Liabilities | \$ 210,000.00 | \$ 42,000.00 | \$ 42,000.00 | \$ - |
| 10/10/11 Damage Caused By Flooding from Hurricane Irene and Recent Storms | 500,000.00 | 400,000.00 | 189,796.56 | 210,203.44 |
| 11/20/12 Damage Caused By Flooding from Superstorm Sandy | 750,000.00 | 750,000.00 | 313,636.17 | 436,363.83 |
| | \$ 1,192,000.00 | \$ 1,192,000.00 | \$ 545,432.73 | \$ 646,567.27 |
| | <u>Reference</u> | A | | A |
| Cash Receipts | | | | |
| Budget Appropriation | 1-A | | 72,663.58 | |
| Appropriation Reserves | A-3 | | 292,000.00 | |
| Reserve For Water Street | 9-A | | 90,972.59 | |
| | 20-A | | 89,796.56 | |
| | | | \$ 545,432.73 | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

Statement 9-A
Page 1 of 3

CURRENT FUND

STATEMENT OF 2012 APPROPRIATION RESERVES

Year ended December 31, 2013

| | Balance, December 31, <u>2012</u> | Balance After <u>Modifications</u> | Paidd, Charged, or <u>(Reimbursed)</u> | <u>Lapsed</u> |
|-------------------------------------|---|--|--|---------------|
| GENERAL APPROPRIATIONS | | | | |
| Borough Council: | | | | |
| Other Expenses | \$ 1,154.24 | \$ 1,154.24 | \$ - | \$ 1,154.24 |
| Office of the Mayor: | | | | |
| Other Expenses | 5,733.46 | 6,838.46 | 826.31 | 6,012.15 |
| Municipal Clerk: | | | | |
| Salaries and Wages | 1,058.24 | 1,058.24 | - | 1,058.24 |
| Other Expenses | 10,130.53 | 27,815.12 | 16,058.50 | 11,756.62 |
| Office of the Tax Assessor: | | | | |
| Salaries and Wages | | | | |
| Other Expenses | 6,365.27 | 23,564.31 | 892.24 | 22,672.07 |
| Division of Administration: | | | | |
| Salaries and Wages | 1,499.38 | 1,499.38 | - | 1,499.38 |
| Other Expenses | 4,727.50 | 28,889.95 | 23,389.36 | 5,500.59 |
| Human Resources: | | | | |
| Other Expenses | 607.97 | 607.97 | - | 607.97 |
| Division of Central Services: | | | | |
| Salaries and Wages | 800.50 | 800.50 | - | 800.50 |
| Other Expenses: | | | | |
| Miscellaneous Other Expenses | 1,737.02 | 3,723.61 | 1,642.13 | 2,081.48 |
| Division of Engineering: | | | | |
| Other Expenses | 24,410.70 | 34,037.35 | 16,735.71 | 17,301.64 |
| Historical Sites Office: | | | | |
| Other Expenses | 437.05 | 437.05 | 55.00 | 382.05 |
| Division of Law: | | | | |
| Other Expenses | 4,103.46 | 27,980.85 | 12,052.47 | 15,928.38 |
| Division of Central Maintenance: | | | | |
| Salaries and Wages | 8,675.45 | 8,675.45 | 46.64 | 8,628.81 |
| Other Expenses | 3,592.92 | 23,780.67 | 18,521.04 | 5,259.63 |
| Division of Streets: | | | | |
| Salaries and Wages | 5,337.83 | 5,337.83 | 1,055.62 | 4,282.21 |
| Other Expenses | 92,559.00 | 107,346.77 | 20,522.73 | 86,824.04 |
| Division of Sanitation: | | | | |
| Salaries and Wages | 26,107.81 | 26,107.81 | (590.03) | 26,697.84 |
| Other Expenses: | | | | |
| Landfill/Solid Waste Disposal Costs | 24,087.56 | 24,087.56 | 4,351.62 | 19,735.94 |
| Miscellaneous Other Expenses | 3,314.24 | 8,353.57 | 4,359.67 | 3,993.90 |
| Division of Buildings and Grounds: | | | | |
| Salaries and Wages | 10,205.49 | 10,205.49 | (1,632.05) | 11,837.54 |
| Other Expenses | 4,310.51 | 26,780.60 | 21,772.58 | 5,008.02 |
| Maintenance of Parks: | | | | |
| Salaries and Wages | 6,584.35 | 6,584.35 | 1,230.72 | 5,353.63 |
| Other Expenses | 2,044.23 | 3,259.60 | 700.65 | 2,558.95 |
| Shade Tree: | | | | |
| Other Expenses | 1,280.00 | 1,280.00 | - | 1,280.00 |
| Community Services Act: | | | | |
| Other Expenses | 15,544.00 | 15,544.00 | 11,697.00 | 3,847.00 |
| Police: | | | | |
| Salaries and Wages | 20,768.43 | 20,768.43 | 7,625.87 | 13,142.56 |
| Other Expenses | 816.98 | 33,939.95 | 24,062.42 | 9,877.53 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

Statement 9-A
Page 2 of 3

CURRENT FUND

STATEMENT OF 2012 APPROPRIATION RESERVES

Year ended December 31, 2013

| | Balance, December 31, <u>2012</u> | Balance After <u>Modifications</u> | Paid, Charged, or <u>(Reimbursed)</u> | <u>Lapsed</u> |
|--|---|--|---|---------------|
| GENERAL APPROPRIATIONS (continued) | | | | |
| Division of Emergency Management: | | | | |
| Salaries and Wages | 2,992.71 | 2,992.71 | - | 2,992.71 |
| Other Expenses | 4,410.76 | 38,929.26 | 34,844.23 | 4,085.03 |
| Division of Finance: | | | | |
| Salaries and Wages | 854.52 | 854.52 | 480.94 | 373.58 |
| Other Expenses: | | | | |
| Auditing Services | | 25,975.00 | 25,975.00 | |
| Miscellaneous Other Expenses | 425.13 | 8,074.80 | 6,355.42 | 1,719.38 |
| Division of Revenue: | | | | |
| Salaries and Wages | 4,268.00 | 4,583.22 | 315.22 | 4,268.00 |
| Other Expenses | | | | |
| Environmental Health Services: | | | | |
| Other Expenses | 760.00 | 760.00 | - | 760.00 |
| Contribution To Social Service Agencies: | | | | |
| Other Expenses | 3,360.00 | 3,360.00 | 1,550.00 | 1,810.00 |
| Alliance Program: | | | | |
| Other Expenses | 251.65 | 251.65 | 200.00 | 51.65 |
| Division of Recreation: | | | | |
| Salaries and Wages | 12,928.02 | 12,928.02 | 37.11 | 12,890.91 |
| Other Expenses | 1,812.90 | 21,354.39 | 17,157.06 | 4,197.33 |
| Division of Housing: | | | | |
| Other Expenses | 5,000.00 | 13,990.00 | - | 13,990.00 |
| Division of Planning: | | | | |
| Salaries and Wages | | | | |
| Other Expenses | 15,224.54 | 19,980.62 | 2,065.21 | 17,915.41 |
| Division of Zoning: | | | | |
| Salaries and Wages | | | | |
| Other Expenses | 4,034.03 | 12,331.77 | 482.71 | 11,849.06 |
| Division of Code Enforcement: | | | | |
| Salaries and Wages | | | | |
| Other Expenses | 932.50 | 982.50 | 2.71 | 979.79 |
| Division of Fire Prevention: | | | | |
| Salaries and Wages | 2,526.30 | 2,526.30 | - | 2,526.30 |
| Other Expenses | 2,023.84 | 2,279.34 | 50.24 | 2,229.10 |
| Animal Control Services: | | | | |
| Other Expenses | - | 2,528.00 | 2,528.00 | - |
| Municipal Court: | | | | |
| Salaries and Wages | 2,209.33 | 2,209.33 | 996.80 | 1,212.53 |
| Other Expenses | 6,182.61 | 7,516.25 | 1,723.65 | 5,792.60 |
| Public Defender: | | | | |
| Other Expenses | | | | |
| Public Employees Occupational Safety and Health Act: | | | | |
| Other Expenses | 1,279.50 | 1,474.50 | 245.00 | 1,229.50 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF 2012 APPROPRIATION RESERVES

Year ended December 31, 2013

| | Balance, December 31, 2012 | Balance After Modifications | Paidd, Charged, or (Reimbursed) | Lapsed |
|--|----------------------------------|-----------------------------------|---------------------------------------|----------------------|
| UNIFORM CONSTRUCTION CODE APPROPRIATIONS | | | | |
| OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17) | | | | |
| State Uniform Construction Code: | | | | |
| Salaries and Wages | 1,516.55 | 1,516.55 | - | 1,516.55 |
| Other Expenses | 1,887.05 | 2,786.41 | 1,093.83 | 1,692.58 |
| UNCLASSIFIED | | | | |
| Electricity | 49,141.55 | 53,396.12 | 12,966.26 | 40,429.86 |
| Street Lighting | | | | |
| Telephone | 15,705.26 | 15,705.26 | 4,449.86 | 11,255.40 |
| Water | 1,700.77 | 2,569.08 | 23.39 | 2,545.69 |
| Gas | 6,396.98 | 6,396.98 | 27.95 | 6,369.03 |
| Fuel Oil | 1,326.37 | 1,728.14 | 401.77 | 1,326.37 |
| Telecommunications | 2,852.86 | 3,072.86 | 552.95 | 2,519.91 |
| Statutory Expenditures: | | | | |
| Contribution To: | | | | |
| Social Security System (O.A.S.I.) | 32,765.16 | 32,765.16 | 676.52 | 32,088.64 |
| Defined Contribution Retirement Program | 1,490.59 | 1,490.59 | - | 1,490.59 |
| Group Insurance | 52,417.86 | 52,417.86 | - | 52,417.86 |
| Emergency Telecommunications System - 911 System | 0.95 | 0.95 | - | 0.95 |
| LOSAP - Volunteer Ambulance | 46,005.00 | 46,005.00 | 38,112.38 | 7,892.62 |
| NJDES Stormwater Permit (N.J.S.A. 40A:4-45.3(cc)): | | | | |
| Division of Streets: | | | | |
| Other Expenses | 2,539.29 | 6,209.98 | 1,670.69 | 4,539.29 |
| Recycling Tax | 5,115.25 | 5,115.25 | 167.25 | 4,948.00 |
| Super Storm Sandy - Special Emergency | 214,630.91 | 408,311.15 | 408,311.15 | - |
| INTERLOCAL MUNICIPAL SERVICE AGREEMENTS | | | | |
| County of Monmouth: | | | | |
| Police Dispatching Service | 0.36 | 0.36 | - | 0.36 |
| Purchase of Automated Refuse Containers | 12,670.50 | 40,000.00 | 27,386.25 | 12,613.75 |
| Ambulance | 72,000.00 | 72,000.00 | 72,000.00 | - |
| Total General Appropriations | <u>\$ 879,633.72</u> | <u>\$ 1,417,828.99</u> | <u>\$ 848,225.75</u> | <u>\$ 569,603.24</u> |
| Reference | A | | | A-1 |
| Appropriation Reserves | A | \$ 879,633.72 | | |
| Encumbrances Payable | 10-A | <u>538,195.27</u> | | |
| | | <u>\$ 1,417,828.99</u> | | |
| Cash Disbursed | 1-A | | \$ 743,959.37 | |
| Cancel Deferred Charge - Special Emergency | 8-A | | 90,972.59 | |
| Transferred To Accounts Payable | 11-A | | <u>13,293.79</u> | |
| | | | <u>\$ 848,225.75</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF ENCUMBRANCES PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|------------------------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | A | \$ 538,195.27 |
| Increased By: | | |
| Budget Appropriations | A-3 | <u>440,009.21</u> |
| | | 978,204.48 |
| Decreased By: | | |
| Transfer To Appropriation Reserves | 9-A | <u>538,195.27</u> |
| Balance, December 31, 2013 | A | <u><u>\$ 440,009.21</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF ACCOUNTS PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | | |
|--------------------------------|------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | A | | \$ 213,941.26 |
| Increased By: | | | |
| Transferred From Appropriation | | | |
| Reserves | 9-A | | <u>13,293.79</u> |
| | | | 227,235.05 |
| Decreased By: | | | |
| Cancelled | A-1 | \$ 17,250.00 | |
| Cash Disbursements | 1-A | <u>92,659.65</u> | |
| | | | <u>109,909.65</u> |
| Balance, December 31, 2013 | A | | <u><u>\$ 117,325.40</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF COUNTY TAXES PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | | |
|----------------------------|------------------|----|-------------------------|
| Balance, December 31, 2012 | A | \$ | 12,200.54 |
| Increased By: | | | |
| 2013 Tax Levy: | | | |
| County Tax | 4-A | \$ | 7,736,929.29 |
| County Library Tax | 4-A | | 496,392.29 |
| County Open Space Fund Tax | 4-A | | 429,342.48 |
| Due County for Added and | | | |
| Omitted Taxes | 4-A | | <u>40,450.17</u> |
| | A-1 | | <u>8,703,114.23</u> |
| | | | 8,715,314.77 |
| Decreased By: | | | |
| Cash Disbursements | 1-A | | <u>8,674,864.60</u> |
| Balance, December 31, 2013 | A | \$ | <u><u>40,450.17</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF PREPAID TAXES

