

TOWNSHIP OF LONG BEACH

COUNTY OF OCEAN

REPORT OF AUDIT

DECEMBER 31, 2012

William E. Antonides and Company
Certified Public Accountants

2807 Hurley Pond Road
Wall, NJ 07719

506 Hooper Avenue
Toms River, NJ 08753

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

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TOWNSHIP OF LONG BEACH

COUNTY OF OCEAN

PART I

AUDITOR'S REPORT OF THE TOWNSHIP'S FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

William E. Antonides and Company
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Board of Commissioners
Township of Long Beach
County of Ocean
Long Beach, New Jersey

Report on Financial Statements

We have audited the financial statements - regulatory basis of the various funds of the Township of Long Beach (the "Township"), in the County of Ocean, State of New Jersey, as of and for the years ended December 31, 2012 and 2011, and the related notes to financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). 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, audit requirements prescribed by the Division and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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.

Auditor's Responsibility (Continued)

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

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

As described in Note 1, these financial statements have been prepared in conformity with accounting principles prescribe the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with statutory and regulatory requirements of the State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to in the first paragraph, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2012 and 2011, and the results of it operations for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements - regulatory basis referred to above, present fairly, in all material respects, the financial position of the various funds of the Township as of December 31, 2012 and 2011, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended in accordance with accounting principles on the basis of financial reporting provisions prescribed by the Division, as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplementary financial schedules listed in the table of contents are required by the Division and are presented for purposes of additional analysis and are not a required part of the financial statements. The schedules of expenditures of federal and state awards are presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular Letter A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are also not a required part of the financial statements.

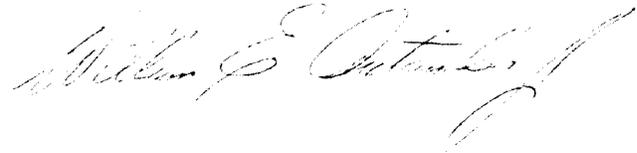
The supplementary financial schedules and the schedules of expenditures of federal and state awards, referred to in the preceding paragraph, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. 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 supplementary financial schedules and the schedules of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2013, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

William E. Antonides and Company

Independent Auditors

A handwritten signature in cursive script, appearing to read "William E. Antonides, Jr.", is positioned above the printed name and title.

**William E. Antonides, Jr.
Registered Municipal Accountant
Certified Public Accountant**

Wall Township, New Jersey
April 26, 2013

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

BALANCE SHEET - CURRENT FUND

Exhibit A

REGULATORY BASIS

Sheet 1 of 2

DECEMBER 31, 2012 AND 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Assets</u>			
Current Fund:			
Cash and Cash Equivalents	A-4	\$ 10,220,862.08	\$ 13,223,279.53
Change Fund		850.00	850.00
		<u>10,221,712.08</u>	<u>13,224,129.53</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-55)	A-3	7,000,000.00	
		<u>17,221,712.08</u>	<u>13,224,129.53</u>
Receivables with Full Reserves:			
Taxes Receivable	A-5	711,240.33	646,119.75
Tax Title Liens Receivable		157.22	157.22
Property Acquired for Taxes at Assessed Valuation		27,400.00	27,400.00
Revenue Accounts Receivable	A-6	8,406.63	4,018.71
Interfunds:			
Animal Control Trust Fund	A-12	300.20	167.25
General Capital Fund	A-12	1,553,721.01	
Due from Municipal Court		100.00	100.00
		<u>2,301,325.39</u>	<u>677,962.93</u>
		<u>19,523,037.47</u>	<u>13,902,092.46</u>
Grant Fund:			
Interfund - Current Fund	A-13	139,384.56	176,034.59
Grants Receivable	A-14	117,675.39	96,879.08
		<u>257,059.95</u>	<u>272,913.67</u>
		<u>\$ 19,780,097.42</u>	<u>\$ 14,175,006.13</u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

BALANCE SHEET - CURRENT FUND

Exhibit A

REGULATORY BASIS

Sheet 2 of 2

DECEMBER 31, 2012 AND 2011

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Current Fund:			
Appropriation Reserves	A-3, 7	\$ 1,310,014.91	\$ 1,546,160.44
Due to State of New Jersey:			
Senior and Veteran Deductions (Ch. 20, P.L. 1971)		24,474.06	23,974.06
Employee Benefit and Debt Remittances		102,336.18	99,329.09
Other		12,125.00	9,389.00
Refunds Payable	A-4		85.00
Due Stafford Township and MCI - Construction			
Inspection Fees		22,600.00	29,197.90
Tax Overpayments		2,294.49	23,031.59
Reserve for Encumbrances	A-3, 7	885,791.28	355,328.12
Prepaid Taxes	A-4,5	1,051,757.57	1,115,509.85
County Taxes Payable	A-8	130,576.36	110,156.05
Local District School Tax Payable	A-9	895,853.13	859,665.00
Reserve for Hurricane Damage	A-10	3,932,629.41	
Regional School Tax Payable	A-11	6,247,458.42	5,628,109.97
Interfunds:			
Payroll Fund	A-12	5,100.04	3,364.02
Grant Fund	A-13	139,384.56	176,034.59
		<u>14,762,395.41</u>	<u>9,979,334.68</u>
Reserve for Receivables		2,301,325.39	677,962.93
Fund Balance	A-1	2,459,316.67	3,244,794.85
		<u>19,523,037.47</u>	<u>13,902,092.46</u>
Grant Fund:			
Reserve for Encumbrances	A-15	42,002.28	17,929.89
Appropriated Reserves	A-15	159,593.96	217,548.56
Unappropriated Reserves	A-16	55,463.71	37,435.22
		<u>257,059.95</u>	<u>272,913.67</u>
		<u>\$ 19,780,097.42</u>	<u>\$ 14,175,006.13</u>

There were deferred local district school taxes on December 31, 2012 and 2011 of \$796,383.00 (Schedule A-9) and deferred regional school taxes of \$2,262,051.00 (Schedule A-10).

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE Sheet 1 of 2

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 1,360,000.00	\$ 1,500,000.00
Miscellaneous Revenue Anticipated	A-2	4,621,241.03	4,979,659.93
Receipts from Delinquent Taxes	A-2	605,416.51	585,217.50
Receipts from Current Taxes	A-2	67,046,059.19	64,624,594.82
Non-Budget Revenues	A-2	255,792.95	373,579.20
Other Credits to Income:			
Payroll Reserve Cancelled	A-4	50,000.00	
Unexpended Balance of Appropriation Reserves	A-7	1,298,594.52	735,638.99
Cancelled Federal and State Grant Appropriated Reserves			25,962.68
Animal Control Fund Statutory Excess	A-12	300.20	
Prior Years Interfunds Returned			123.26
Total Income		<u>75,237,404.40</