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | A | \$ 183,483.46 |
| Increased By: | | |
| Collection of 2013 Taxes | 1-A | <u>247,229.00</u> |
| | | 430,712.46 |
| Decreased By: | | |
| Applied To 2012 Taxes | 4-A | <u>183,483.46</u> |
| Balance, December 31, 2013 | A | <u><u>\$ 247,229.00</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF TAX OVERPAYMENTS

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | A | \$ 17,018.23 |
| Increased By: | | |
| 2013 Tax Overpayments | 1-A | <u>2,925.10</u> |
| | | 19,943.33 |
| Decreased By: | | |
| Tax Overpayments Refunded | 1-A | <u>2,805.19</u> |
| Balance, December 31, 2013 | A | <u><u>\$ 17,138.14</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REGIONAL DISTRICT SCHOOL TAX PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | | |
|--|------------------|----------------------|-------------------------|
| Balance, December 31, 2012 | | | |
| School Tax Payable | A | \$ 3,867,396.77 | |
| School Tax Deferred | 15-A | <u>6,149,999.23</u> | |
| | | | \$ 10,017,396.00 |
| Increased By: | | | |
| Levy - School Year July 1, 2013 to June 30, 2014 | 4-A | | <u>21,046,655.00</u> |
| | | | 31,064,051.00 |
| Decreased By: | | | |
| Cash Disbursed | 1-A | | <u>21,116,296.85</u> |
| Balance, December 31, 2013 | | | |
| School Tax Payable | A | 2,797,754.92 | |
| School Tax Deferred | 15-A | <u>7,149,999.23</u> | |
| | | | <u>\$ 9,947,754.15</u> |
| <u>2013 Liability for Regional District School Tax</u> | | | |
| Tax Payable, December 31, 2013 | A | 2,797,754.92 | |
| Tax Paid | 1-A | <u>21,116,296.85</u> | |
| | | | \$ 23,914,051.77 |
| Less: | | | |
| Tax Payable, December 31, 2012 | A | | <u>3,867,396.77</u> |
| Amount Charged To 2013 Operations | A-1 | | <u>\$ 20,046,655.00</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF REGIONAL DISTRICT HIGH SCHOOL TAX PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | | |
|---|------------------|----------------------|-------------------------|
| Balance, December 31, 2012 | | | |
| School Tax Payable | A | \$ 3,375,003.58 | |
| School Tax Deferred | 16-A | <u>2,270,231.55</u> | |
| | | | \$ 5,645,235.13 |
| Increased By: | | | |
| Levy - School Year July 1, 2013 to June 30, 2014 | 4-A | | <u>11,188,541.00</u> |
| | | | 16,833,776.13 |
| Decreased By: | | | |
| Cash Disbursed | 1-A | | <u>11,239,505.41</u> |
| Balance, December 31, 2013 | | | |
| School Tax Payable | A | 3,324,039.17 | |
| School Tax Deferred | 16-A | <u>2,270,231.55</u> | |
| | | | <u>\$ 5,594,270.72</u> |
| <u>2013 Liability for Regional District High School Tax</u> | | | |
| Tax Payable, December 31, 2013 | A | 3,324,039.17 | |
| Tax Paid | 1-A | <u>11,239,505.41</u> | |
| | | | \$ 14,563,544.58 |
| Less: | | | |
| Tax Payable, December 31, 2012 | A | | <u>3,375,003.58</u> |
| Amount Charged To 2013 Operations | A-1 | | <u>\$ 11,188,541.00</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF MUNICIPAL OPEN SPACE TAX PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|--------------------|
| Balance, December 31, 2012 | A | \$ - |
| Increased By: | | |
| 2013 Levy | A-1,4-A | <u>634,552.36</u> |
| | | 634,552.36 |
| Decreased By: | | |
| Cash Disbursements | 1-A | <u>634,552.36</u> |
| Balance, December 31, 2013 | A | <u><u>\$ -</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF FIRE DISTRICT TAXES PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | | |
|----------------------------|------------------|----|---------------------|
| Balance, December 31, 2012 | A | \$ | - |
| Increased By: | | | |
| Fire District #1 Levy | | \$ | 1,023,154.00 |
| Fire District #2 Levy | | | <u>857,163.00</u> |
| | A-1,4-A | | <u>1,880,317.00</u> |
| | | | 1,880,317.00 |
| Decreased By: | | | |
| Cash Disbursements | 1-A | | <u>1,880,317.00</u> |
| Balance, December 31, 2013 | A | \$ | <u><u>-</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF SPECIAL EMERGENCY NOTE PAYABLES

Year ended December 31, 2013

| <u>Ordinance Number</u> | <u>Description</u> | <u>Date of Issue of Original Note</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance December 31, 2012</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance December 31, 2013</u> |
|-----------------------------|---|---|-----------------------------|--------------------------|--|----------------------|------------------------|--|
| 10-1311 | Severance Liabilities | 12/14/10 | | | \$ 42,000.00 | \$ - | \$ 42,000.00 | \$ - |
| R-11-300 | Damage Caused By Flooding from Irene and Recent Storms | 12/08/11 | 12/04/14 | 0.7% | 400,000.00 | 210,203.00 | 400,000.00 | 210,203.00 |
| R-12-352 | Damage Caused By Flooding from Superstorm Sandy | 11/20/12 | 12/04/14 | 2.0% | 750,000.00 | 530,000.00 | 750,000.00 | 530,000.00 |
| | | | | | <u>\$ 1,192,000.00</u> | <u>\$ 740,203.00</u> | <u>\$ 1,192,000.00</u> | <u>\$ 740,203.00</u> |
| | | | | <u>Reference</u> | A | 1-A | 1-A | A |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF VARIOUS RESERVES

Year ended December 31, 2013

| | Balance December 31, <u>2012</u> | <u>Decreased</u> | Balance December 31, <u>2013</u> |
|--------------------------|--|-----------------------------|--|
| Water Street | \$ 89,796.56 | \$ 89,796.56 | \$ - |
| FEMA - Super Storm Sandy | <u>112,500.00</u> | <u>112,500.00</u> | <u>-</u> |
| | <u><u>\$ 202,296.56</u></u> | <u><u>\$ 202,296.56</u></u> | <u><u>\$ -</u></u> |
| <u>Reference</u> | A | | A |
| Realized As Revenue | 7-A | \$ 112,500.00 | |
| Deferred Charges | 8-A | <u>89,796.56</u> | |
| | | <u><u>\$ 202,296.56</u></u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

CURRENT FUND

STATEMENT OF DUE TO STATE

Year ended December 31, 2013

| | Balance December 31, <u>2012</u> | Cash <u>Receipts</u> | Cash <u>Disbursements</u> | Balance December 31, <u>2013</u> |
|-------------------|--|-------------------------|------------------------------|--|
| Marriage Licenses | \$ - | \$ 2,700.00 | \$ 2,700.00 | - |
| DCA Training Fees | <u>-</u> | <u>39,002.00</u> | <u>39,002.00</u> | <u>-</u> |
| | <u>\$ -</u> | <u>\$ 41,702.00</u> | <u>\$ 41,702.00</u> | <u>\$ -</u> |
| <u>Reference</u> | A | 1-A | 1-A | A |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

STATEMENT OF CASH - GRANT FUND

Year ended December 31, 2013

| | <u>Reference</u> | | |
|-----------------------------|------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | A | | \$ 152,053.24 |
| Increased By Receipts: | | | |
| Grants Receivable | 23-A | \$ 84,316.04 | |
| Grants Appropriated | 25-A | 2,885.00 | |
| Grants Unappropriated | 26-A | <u>88,331.88</u> | |
| | | | <u>175,532.92</u> |
| | | | 327,586.16 |
| Decreased By Disbursements: | | | |
| Grants Appropriated | 25-A | | <u>78,164.10</u> |
| Balance, December 31, 2013 | A | | <u><u>\$ 249,422.06</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

STATEMENT OF GRANTS RECEIVABLE

Year ended December 31, 2013

| | Balance December 31, 2012 | Budget Revenue Realized | Cash Receipts | Transferred From Grants Unappropriated | Balance December 31, 2013 |
|---------------------------------------|---------------------------------|-------------------------------|---------------------|---|---------------------------------|
| Monmouth County Joint Insurance Fund | \$ - | \$ 450.00 | \$ 450.00 | \$ - | \$ - |
| Ranney School | - | 40,000.00 | 40,000.00 | - | - |
| Clean Communities Program | - | 38,905.22 | 38,905.22 | - | - |
| Alcohol Education Rehabilitation Fund | - | 4,960.82 | 4,960.82 | - | - |
| Monmouth County Historical Grant | - | 2,885.00 | - | - | 2,885.00 |
| Donation - Fire Prevention Training | - | 7,600.00 | - | 7,600.00 | - |
| Body Armor Replacement Fund | - | 3,739.93 | - | 3,739.93 | - |
| | <u>\$ -</u> | <u>\$ 98,540.97</u> | <u>\$ 84,316.04</u> | <u>\$ 11,339.93</u> | <u>\$ 2,885.00</u> |
| <u>Reference</u> | A | A-2 | 22-A | 26-A | A |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

STATEMENT OF ENCUMBRANCES PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|--------------------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | A | \$ 1,435.67 |
| Increased By: | | |
| Transferred From Grants Appropriated | 25-A | <u>11,159.72</u> |
| | | 12,595.39 |
| Decreased By: | | |
| Transferred To Grants Appropriated | 25-A | <u>1,435.67</u> |
| Balance, December 31, 2013 | A | <u><u>\$ 11,159.72</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

STATEMENT OF RESERVE FOR GRANTS - APPROPRIATED

Year ended December 31, 2013

| | Balance December 31, 2012 | Transferred From 2013 Budgets | Transferred From Encumbrances Payable | Expended | Transferred To Encumbrances Payable | Balance December 31, 2013 |
|---|---------------------------------|-------------------------------------|--|---------------------|--|---------------------------------|
| Municipal Stormwater Program 2007 | \$ 2,345.22 | \$ - | \$ - | \$ 1,031.25 | \$ 1,313.97 | \$ - |
| Comcast - Technology Contribution 2008 | 6,441.25 | - | - | - | - | 6,441.25 |
| Alcohol Education Rehabilitation Fund 2010 | 33.26 | - | - | - | - | 33.26 |
| Alcohol Education Rehabilitation Fund 2011 | 100.55 | - | - | - | - | 100.55 |
| Clean Communities Program Recycling Tonnage Grant 2012 | - | - | 66.17 | 66.17 | - | - |
| | 34,269.27 | - | - | 525.00 | - | 33,744.27 |
| Clean Communities Program Body Armor Replacement Fund Recycling Tonnage Grant | 27,784.17 | - | 1,369.50 | 13,877.93 | 1,384.94 | 13,890.80 |
| | 254.23 | - | - | 254.23 | - | - |
| Alcohol Education Rehabilitation Fund Drunk Driving Enforcement Fund 2013 | 50,719.42 | - | - | - | - | 50,719.42 |
| | 3,885.34 | - | - | - | - | 3,885.34 |
| | 13,444.93 | - | - | 11,372.00 | - | 2,072.93 |
| Monmouth County Joint Insurance Fund Ranney School Clean Communities Program | - | 450.00 | - | - | - | 450.00 |
| | - | 40,000.00 | - | 40,000.00 | - | - |
| Alcohol Education Rehabilitation Fund Monmouth County Historical Grant Monmouth County Historical Grant - Match | - | 38,905.22 | - | 584.63 | 2,690.81 | 35,629.78 |
| | - | 4,960.82 | - | - | - | 4,960.82 |
| | - | 2,885.00 | - | - | 2,885.00 | - |
| Donation - Fire Prevention Training Body Armor Replacement Fund | - | 2,885.00 | - | - | 2,885.00 | - |
| | - | 7,600.00 | - | 7,399.97 | - | 200.03 |
| | - | 3,739.93 | - | 3,052.92 | - | 687.01 |
| | <u>\$ 139,277.64</u> | <u>\$ 101,425.97</u> | <u>\$ 1,435.67</u> | <u>\$ 78,164.10</u> | <u>\$ 11,159.72</u> | <u>\$ 152,815.46</u> |
| | A | | 24-A | 22-A | 24-A | A |
| Reference | | | | | | |
| Budget Appropriation | | \$ 98,540.97 | | | | |
| Monmouth County Historical Grant - Match | | <u>2,885.00</u> | | | | |
| | | <u>\$ 101,425.97</u> | | | | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GRANT FUND

STATEMENT OF RESERVE FOR GRANTS - UNAPPROPRIATED

Year ended December 31, 2013

| | Balance December 31, <u>2012</u> | Cash <u>Received</u> | Transferred To Grants <u>Receivable</u> | Balance December 31, <u>2013</u> |
|---|--|-------------------------|---|--|
| Donation - Utility Electric Fire Prevention Training | \$ 7,600.00 | \$ - | \$ 7,600.00 | \$ - |
| Body Armor Replacement Fund | 3,739.93 | 5,066.60 | 3,739.93 | 5,066.60 |
| Recycling Tonnage Grant | <u>-</u> | <u>83,265.28</u> | <u>-</u> | <u>83,265.28</u> |
| | <u>\$ 11,339.93</u> | <u>\$ 88,331.88</u> | <u>\$ 11,339.93</u> | <u>\$ 88,331.88</u> |
| <u>Reference</u> | A | 22-A | 23-A | A |

TRUST FUND
STATEMENTS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

STATEMENT OF CASH - TREASURER

Year ended December 31, 2013

| | <u>Reference</u> | <u>Animal Control Trust Fund</u> | <u>Other Trust Funds</u> |
|----------------------------------|------------------|--------------------------------------|------------------------------|
| Balance, December 31, 2012 | B | \$ 920.93 | \$ 5,653,644.07 |
| Increased By Receipts: | | | |
| Due To State of New Jersey | 2-B | 1,695.60 | - |
| Dog License Fees | 3-B | 7,893.30 | - |
| Due from General Capital Fund | B | - | 6,898.39 |
| Redemption of Tax Title Liens | 5-B | - | 470,387.44 |
| Law Enforcement Fund | 6-B | - | 14,623.87 |
| Unemployment Trust Fund | 7-B | - | 52,072.52 |
| Open Space | 8-B | - | 721,559.71 |
| Miscellaneous Trust Funds | 9-B | - | 1,191,559.68 |
| Engineering Fees | 10-B | - | 196,891.82 |
| Maintenance Fees | 11-B | - | 232.85 |
| Performance Fees | 12-B | - | 609,407.89 |
| Escrow Fees | 13-B | - | 129,290.36 |
| | | <u>9,588.90</u> | <u>3,392,924.53</u> |
| | | <u>10,509.83</u> | <u>9,046,568.60</u> |
| Decreased By Disbursements: | | | |
| N.J. State Department of Health | 2-B | 1,695.60 | - |
| Expenditures per R.S. 4:19-15.11 | 3-B | 8,000.00 | - |
| Redemption of Tax Title Liens | 5-B | - | 467,534.14 |
| Law Enforcement Fund | 6-B | - | 8,795.85 |
| Unemployment Trust Fund | 7-B | - | 19,188.91 |
| Open Space | 8-B | - | 329,476.63 |
| Miscellaneous Trust Funds | 9-B | - | 1,176,462.49 |
| Engineering Fees | 10-B | - | 161,115.59 |
| Maintenance Fees | 11-B | - | 13,195.38 |
| Performance Fees | 12-B | - | 305,607.73 |
| Escrow Fees | 13-B | - | 129,398.92 |
| | | <u>9,695.60</u> | <u>2,610,775.64</u> |
| Balance, December 31, 2013 | B | <u>\$ 814.23</u> | <u>\$ 6,435,792.96</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

STATEMENT OF DUE TO NEW JERSEY STATE DEPARTMENT OF HEALTH

Year ended December 31, 2013

| | <u>Reference</u> | |
|-----------------------------------|------------------|--------------------|
| Balance, December 31, 2012 | B | \$ - |
| Increased By: | | |
| State Registration Fees Collected | 1-B | <u>1,695.60</u> |
| | | 1,695.60 |
| Decreased By: | | |
| Disbursed To State | 1-B | <u>1,695.60</u> |
| Balance, December 31, 2013 | B | <u><u>\$ -</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

ANIMAL CONTROL TRUST FUND

STATEMENT OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------------|------------------|-------------------------|
| Balance, December 31, 2012 | B | \$ 950.93 |
| Increased By: | | |
| License Fees Collected - 2013 | 1-B | <u>7,893.30</u> |
| | | 8,844.23 |
| Decreased By: | | |
| Expenditures Per R.S. 4:19-15.11 | 1-B | <u>8,000.00</u> |
| Balance, December 31, 2013 | B | <u><u>\$ 844.23</u></u> |

License Fees Collected

| | |
|------|----------------------------|
| 2012 | \$ 8,544.50 |
| 2011 | <u>8,727.60</u> |
| | <u><u>\$ 17,272.10</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

STATEMENT OF ENCUMBRANCES PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | | |
|----------------------------|------------------|-----------------|----------------------------|
| Balance, December 31, 2012 | B | | \$ - |
| Increased By: | | | |
| Reserve for: | | | |
| Open Space | 8-B | \$ 12,881.97 | |
| Miscellaneous Trust | 9-B | 70,187.51 | |
| Escrow Fees | 13-B | <u>5,710.50</u> | |
| | | | <u>88,779.98</u> |
| Balance, December 31, 2013 | B | | <u><u>\$ 88,779.98</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

STATEMENT OF RESERVE FOR REDEMPTION OF TAX SALE CERTIFICATES

Year ended December 31, 2013

| | <u>Reference</u> | |
|-------------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | B | \$ 7,204.29 |
| Increased By: | | |
| Deposits for Redemption | 1-B | <u>470,387.44</u> |
| | | 477,591.73 |
| Decreased By: | | |
| Redemption of Tax Title Liens | 1-B | <u>467,534.14</u> |
| Balance, December 31, 2013 | B | <u><u>\$ 10,057.59</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

STATEMENT OF RESERVE FOR LAW ENFORCEMENT TRUST FUND

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | B | \$ 14,938.03 |
| Increased By: | | |
| Receipts | 1-B | <u>14,623.87</u> |
| | | 29,561.90 |
| Decreased By: | | |
| Cash Disbursed | 1-B | <u>8,795.85</u> |
| Balance, December 31, 2013 | B | <u><u>\$ 20,766.05</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

STATEMENT OF RESERVE FOR UNEMPLOYMENT TRUST FUND

Year ended December 31, 2013

| | <u>Reference</u> | | |
|---|------------------|---------------|-----------------------------|
| Balance, December 31, 2012 | B | | \$ 186,284.51 |
| Increased By: | | | |
| Current Fund Budget Appropriation | | \$ 50,000.00 | |
| Sewer Utility Fund Budget Appropriation | | 1,300.00 | |
| Interest Earned | | <u>772.52</u> | |
| | 1-B | | <u>52,072.52</u> |
| | | | 238,357.03 |
| Decreased By: | | | |
| Paid To N.J. Employment Security Agency/ N.J. Unemployment Compensation Fund | 1-B | | <u>19,188.91</u> |
| Balance, December 31, 2013 | B | | <u><u>\$ 219,168.12</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST FUND

STATEMENT OF RESERVE FOR OPEN SPACE

Year ended December 31, 2013

| | <u>Reference</u> | | |
|-------------------------------------|------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | B | | \$ 585,246.48 |
| Increased By: | | | |
| Tax Levy | | \$ 634,552.36 | |
| Interest Earned | | 9,672.41 | |
| General Capital Fund | | <u>77,334.94</u> | |
| | 1-B | | <u>721,559.71</u> |
| | | | 1,306,806.19 |
| Decreased By: | | | |
| Cash Disbursed | 1-B | 182,734.57 | |
| Anticipated as Current Fund Revenue | 1-B | 146,742.06 | |
| Transferred to Encumbrances Payable | 4-B | <u>12,881.97</u> | |
| | | | <u>342,358.60</u> |
| Balance, December 31, 2013 | B | | <u><u>\$ 964,447.59</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

STATEMENT RESERVE FOR VARIOUS TRUST FUNDS

Year ended December 31, 2013

| | Balance December 31, <u>2012</u> | <u>Increased</u> | <u>Decreased</u> | Transferred To Encumbrances <u>Payable</u> | Balance December 31, <u>2013</u> |
|---|--|------------------------|------------------------|---|--|
| Street Openings | \$ 2,150.00 | \$ 450.00 | \$ - | \$ - | \$ 2,600.00 |
| Mid Monmouth | 1,850.00 | - | - | - | 1,850.00 |
| Tax Sale Premiums | 211,500.00 | 295,800.00 | 211,600.00 | - | 295,700.00 |
| Detention Basin | 431,475.58 | | 22,843.40 | - | 408,632.18 |
| Off Duty | 57,459.81 | 398,243.55 | 363,686.71 | - | 92,016.65 |
| Recycling | 139,322.83 | 91,084.04 | 138,725.82 | 588.47 | 91,092.58 |
| Parking Offenses Adjudication Act | 794.00 | 44.00 | - | - | 838.00 |
| Election Board Workers | 8,300.00 | 8,000.00 | 16,300.00 | - | - |
| DARE Program | 1,744.63 | - | - | - | 1,744.63 |
| Emergency Management | 1,855.71 | - | - | - | 1,855.71 |
| Public Defender | 11,638.20 | 10,610.00 | 5,200.00 | - | 17,048.20 |
| Alcohol Alliance | 1,520.85 | - | - | - | 1,520.85 |
| Recreation | 20,237.24 | 15,018.50 | 10,181.25 | - | 25,074.49 |
| Police Forfeiture | 31,422.48 | 27,612.00 | 7,530.37 | 10,458.00 | 41,046.11 |
| Seabrook CCO and Fire Inspection | 71,331.00 | 13,600.00 | 12,415.00 | - | 72,516.00 |
| Professional Fees | 7,315.93 | - | 1,472.35 | - | 5,843.58 |
| Uniform Fire Safety Penalty Funds | 6,779.38 | 200.00 | - | - | 6,979.38 |
| Uniform Fire Safety Dedicated and Comp Penalties | 3,920.23 | - | - | - | 3,920.23 |
| Accumulated Absences | 20,531.60 | 91,100.00 | 72,268.31 | - | 39,363.29 |
| Volunteer Appreciation Day | 30.00 | - | - | - | 30.00 |
| Historic Crawford House | 200.00 | - | - | - | 200.00 |
| Community Day | 3,818.87 | 16,000.00 | 18,200.52 | - | 1,618.35 |
| State Library Aid | 742.00 | 1,030.00 | 1,772.00 | - | - |
| Insurance | 62,799.57 | 52,509.11 | - | 24,863.70 | 90,444.98 |
| Affordable Housing | 1,522,931.28 | 170,258.48 | 294,266.76 | 34,277.34 | 1,364,645.66 |
| | <u>\$ 2,621,671.19</u> | <u>\$ 1,191,559.68</u> | <u>\$ 1,176,462.49</u> | <u>\$ 70,187.51</u> | <u>\$ 2,566,580.87</u> |
| <u>Reference</u> | B | 1-B | 1-B | 4-B | B |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

STATEMENT OF RESERVE FOR ENGINEERING FEES

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | B | \$ 423,051.39 |
| Increased By: | | |
| Cash Receipts | 1-B | <u>196,891.82</u> |
| | | 619,943.21 |
| Decreased By: | | |
| Cash Disbursements | 1-B | <u>161,115.59</u> |
| Balance, December 31, 2013 | B | <u><u>\$ 458,827.62</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

STATEMENT OF RESERVE FOR MAINTENANCE FEES

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | B | \$ 137,494.05 |
| Increased By: | | |
| Cash Receipts | 1-B | <u>232.85</u> |
| | | 137,726.90 |
| Decreased By: | | |
| Cash Disbursements | 1-B | <u>13,195.38</u> |
| Balance, December 31, 2013 | B | <u><u>\$ 124,531.52</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

STATEMENT OF RESERVE FOR PERFORMANCE FEES

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|-------------------------------|
| Balance, December 31, 2012 | B | \$ 1,415,300.81 |
| Increased By: | | |
| Cash Receipts | 1-B | <u>609,407.89</u> |
| | | 2,024,708.70 |
| Decreased By: | | |
| Cash Disbursements | 1-B | <u>305,607.73</u> |
| Balance, December 31, 2013 | B | <u><u>\$ 1,719,100.97</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

TRUST - OTHER FUND

STATEMENT OF RESERVE FOR ESCROW FEES

Year ended December 31, 2013

| | Balance December 31, 2012 | Increased | Decreased | Transferred To Encumbrances Payable | Balance December 31, 2013 |
|---------------------------------|---------------------------------|----------------------|----------------------|--|---------------------------------|
| Escrow Fees | \$ 196,455.28 | \$ 101,792.17 | \$ 100,023.31 | \$ 5,710.50 | \$ 192,513.64 |
| Shafto Rd Sewer Line Extensions | 14,898.08 | 30.19 | 11,795.61 | - | 3,132.66 |
| Miscellaneous: | | | | | |
| Map Revision | 7,751.85 | 650.00 | - | - | 8,401.85 |
| GIS Fees: | | | | | |
| GIS Revision Fees | 11,343.00 | 22,570.00 | 17,580.00 | - | 16,333.00 |
| GIS Revision Fee Escrow | 38,903.50 | 4,248.00 | - | - | 43,151.50 |
| | <u>\$ 269,351.71</u> | <u>\$ 129,290.36</u> | <u>\$ 129,398.92</u> | <u>\$ 5,710.50</u> | <u>\$ 263,532.65</u> |
| <u>Reference</u> | B | 1-B | 1-B | 4-B | B |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

STATEMENT OF INVESTMENTS
Year ended December 31, 2013

| | <u>Reference</u> | | |
|-----------------------------|------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | B | | \$ 309,931.59 |
| Increased By: | | | |
| Borough Contributions | 15-B | \$ 38,112.38 | |
| Adjustment | 15-B | 2,276.80 | |
| Appreciation on Investments | 15-B | <u>69,391.07</u> | |
| | | | <u>109,780.25</u> |
| | | | 419,711.84 |
| Decreased By: | | | |
| Withdrawals | 15-B | | <u>45,295.31</u> |
| Balance, December 31, 2013 | B | | <u><u>\$ 374,416.53</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

STATEMENT OF MISCELLANEOUS RESERVES
Year ended December 31, 2013

| | <u>Reference</u> | | |
|-----------------------------|------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | B | | \$ 309,931.59 |
| Increased By: | | | |
| Borough Contributions | 14-B | \$ 38,112.38 | |
| Adjustment | 14-B | 2,276.80 | |
| Appreciation on Investments | 14-B | <u>69,391.07</u> | |
| | | | <u>109,780.25</u> |
| | | | 419,711.84 |
| Decreased By: | | | |
| Withdrawals | 14-B | | <u>45,295.31</u> |
| Balance, December 31, 2013 | B | | <u><u>\$ 374,416.53</u></u> |

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GENERAL CAPITAL FUND
STATEMENTS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF CASH - TREASURER

Year ended December 31, 2013

| | <u>Reference</u> | | |
|------------------------------|------------------|---------------------|-------------------------------|
| Balance, December 31, 2012 | C | | \$ 3,983,547.20 |
| Increased By: | | | |
| Premium On Sale of Bonds | C-1 | \$ 38,123.00 | |
| Deferred Charges To Future | | | |
| Taxation - Unfunded: | | | |
| Funded By Bond Premium | 4-C | 148,234.00 | |
| Grants Receivable | 5-C | 368,750.00 | |
| Serial Bonds Payable | 6-C | 1,485,000.00 | |
| Bond Anticipation Notes | 7-C | 5,333,234.00 | |
| Capital Improvement Fund | 11-C | 70,000.00 | |
| Miscellaneous Reserves | 12-C | 24,000.00 | |
| | | <u>7,467,341.00</u> | <u>11,450,888.20</u> |
| Decreased By: | | | |
| Due to Open Space Trust Fund | C | 6,898.39 | |
| Fund Balance | C-1 | 49,900.00 | |
| Accounts Payable | C, 1-C | 6,949.91 | |
| Bond Anticipation Notes | 7-C | 1,151,550.00 | |
| Improvement Authorizations | 10-C | 1,219,155.16 | |
| Miscellaneous Reserves | 12-C | 12,071.41 | |
| | | <u>2,446,524.87</u> | |
| Balance, December 31, 2013 | C | | <u><u>\$ 9,004,363.33</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF ANALYSIS OF GENERAL CAPITAL FUND CASH

Year ended December 31, 2013

| | | Balance December 31, <u>2013</u> |
|--------------------------|---------------------------------------|--|
| Capital Improvement Fund | | \$ 977.00 |
| Fund Balance | | 41,586.78 |
| Miscellaneous Reserves | | 137,220.15 |
| Accounts Payable | | 4,200.00 |
| Encumbrances Payable | | 857,329.13 |
| Grants Receivable | | (56,250.00) |
| Excess Financing | | 1,633,234.00 |
| | | |
| <u>Ordinance</u> | <u>Improvement Description</u> | |
| <u>Number</u> | | |
| 06-1181 | New Municipal Complex | 218,880.45 |
| 06-1206 | Drainage Outfall Improvements | 30,672.91 |
| 09-1286 | Various Items of Equipment | 55,020.43 |
| 11-1325 | Various Capital Improvements | 138,717.56 |
| 11-1329 | Acquisition of Real Property | 5,100,885.00 |
| 12-1342 | Improvements to West Park Ave. | 1,211.36 |
| 12-1345 | 2012 Road Program | 362,862.01 |
| 12-1348 | Acq. Of Radios & Technology Equipment | 4,510.62 |
| 13-1362 | Various Equipment | 133,375.93 |
| 13-1370 | 2014 Road Improvement Program | 339,930.00 |
| | | <u>\$ 9,004,363.33</u> |
| | | |
| | | <u>Reference</u> C |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2013

| | <u>Reference</u> | | |
|----------------------------|------------------|----|-----------------------------|
| Balance, December 31, 2012 | C | \$ | 19,518,018.47 |
| Increased By: | | | |
| Serial Bonds Issued | 4-C | | <u>1,485,000.00</u> |
| | | | 21,003,018.47 |
| Decreased By: | | | |
| Serial Bonds Paid | 6-C | \$ | 1,185,000.00 |
| Green Trust Loan Paid | 8-C | | <u>42,269.94</u> |
| | | | <u>1,227,269.94</u> |
| Balance, December 31, 2013 | C | \$ | <u><u>19,775,748.53</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Year ended December 31, 2013

| Ordinance Number | Improvement Description | Balance December 31, 2012 | 2013 Authorizations | Serial Bonds Issued | Balance December 31, 2013 | Analysis of Balance | | |
|---------------------|--|---------------------------------|------------------------|---------------------------|---------------------------------|-------------------------------|--------------------------|---|
| | | | | | | Bond Anticipation Notes | Excess Financing | Unexpended Improvement Authorizations |
| 06-1206 | Drainage Outfall Improvements | \$ 156.00 | \$ - | \$ - | \$ 156.00 | \$ - | \$ - | \$ 156.00 |
| 11-1329 | Acquisition of Real Property | 4,264,115.00 | - | - | 4,264,115.00 | 3,700,000.00 | - | 564,115.00 |
| 12-1345 | 2012 Road Improvement Program | 990,234.00 | - | 990,234.00 | - | 990,234.00 | (990,234.00) | - |
| 13-1362 | Various Equipment | - | 643,000.00 | 643,000.00 | - | 643,000.00 | (643,000.00) | - |
| 13-1370 | 2014 Road Improvement Program | - | 2,049,820.00 | - | 2,049,820.00 | - | - | 2,049,820.00 |
| | | <u>\$ 5,254,505.00</u> | <u>\$ 2,692,820.00</u> | <u>\$ 1,633,234.00</u> | <u>\$ 6,314,091.00</u> | <u>\$ 5,333,234.00</u> | <u>\$ (1,633,234.00)</u> | <u>\$ 2,614,091.00</u> |
| | | C | 10-C,13-C | | C | 7-C | 2-C | |
| | Funded By Premium On Bond Sale | | | \$ 148,234.00 | | | | \$ 6,314,091.00 |
| | Transferred To Deferred Charges - Funded | | | <u>1,485,000.00</u> | | | | <u>3,700,000.00</u> |
| | | | | <u>\$ 1,633,234.00</u> | | | | <u>\$ 2,614,091.00</u> |
| | Improvement Authorizations Unfunded | | | | | | | \$ 6,314,091.00 |
| | Less: Unexpended proceed of Bond Anticipation Notes: | | | | | | | <u>3,700,000.00</u> |
| 11-1329 | Acquisition of Real Property | | | | | | | <u>\$ 2,614,091.00</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF GRANTS RECEIVABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | C | \$ 425,000.00 |
| Decreased By: | | |
| Cash Receipts | 1-C | <u>368,750.00</u> |
| Balance, December 31, 2013 | C | <u><u>\$ 56,250.00</u></u> |

Analysis of Balance

| | |
|------------------------------|----------------------------|
| D.O.T Grant - Heritage Drive | <u>\$ 56,250.00</u> |
| | <u><u>\$ 56,250.00</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF SERIAL BONDS PAYABLE

Year ended December 31, 2013

| Purpose | Date of Issue | Original Issue | Outstanding | | Interest Rate | Balance December 31, 2012 | Increased | Decreased | Balance December 31, 2013 |
|---------------------------|---------------|----------------|-------------|--------------|---------------|---------------------------|-----------|--------------|---------------------------|
| | | | Date | Amount | | | | | |
| General Improvement Bonds | 12/18/03 | \$ 925,000.00 | | | | \$ 64,000.00 | \$ - | \$ 64,000.00 | \$ - |
| General Improvement Bonds | 12/21/06 | 538,000.00 | 12/01/14 | \$ 59,000.00 | 5.00% | | | | |
| | | | 12/01/15 | 62,000.00 | 5.00% | | | | |
| | | | 12/01/16 | 65,000.00 | 5.00% | 242,000.00 | | 56,000.00 | 186,000.00 |
| General Improvement Bonds | 01/03/08 | 8,688,000.00 | 01/01/14 | 325,000.00 | 4.00% | | | | |
| | | | 01/01/15 | 340,000.00 | 4.00% | | | | |
| | | | 01/01/16 | 350,000.00 | 4.00% | | | | |
| | | | 01/01/17 | 365,000.00 | 4.00% | | | | |
| | | | 01/01/18 | 380,000.00 | 4.00% | | | | |
| | | | 01/01/19 | 395,000.00 | 4.00% | | | | |
| | | | 01/01/20 | 415,000.00 | 4.00% | | | | |
| | | | 01/01/21 | 430,000.00 | 4.00% | | | | |
| | | | 01/01/22 | 450,000.00 | 4.00% | | | | |
| | | | 01/01/23 | 470,000.00 | 4.10% | | | | |
| | | | 01/01/24 | 490,000.00 | 4.10% | | | | |
| | | | 01/01/25 | 515,000.00 | 4.10% | | | | |
| | | | 01/01/26 | 540,000.00 | 4.15% | | | | |
| | | | 01/01/27 | 565,000.00 | 4.15% | | | | |
| | | | 01/01/28-29 | 575,000.00 | 4.20% | | | | |
| | | | | | | 7,495,000.00 | | 315,000.00 | 7,180,000.00 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF SERIAL BONDS PAYABLE

Year ended December 31, 2013

| Purpose | Date of Issue | Original Issue | Outstanding | | Interest Rate | Balance December 31, 2012 | Increased | Decreased | Balance December 31, 2013 |
|---|---------------|----------------|-------------|------------|---------------|---------------------------|-----------|------------|---------------------------|
| | | | Date | Amount | | | | | |
| Refunding Bonds: (General Improvements - 2002) | 11/16/10 | 6,660,000.00 | 07/01/14 | 305,000.00 | 4.00% | | | | |
| | | | 07/01/15 | 305,000.00 | 2.00% | | | | |
| | | | 07/01/16 | 295,000.00 | 2.00% | | | | |
| | | | 07/01/17 | 290,000.00 | 3.00% | | | | |
| | | | 07/01/18 | 290,000.00 | 3.50% | | | | |
| | | | 07/01/19 | 285,000.00 | 4.00% | | | | |
| | | | 07/01/20 | 285,000.00 | 4.00% | | | | |
| | | | 07/01/21 | 285,000.00 | 4.00% | | | | |
| | | | 07/01/22 | 285,000.00 | 3.125% | | | | |
| | | | 07/01/23 | 280,000.00 | 3.20% | | | | |
| | | | 07/01/24 | 275,000.00 | 4.00% | | | | |
| | | | 07/01/25 | 275,000.00 | 4.00% | | | | |
| | | | 07/01/26 | 275,000.00 | 3.50% | | | | |
| | | | 07/01/27 | 270,000.00 | 3.75% | | | | |
| | | | 07/01/28 | 265,000.00 | 3.75% | | | | |
| | | | 07/01/29 | 265,000.00 | 4.00% | | | | |
| | | | 07/01/30 | 260,000.00 | 4.00% | | | | |
| | | | 07/01/31 | 260,000.00 | 4.00% | | | | |
| | | | 07/01/32 | 255,000.00 | 4.00% | | | | |
| | | | | | | 5,610,000.00 | | 305,000.00 | 5,305,000.00 |
| Refunding Bonds: (Open Space - 2002) | 11/16/10 | 907,000.00 | 07/01/14 | 50,000.00 | 4.00% | | | | |
| | | | 07/01/15 | 50,000.00 | 2.00% | | | | |
| | | | 07/01/16 | 45,000.00 | 2.00% | | | | |
| | | | 07/01/17 | 45,000.00 | 3.00% | | | | |
| | | | 07/01/18 | 45,000.00 | 3.50% | | | | |
| | | | 07/01/19 | 45,000.00 | 4.00% | | | | |
| | | | 07/01/20 | 45,000.00 | 4.00% | | | | |
| | | | 07/01/21 | 45,000.00 | 4.00% | | | | |
| | | | 07/01/22 | 45,000.00 | 3.125% | | | | |
| | | | 07/01/23 | 45,000.00 | 3.20% | | | | |
| | | | 07/01/24 | 45,000.00 | 4.00% | | | | |
| | | | 07/01/25 | 45,000.00 | 4.00% | | | | |
| | | | 07/01/26 | 45,000.00 | 3.50% | | | | |
| | | | 07/01/27 | 45,000.00 | 3.75% | | | | |
| | | | 07/01/28 | 40,000.00 | 3.75% | | | | |
| | | | 07/01/29 | 40,000.00 | 4.00% | | | | |
| | | | 07/01/30 | 40,000.00 | 4.00% | | | | |
| | | | 07/01/31 | 40,000.00 | 4.00% | | | | |
| | | | 07/01/32 | 40,000.00 | 4.00% | | | | |
| | | | | | | 890,000.00 | | 50,000.00 | 840,000.00 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF SERIAL BONDS PAYABLE

Year ended December 31, 2013

| Purpose | Date of Issue | Original Issue | Outstanding December 31, 2012 | | Interest Rate | Balance December 31, 2012 | Increased | Decreased | Balance December 31, 2013 | | | |
|--------------------------------|---------------|----------------|----------------------------------|------------|------------------|---------------------------------|-----------------|-----------------|---------------------------------|--|--|--|
| | | | Date | Amount | | | | | | | | |
| General Improvement Bonds | 01/24/11 | 3,510,000.00 | 01/15/14 | 315,000.00 | 3.00% | | | | | | | |
| | | | 01/15/15 | 325,000.00 | 2.50% | | | | | | | |
| | | | 01/15/16 | 335,000.00 | 2.75% | | | | | | | |
| | | | 01/15/17 | 345,000.00 | 5.00% | | | | | | | |
| | | | 01/15/18 | 365,000.00 | 5.00% | | | | | | | |
| | | | 01/15/19 | 385,000.00 | 5.00% | | | | | | | |
| | | | 01/15/20 | 405,000.00 | 5.00% | | | | | | | |
| | | | 01/15/21 | 425,000.00 | 5.00% | 3,210,000.00 | 310,000.00 | 2,900,000.00 | | | | |
| Refunding Bonds (2003) | 05/22/12 | 350,000.00 | 12/31/14 | 65,000.00 | 4.00% | | | | | | | |
| | | | 12/31/15 | 65,000.00 | 4.00% | | | | | | | |
| | | | 12/31/16 | 70,000.00 | 4.00% | | | | | | | |
| | | | 12/31/17 | 75,000.00 | 4.00% | | | | | | | |
| MCIA General Improvement Bonds | 12/19/12 | 1,460,000.00 | 12/31/18 | 75,000.00 | 4.00% | 350,000.00 | | | 350,000.00 | | | |
| | | | 12/01/14 | 90,000.00 | 2.00% | | | | | | | |
| | | | 12/01/15 | 90,000.00 | 2.00% | | | | | | | |
| | | | 12/01/16 | 90,000.00 | 2.50% | | | | | | | |
| | | | 12/01/17 | 95,000.00 | 3.00% | | | | | | | |
| | | | 12/01/18 | 100,000.00 | 3.00% | | | | | | | |
| | | | 12/01/19 | 100,000.00 | 3.00% | | | | | | | |
| | | | 12/01/20 | 105,000.00 | 4.00% | | | | | | | |
| | | | 12/01/21 | 110,000.00 | 4.00% | | | | | | | |
| | | | 12/01/22 | 110,000.00 | 4.00% | | | | | | | |
| | | | 12/01/23 | 115,000.00 | 4.00% | | | | | | | |
| | | | 12/01/24 | 120,000.00 | 2.00% | | | | | | | |
| | | | 12/01/25 | 125,000.00 | 3.00% | | | | | | | |
| | | | 12/01/26 | 125,000.00 | 2.00% | 1,460,000.00 | 85,000.00 | 1,375,000.00 | | | | |
| | | | MCIA General Improvement Bonds | 12/10/13 | 1,485,000.00 | 12/01/14 | 135,000.00 | 2.00% | | | | |
| | | | | | | 12/01/15 | 145,000.00 | 3.00% | | | | |
| 12/01/16 | 150,000.00 | 4.00% | | | | | | | | | | |
| 12/01/17 | 160,000.00 | 4.00% | | | | | | | | | | |
| 12/01/18 | 165,000.00 | 4.00% | | | | | | | | | | |
| 12/01/19 | 170,000.00 | 4.00% | | | | | | | | | | |
| 12/01/20 | 180,000.00 | 5.00% | | | | | | | | | | |
| 12/01/21 | 185,000.00 | 5.00% | | | | | | | | | | |
| | 12/01/22 | 195,000.00 | 5.00% | - | 1,485,000.00 | | 1,485,000.00 | | | | | |
| | | | | | | \$ 19,321,000.00 | \$ 1,485,000.00 | \$ 1,185,000.00 | \$ 19,621,000.00 | | | |
| | | | | | | C | I-C | 3-C | C | | | |
| Reference | | | | | | | | | | | | |

Reference

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF BOND ANTICIPATION NOTES

Year ended December 31, 2013

| Ordinance Number | Description | Date of Issue of Original Note | Date of Issue | Date of Maturity | Interest Rate | Balance December 31, 2012 | Increased | Decreased | Balance December 31, 2013 |
|---------------------|---|--------------------------------------|---------------------|------------------------|------------------|---------------------------------|------------------------|------------------------|---------------------------------|
| 06-1206 | Drainage Outfall Improvements | 03/05/08 | | | | \$ 155,000.00 | \$ - | \$ 155,000.00 | \$ - |
| 11-1325 | Various Capital Improvements | 12/08/11 | | | | 996,550.00 | - | 996,550.00 | - |
| 11-1329 | Acquisition of Real Property - Open Space | 12/13/13 | 12/13/13 | 12/04/14 | 0.55% | - | 1,800,000.00 | - | 1,800,000.00 |
| 11-1329 | Acquisition of Real Property | 12/13/13 | 12/13/13 | 12/04/14 | 0.55% | - | 1,900,000.00 | - | 1,900,000.00 |
| 12-1345 | 2012 Road Program | 07/09/13 | 07/09/13 | 01/17/14 | 0.70% | - | 990,234.00 | - | 990,234.00 |
| 13-1362 | Various Equipment | 07/09/13 | 07/09/13 | 01/17/14 | 0.70% | - | 643,000.00 | - | 643,000.00 |
| | | | | | | <u>\$ 1,151,550.00</u> | <u>\$ 5,333,234.00</u> | <u>\$ 1,151,550.00</u> | <u>\$ 5,333,234.00</u> |
| | | | | | Reference | C | I-C | I-C | C |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF GREEN TRUST LOAN PROGRAM

Year ended December 31, 2013

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Schedule of Maturities</u> | | <u>Interest Rate</u> | <u>Balance December 31, 2012</u> | <u>Principal Payment</u> | <u>Balance December 31, 2013</u> |
|----------------------------|--------------------------|---------------------------|-------------------------------|------------------|--------------------------|--|------------------------------|--|
| | | | <u>Date</u> | <u>Principal</u> | | | | |
| Riverdale Park Acquisition | 05/09/97 | \$ 739,750.00 | 02/14/14 | \$ 21,452.52 | 2.0% | | | |
| | | | 08/14/14 | 21,667.05 | 2.0% | | | |
| | | | 02/14/15 | 21,883.72 | 2.0% | | | |
| | | | 08/14/15 | 22,102.56 | 2.0% | | | |
| | | | 02/14/16 | 22,323.58 | 2.0% | | | |
| | | | 08/14/16 | 22,546.82 | 2.0% | | | |
| | | | 02/14/17 | 22,772.28 | 2.0% | | | |
| | | | | | | \$ 197,018.47 | 42,269.94 | \$ 154,748.53 |
| | | | | | | <u>\$ 197,018.47</u> | <u>\$ 42,269.94</u> | <u>\$ 154,748.53</u> |
| | | | <u>Reference</u> | | | C | 3-C | C |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF ENCUMBRANCES PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|--|------------------|-----------------------------------|
| Balance, December 31, 2012 | C | \$ 587,378.61 |
| Increased By: | | |
| Transferred From Improvement Authorizations | 10-C | <u>857,329.13</u> 1,444,707.74 |
| Decreased By: | | |
| Transferred To Improvement Authorizations | 10-C | <u>587,378.61</u> |
| Balance, December 31, 2013 | C | <u><u>\$ 857,329.13</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND

STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2013

| Ordinance Number | Improvement Description | Ordinance Date | Amount | | Capital Improvement Fund | Various Reserves | Reappropriated | Deferred Charges To Future Taxation Unfunded | Transferred From Encumbrances Payable | Expended | Transferred To Encumbrances Payable | Cancelled/ Adjustments | Balance December 31, 2013 | |
|----------------------|---|----------------|-----------------|-----------------|--------------------------|------------------|----------------|--|---------------------------------------|-----------------|-------------------------------------|------------------------|---------------------------|-----------------|
| | | | Funded | Unfunded | | | | | | | | | Funded | Unfunded |
| 05-1159 | New Municipal Complex | 09/06/05 | \$ 800,000.00 | \$ 5,968.06 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 5,968.06 | \$ - | \$ - | \$ - |
| 06-1181 | New Municipal Complex | 05/02/06 | 1,500,000.00 | 230,539.89 | - | - | - | - | 4,512.90 | 484.40 | 15,687.94 | - | 218,880.45 | - |
| 06-1195 | 2007 Sidewalk Construction Program | 08/15/06 | 101,744.40 | 5,762.10 | - | - | - | - | - | - | - | 5,762.10 | - | - |
| 06-1206 | Drainage Outfall Improvements | 12/05/06 | 200,000.00 | 30,891.66 | 156.00 | - | - | - | 9,337.00 | 218.75 | 9,337.00 | - | 30,672.91 | 156.00 |
| | Acquisition of Real Property: | | | | | | | | | | | | | |
| 07-1234 | Somers Tract | 11/27/07 | 1,600,000.00 | - | 77,334.94 | - | - | - | - | - | - | 77,334.94 | - | - |
| 09-1286 | Various Items of Equipment | 12/01/09 | 1,095,000.00 | 63,693.66 | - | - | - | - | 3,399.96 | 5,183.45 | 6,889.74 | - | 55,020.43 | - |
| 10-1307/11-1319&1324 | 2010 Road Improvement Program | 10/05/10 | 1,950,848.66 | 141,257.46 | - | - | (176,014.57) | - | 82,680.00 | 47,922.89 | - | - | - | - |
| 11-1325 | Various Capital Improvements | 09/20/11 | 1,067,000.00 | 138,717.56 | - | - | - | - | 28,455.00 | 28,455.00 | - | - | 138,717.56 | - |
| 11-1329 | Acquisition of Real Property | 11/01/11 | 5,665,000.00 | 1,400,885.00 | 4,264,115.00 | - | - | - | - | - | - | - | 1,400,885.00 | 4,264,115.00 |
| 12-1342 | Improvements to West Park Ave. | 05/01/12 | 305,000.00 | 52,277.06 | - | - | (45,760.91) | - | 163,288.56 | 168,593.35 | - | - | 1,211.36 | - |
| 12-1345 | 2012 Road Program | 06/19/12 | 1,907,500.00 | 224,756.00 | 990,234.00 | - | - | - | 214,161.80 | 748,732.83 | 317,556.96 | - | 362,862.01 | - |
| 12-1348 | Acq. Of Radios & Technology Equipment | 07/17/12 | 110,000.00 | 23,462.14 | - | - | - | - | 81,543.39 | 100,494.91 | - | - | 4,510.62 | - |
| 13-1362 | Various Equipment | 05/21/13 | 677,000.00 | - | - | - | - | 643,000.00 | - | - | 501,889.43 | - | 133,375.93 | - |
| 13-1370 | 2014 Road Improvement Program | 12/17/13 | 2,389,750.00 | - | - | - | 221,775.48 | 2,049,820.00 | - | - | - | - | 339,930.00 | 2,049,820.00 |
| | | | \$ 2,318,210.59 | \$ 5,331,839.94 | \$ 141,889.80 | \$ 10,264.72 | \$ - | \$ 2,692,820.00 | \$ 587,378.61 | \$ 1,141,820.22 | \$ 857,329.13 | \$ 83,097.04 | \$ 2,686,066.27 | \$ 6,314,091.00 |
| | Reserve for Sidewalk Contributions | | | C | C | 11-C | 12-C | 4-C | 9-C | 1-C | 9-C | | C | C,4-C |
| | Cash Disbursement - Open Space Trust Fund | | | | | | | | | | | \$ 5,762.10 | | |
| | | | | | | | | | | | | 77,334.94 | | |
| | | | | | | | | | | | | \$ 83,097.04 | | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|-------------------------|
| Balance, December 31, 2012 | C | \$ 72,866.80 |
| Increased By: | | |
| Budget Appropriation | 1-C | <u>70,000.00</u> |
| | | 142,866.80 |
| Decreased By: | | |
| Improvement Authorization | 10-C | <u>141,889.80</u> |
| Balance, December 31, 2013 | C | <u><u>\$ 977.00</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF MISCELLANEOUS RESERVES

Year ended December 31, 2013

| | Balance December 31, 2012 | Increased | Decreased | Balance December 31, 2013 |
|--------------------------------------|---------------------------------|---------------------|---------------------|---------------------------------|
| Reserve for: | | | | |
| Future Road Improvements | \$ 10,264.72 | \$ - | \$ 10,264.72 | \$ - |
| Sidewalk Contributions | 10,453.89 | 5,762.10 | - | 16,215.99 |
| Calton Homes/Stormwater | 15,000.00 | - | - | 15,000.00 |
| Sitar Off Tract | 37,000.00 | - | - | 37,000.00 |
| Fox Chase Phase II / Rec | 27,000.00 | 24,000.00 | - | 51,000.00 |
| Matzel and Mumford - RCA | 18,004.16 | - | - | 18,004.16 |
| Historic District Improvements | 12,071.41 | - | 12,071.41 | - |
| | <u>\$ 129,794.18</u> | <u>\$ 29,762.10</u> | <u>\$ 22,336.13</u> | <u>\$ 137,220.15</u> |
| | C | | | C |
| Cash Receipts | | \$ 24,000.00 | | |
| Improvement Authorizations Cancelled | | 5,762.10 | | |
| | | <u>\$ 29,762.10</u> | | |
| Anticipated As Revenue in Budget | | | \$ 12,071.41 | |
| Improvement Authorizations | | | 10,264.72 | |
| | | | <u>\$ 22,336.13</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2013

| <u>Ordinance Number</u> | <u>Improvement Description</u> | Balance December 31, 2012 | 2013 <u>Authorizations</u> | BAN's <u>Issued</u> | Balance December 31, 2013 |
|-----------------------------|---------------------------------------|---------------------------------|-------------------------------|------------------------|---------------------------------|
| 06-1206 | Drainage Outfall Improvements | \$ 156.00 | \$ - | - | \$ 156.00 |
| 11-1329 | Acquisition of Real Property | 4,264,115.00 | - | 3,700,000.00 | 564,115.00 |
| 12-1345 | 2012 Road Program | 990,234.00 | - | 990,234.00 | - |
| 12-1348 | Acq. Of Radios & Technology Equipment | - | - | - | - |
| 13-1362 | Various Equipment | - | 643,000.00 | 643,000.00 | - |
| 13-1370 | 2014 Road Improvement Program | - | 2,049,820.00 | - | 2,049,820.00 |
| | | <u>\$ 5,254,505.00</u> | <u>\$ 2,692,820.00</u> | <u>\$ 5,333,234.00</u> | <u>\$ 2,614,091.00</u> |
| | <u>Reference</u> | 13-C | 4-C | 7-C | 13-C |

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SEWER UTILITY FUND
STATEMENTS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY FUND

STATEMENT OF CASH - TREASURER

Year ended December 31, 2013

| | <u>Reference</u> | <u>Operating</u> | <u>Capital</u> |
|-----------------------------------|------------------|------------------------|----------------------|
| Balance, December 31, 2012 | D | \$ 1,430,552.45 | \$ 389,585.50 |
| Increased By Receipts: | | | |
| Consumer Accounts Receivable | 3-D | \$ 3,478,023.47 | |
| Non-Budget Revenue | D-1,D-3 | 354,422.57 | |
| 2012 Appropriation Reserves | 6-D | 1,185.21 | |
| Prepaid Rents | 9-D | 373,440.40 | |
| Reserve for Deferred Amortization | 13-D | - | \$ 25,000.00 |
| Bond Anticipation Notes | 14-D | - | 85,000.00 |
| | | <u>4,207,071.65</u> | <u>110,000.00</u> |
| | | 5,637,624.10 | 499,585.50 |
| Decreased By Disbursements: | | | |
| 2013 Budget Appropriations | D-4 | 3,821,750.68 | |
| 2012 Appropriation Reserves | 6-D | 81,555.71 | |
| Improvement Authorizations | 11-D | - | 260,553.99 |
| | | <u>3,903,306.39</u> | <u>260,553.99</u> |
| Balance, December 31, 2013 | D | <u>\$ 1,734,317.71</u> | <u>\$ 239,031.51</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

STATEMENT OF SEWER UTILITY CAPITAL CASH

Year ended December 31, 2013

| | | Balance December 31, <u>2013</u> |
|-----------------------------|-----------------------------------|--|
| Fund Balance | | \$ 4,678.64 |
| Encumbrances Payable | | 230,784.23 |
| <u>Ordinance Number</u> | <u>Improvement Description</u> | |
| 12-1334 | Various Pump Station Improvements | <u>3,568.64</u> |
| | | <u>\$ 239,031.51</u> |
| | | <u>Reference D</u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF CONSUMER ACCOUNTS RECEIVABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | D | \$ 141,711.19 |
| Increased By: | | |
| Sewer Rents Levied | 3-D | <u>3,773,106.06</u> |
| | | 3,914,817.25 |
| Decreased By: | | |
| Collections | 1-D | \$ 3,478,023.47 |
| Prepaid Rents Applied | 9-D | <u>288,695.53</u> |
| | D-3 | <u>3,766,719.00</u> |
| Balance, December 31, 2013 | D | <u><u>\$ 148,098.25</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

STATEMENT OF FIXED CAPITAL

Year ended December 31, 2013

| <u>Description</u> | <u>Balance December 31, 2013 and 2012</u> |
|---|---|
| Construction of a System Interceptor and Collection System | \$ 7,895,324.05 |
| Installation of Sanitary Sewer Mains (01-1059) | 505,519.98 |
| Squankum Pump Station | 234,851.06 |
| Wyncrest Pump Station | <u>1,303,957.34</u> |
| | <u>\$ 9,939,652.43</u> |
| <u>Reference</u> | D |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year ended December 31, 2013

| Ordinance Number | <u>Improvement Description</u> | Balance December 31, <u>2013 and 2012</u> |
|---------------------|-----------------------------------|---|
| 12-1334 | Various Pump Station Improvements | <u>\$ 530,000.00</u> |
| | <u>Reference</u> | D |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF 2012 APPROPRIATION RESERVES

Year ended December 31, 2013

| | Balance December 31, 2012 | Balance After Modifications | Reimbursed | Paid or Charged | Lapsed |
|---|---------------------------------|-----------------------------------|-------------|--------------------|---------------|
| Operating: | | | | | |
| Salaries and Wages | \$ 18,194.53 | \$ 18,194.53 | \$ 1,100.98 | \$ - | \$ 19,295.51 |
| Other Expenses | 178,707.48 | 249,266.85 | | 81,555.71 | 167,711.14 |
| Total Operating | 196,902.01 | 267,461.38 | 1,100.98 | 81,555.71 | 187,006.65 |
| Statutory Expenditures: | | | | | |
| Contributions To: | | | | | |
| Social Security System (O.A.S.I.) | 5,598.80 | 5,598.80 | 84.23 | - | 5,683.03 |
| Total Statutory Expenditures | 5,598.80 | 5,598.80 | 84.23 | - | 5,683.03 |
| Total Sewer Utility Fund Appropriations | \$ 202,500.81 | \$ 273,060.18 | \$ 1,185.21 | \$ 81,555.71 | \$ 192,689.68 |
| | D | | 1-D | 1-D | D-1 |
| Reference | | | | | |
| Appropriation Reserves | D | \$ 202,500.81 | | | |
| Encumbrances Payable | 7-D | 70,559.37 | | | |
| | | \$ 273,060.18 | | | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF ENCUMBRANCES PAYABLE

Year ended December 31, 2013

| | <u>Reference</u> | |
|---------------------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | D | \$ 70,559.37 |
| Increased By: | | |
| Transferred From 2013 Appropriations | D-4 | <u>94,691.82</u> |
| | | 165,251.19 |
| Decreased By: | | |
| Transferred To Appropriation Reserves | 6-D | <u>70,559.37</u> |
| Balance, December 31, 2013 | D | <u><u>\$ 94,691.82</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF ACCOUNTS PAYABLE

Year ended December 31, 2013

Reference

Balance, December 31, 2013 and 2012

D

\$ 2,000.00

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF PREPAID SEWER RENTS

Year ended December 31, 2013

| | <u>Reference</u> | |
|-----------------------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | D | \$ 288,695.53 |
| Increased By: | | |
| Collections - 2013 Sewer Rents | 1-D | <u>373,440.40</u> |
| | | 662,135.93 |
| Decreased By: | | |
| Applied To Sewer Rents Receivable | 3-D | <u>288,695.53</u> |
| Balance, December 31, 2013 | D | <u><u>\$ 373,440.40</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY OPERATING FUND

STATEMENT OF RESERVE FOR CONNECTION FEES

Year ended December 31, 2013

| | <u>Reference</u> | |
|----------------------------|------------------|----------------------------|
| Balance, December 31, 2012 | D | \$ 246,205.76 |
| Decreased By: | | |
| Anticipated as Revenue | D-3 | <u>150,000.00</u> |
| Balance, December 31, 2013 | D | <u><u>\$ 96,205.76</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2013

| Improvement Description | Ordinance Number | Date | Amount | Balance December 31, 2012 | | Transferred From Encumbrances Payable | Disbursed | Transferred To Encumbrances Payable | Balance December 31, 2013 | |
|-----------------------------------|------------------|----------|------------------|---------------------------|---------------|---------------------------------------|---------------|-------------------------------------|---------------------------|-------------|
| | | | | Funded | Unfunded | | | | Funded | Unfunded |
| Various Pump Station Improvements | 12-1334 | 02/07/12 | \$ 530,000.00 | \$ 334,468.64 | \$ 110,000.00 | \$ 50,438.22 | \$ 260,553.99 | \$ 230,784.23 | \$ - | \$ 3,568.64 |
| | | | <u>Reference</u> | D | D | D | 1-D | D | D | D |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

STATEMENT OF RESERVE FOR AMORTIZATION

Year ended December 31, 2013

Reference

Balance, December 31, 2013 and 2012

D

\$ 9,939,652.43

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

STATEMENT OF DEFERRED RESERVE FOR AMORTIZATION

Year ended December 31, 2013

| | <u>Reference</u> | |
|-------------------------------|------------------|-----------------------------|
| Balance, December 31, 2012 | D | \$ 420,000.00 |
| Increased By: | | |
| Funding of Ord. No. # 12-1334 | 1-D | <u>25,000.00</u> |
| Balance, December 31, 2013 | D | <u><u>\$ 445,000.00</u></u> |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER CAPITAL FUND

STATEMENT OF BOND ANTICIPATION NOTES

Year ended December 31, 2013

| <u>Ordinance Number</u> | <u>Description</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance December 31, 2012</u> | <u>Increased</u> | <u>Balance December 31, 2013</u> |
|-----------------------------|-----------------------------------|--------------------------|---------------------------------|--------------------------|--|------------------|--|
| 12-1334 | Various Pump Station Improvements | 07/09/13 | 01/17/14 | 0.70% | \$ - | \$ 85,000.00 | \$ 85,000.00 |
| | | | | | \$ - | \$ 85,000.00 | \$ 85,000.00 |
| | | | | <u>Reference</u> | D | 1-D | D |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

SEWER UTILITY CAPITAL FUND

STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2013

| <u>Ordinance Number</u> | <u>Description</u> | <u>Balance December 31, 2012</u> | <u>Funded By Operating Budget</u> | <u>BAN Issued</u> | <u>Balance December 31, 2013</u> |
|-----------------------------|-----------------------------------|--|---|-----------------------|--|
| 12-1334 | Various Pump Station Improvements | \$ 110,000.00 | \$ 25,000.00 | \$ 85,000.00 | \$ - |
| | | <u>\$ 110,000.00</u> | <u>\$ 25,000.00</u> | <u>\$ 85,000.00</u> | <u>\$ -</u> |
| | | | | | |
| | | <u>Reference</u> | <u>15-D</u> | <u>15-D</u> | <u>15-D</u> |

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GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENT

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TINTON FALLS, BOROUGH OF
COUNTY OF MONMOUTH, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

STATEMENT OF GENERAL FIXED ASSETS

Year ended December 31, 2013

| | Balance, December 31, <u>2012</u> | <u>Additions</u> | <u>Deletions</u> | Balance December 31, <u>2013</u> |
|--------------------------------------|---|----------------------|----------------------|--|
| Land | \$ 13,194,388.85 | \$ - | \$ - | \$ 13,194,388.85 |
| Buildings | 24,936,207.62 | - | - | 24,936,207.62 |
| Improvements Other Than Buildings | 41,291.65 | - | - | 41,291.65 |
| Machinery and Equipment | <u>10,669,961.85</u> | <u>106,610.06</u> | <u>457,651.77</u> | <u>10,318,920.14</u> |
| | <u>\$ 48,841,849.97</u> | <u>\$ 106,610.06</u> | <u>\$ 457,651.77</u> | <u>\$ 48,490,808.26</u> |
| <u>Reference</u> | E | 1-E | 1-E | E |

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COMMENTS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2013

An audit of the financial accounts and transactions of the Borough of Tinton Falls, County of Monmouth, New Jersey ("Borough") for the year ended December 31, 2013, has recently been completed. The results of the audit are herewith set forth.

Scope of Audit

The audit covered the financial transactions of the Treasurer's Office, the activities of the Mayor and Borough Council and the records of the various outside departments.

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

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

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

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

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

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

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

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2013

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

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

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

Jumping Brook & Hance Avenue Pump Station Improvements
Providing electric Energy Services from a Third Party Electric Supplier
96 Gallon Plastic Automated/Semi Automated Containers
2012 road & Sidewalk Improvement Program – Phase II
One (1) 2013 or Newer Automated Side Load Refuse Vehicle

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

The Governing Body adopted the following ordinance authorizing interest to be charged on delinquent taxes and sewer rents:

NOW THEREFORE BE IT ORDAINED by the Borough of Tinton Falls as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after the due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after the due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31, an additional penalty of 6% shall be charged against the delinquency.
2. As to Tax Sale Certificates, the Tax Collector is hereby authorized and directed to collect 2% when the taxes, interest and costs shall exceed the sum of \$200.00 up to \$4,999.00; such additional sum shall be 4% when the taxes, interest and costs shall exceed the sum of \$5,000.00 up to \$9,999.00; and such additional sum shall be 6% when the taxes, interest and costs shall exceed the sum of \$10,000.00 of such amount paid.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2013

Collection of Interest on Delinquent Taxes and Assessments (continued)

3. Effective January 1, 1991, there will be a ten (10) day grace period of quarterly tax payments made by cash, check or money order.
4. Should the date upon which any installment becomes due fall on a date which is a legal holiday or a date when the office of the Tax Collector is not open for business for the day, no interest shall be charged if payment for such installment is made on the first business day thereafter.
5. Any payments not made in accordance with paragraph two of this ordinance shall be charged interest from the due date as set forth in paragraph one of this Ordinance.

Tax Sale

The last tax sale was held on November 13, 2013 and was complete.

Confirmation of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payment was made in accordance with the regulations of the Division of Local Government Services. We examined subsequent and current cash collections to determine if monies owed are properly collected.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

| <u>Year</u> | <u>Number of Liens</u> |
|-------------|------------------------|
| 2013 | 8 |
| 2012 | 8 |
| 2011 | 8 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2013

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

| | <u>2013</u> | | <u>2012</u> | |
|--|------------------------|-----------------|------------------------|-----------------|
| | <u>Amount</u> | <u>Percent</u> | <u>Amount</u> | <u>Percent</u> |
| <u>Revenue and Other Income Realized</u> | | | | |
| Fund Balance Utilized | \$ 3,950,000.00 | 5.84 % | \$ 3,950,000.00 | 5.86 % |
| Miscellaneous - From Other | | | | |
| Than Local Property Tax Levies | 7,723,866.85 | 11.41 | 8,343,590.11 | 12.39 |
| Collection of Delinquent Taxes | | | | |
| and Tax Title Liens | 506,431.29 | 0.75 | 620,609.07 | 0.92 |
| Collection of Current Tax Levy | <u>55,484,991.53</u> | <u>82.01</u> | <u>54,434,932.06</u> | <u>80.82</u> |
| Total Revenues | <u>67,665,289.67</u> | <u>100.00 %</u> | <u>67,349,131.24</u> | <u>100.00 %</u> |
| <u>Expenditures</u> | | | | |
| Budget Expenditures: | | | | |
| Municipal Purposes | 21,421,587.40 | 33.43 % | 22,516,145.25 | 34.35 % |
| County Taxes | 8,703,114.23 | 13.59 | 8,422,341.52 | 12.85 |
| Regional School Taxes | 20,046,655.00 | 31.29 | 20,392,444.01 | 31.11 |
| Regional High School Tax | 11,188,541.00 | 17.47 | 11,290,470.21 | 17.22 |
| Municipal Open Space Tax | 634,552.36 | 0.99 | 620,698.36 | 0.95 |
| Special District Taxes | 1,880,317.00 | 2.94 | 2,058,516.00 | 3.13 |
| Other Expenditures | <u>185,689.92</u> | <u>0.29</u> | <u>257,021.60</u> | <u>0.39</u> |
| Total Expenditures | <u>64,060,456.91</u> | <u>100.00 %</u> | <u>65,557,636.95</u> | <u>100.00 %</u> |
| Excess in Revenue | 3,604,832.76 | | 1,791,494.29 | |
| Add: Expenditures Included | | | | |
| Above Which Are By Statute | | | | |
| Deferred Charges To Budgets | | | | |
| of Succeeding Years | <u>-</u> | | <u>750,000.00</u> | |
| Statutory Excess To Fund Balance | 3,604,832.76 | | 2,541,494.29 | |
| Fund Balance, January 1 | <u>5,127,194.19</u> | | <u>6,535,699.90</u> | |
| | 8,732,026.95 | | 9,077,194.19 | |
| Decreased By: | | | | |
| Utilized as Anticipated Revenue | <u>3,950,000.00</u> | | <u>3,950,000.00</u> | |
| Fund Balance, December 31 | <u>\$ 4,782,026.95</u> | | <u>\$ 5,127,194.19</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2013

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

| | 2013 | | 2012 | |
|--|----------------------|-----------------|----------------------|-----------------|
| | <u>Amount</u> | <u>Percent</u> | <u>Amount</u> | <u>Percent</u> |
| <u>Revenue and Other Income Realized</u> | | | | |
| Fund Balance Utilized | \$ 480,000.00 | 9.71 % | \$ 480,000.00 | 10.47 % |
| Collection of Sewer Rents | 3,766,719.00 | 76.20 | 3,739,157.77 | 81.59 |
| Miscellaneous - From Other Than Sewer Rents | <u>697,112.25</u> | <u>14.10</u> | <u>363,631.85</u> | <u>7.93</u> |
| Total Revenues | <u>4,943,831.25</u> | <u>100.00 %</u> | <u>4,582,789.62</u> | <u>100.00 %</u> |
| <u>Expenditures</u> | | | | |
| Budget Expenditures: | | | | |
| Operating | 3,957,591.16 | 95.68 % | 3,874,812.00 | 96.89 % |
| Capital Improvements | 55,000.00 | 1.33 | - | |
| Deferred Charges and Statutory Expenditures | 123,839.00 | 2.99 | 123,497.00 | 3.09 |
| Refund Prior Year Revenue | <u>-</u> | | <u>731.76</u> | <u>0.02</u> |
| Total Expenditures | <u>4,136,430.16</u> | <u>100.00 %</u> | <u>3,999,040.76</u> | <u>100.00 %</u> |
| Excess in Revenue | 807,401.09 | | 583,748.86 | |
| Fund Balance, January 1 | <u>617,588.45</u> | | <u>513,839.59</u> | |
| | 1,424,989.54 | | 1,097,588.45 | |
| Decreased By: | | | | |
| Utilized as Anticipated Revenue | <u>480,000.00</u> | | <u>480,000.00</u> | |
| Fund Balance, December 31 | <u>\$ 944,989.54</u> | | <u>\$ 617,588.45</u> | |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2013

Comparative Schedule of Tax Rate Information

| | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------|-------------|-------------|-------------|
| Tax Rate | \$ 1.960 | 1.917 | 1.808 |

Apportionment of Tax Rate

| | | | |
|----------------------------|-------|-------|-------|
| Municipal | 0.477 | 0.464 | 0.439 |
| County | 0.314 | 0.305 | 0.300 |
| Regional Elementary School | 0.763 | 0.739 | 0.703 |
| Regional High School | 0.406 | 0.409 | 0.366 |
| Fire District #1 | 0.064 | 0.064 | 0.062 |
| Fire District #2 | 0.075 | 0.090 | 0.092 |

Assessed Valuations

| | | | |
|------|---------------------|---------------------|--|
| 2013 | \$ 2,758,923,296.00 | | |
| 2012 | \$ 2,758,659,379.00 | | |
| 2011 | | \$ 2,872,610,220.00 | |

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 tax levies.

| <u>Year</u> | <u>Tax Levy</u> | <u>Currently</u> | |
|-------------|------------------|-------------------------|----------------------------------|
| | | <u>Cash Collections</u> | <u>Percentage of Collections</u> |
| 2013 | \$ 56,228,135.69 | \$ 55,484,991.53 | 98.67 % |
| 2012 | 55,029,290.06 | 54,434,932.06 | 98.92 |
| 2011 | 54,270,395.66 | 53,581,674.18 | 98.73 |

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2013

Delinquent Taxes and Tax Title Items

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

| <u>Year</u> | | Amount of Tax Title <u>Liens</u> | Amount of Delinquent <u>Taxes</u> | Total <u>Delinquent</u> | Percentage of <u>Collections</u> | |
|-------------|----|--|---|----------------------------|--|---|
| 2013 | \$ | 30,756.50 | \$ 572,576.23 | \$ 603,332.73 | 1.09 | % |
| 2012 | | 25,526.33 | 522,437.68 | 547,964.01 | 1.00 | |
| 2011 | | 20,407.02 | 642,355.18 | 662,762.20 | 1.22 | |

The Borough has no property acquired by tax title lien liquidation, for the years ending 2010, 2009, and 2008.

Comparison of Sewer Levies

| <u>Year</u> | | <u>Levy</u> | <u>Collections</u> |
|-------------|----|--------------|--------------------|
| 2013 | \$ | 3,773,106.06 | \$ 3,766,719.00 |
| 2012 | | 3,715,577.95 | 3,739,157.77 |
| 2011 | | 3,733,857.60 | 3,719,711.26 |

Comparative Schedule of Fund Balances

| | <u>Year</u> | Balance <u>December 31,</u> | Utilized in Budget of <u>Succeeding Year</u> |
|---------------------------|-------------|--------------------------------|--|
| <u>Current Fund</u> | 2013 | \$ 4,782,026.95 | \$ 3,950,000.00 * |
| | 2012 | 5,127,194.19 | 3,950,000.00 |
| | 2011 | 6,535,699.90 | 3,950,000.00 |
| | 2010 | 4,233,315.65 | 3,200,000.00 |
| | 2009 | 3,243,830.62 | 3,150,000.00 |
| <u>Sewer Utility Fund</u> | 2013 | \$ 944,989.54 | \$ 575,000.00 * |
| | 2012 | 617,588.45 | 480,000.00 |
| | 2011 | 513,839.59 | 480,000.00 |
| | 2010 | 487,081.25 | 480,000.00 |
| | 2009 | 696,774.99 | 600,000.00 |

* Budget was not adopted as of the date of this report.

BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY

COMMENTS

Year ended December 31, 2013

Officials in Office and Surety Bonds

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

| <u>Name of Official</u> | <u>Title</u> | |
|-------------------------|--|---------------------|
| Michael J. Skudera | Mayor | |
| Gary Baldwin | Council President | |
| Christopher Pak | Deputy Council President | |
| Stephen Schertz | Council Member | |
| Nancyanne Fama | Council Member | |
| Scott Larkin | Council Member | |
| Brian M. Nelson, Esq. | Attorney | |
| Gerald Turning, Sr. | Borough Administrator | |
| Stephen Pfeffer | Chief Financial Officer | |
| Carol Hussey | Tax Collector, Sewer Utilities Collector | |
| Maureen L. Murphy | Borough Clerk | |
| Scott R. Imbriaco | Tax Assessor | |
| Richard B. Thompson | Magistrate | |
| Megan Thomas | Court Administrator | 01/01/13 - 12/13/13 |
| Elizabeth Finlay | Acting Court Administrator | 12/16/13 - 12/31/13 |

During 2013, the Borough of Tinton Falls was provided insurance as part of the Municipal Excess Liability Joint Insurance Fund. The Government Crime Policy coverage is as follows:

| | |
|--|-----------------|
| Employee Theft - Per Loss Coverage | \$ 1,000,000.00 |
| Forgery or Alteration | 1,000,000.00 |
| Inside the Premises - Theft of Money and Securities | 1,000,000.00 |
| Inside the Premises - Robbery or Safe Burglary of Other Property | 1,000,000.00 |
| Computer Fraud | 1,000,000.00 |
| Public Employee Dishonesty | 1,000,000.00 |

All of the above bonds were examined and found to be properly executed.

COMMENTS AND RECOMMENDATIONS

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BOROUGH OF TINTON FALLS
COUNTY OF MONMOUTH, NEW JERSEY
COMMENTS AND RECOMMENDATIONS

Year ended December 31, 2013

None Noted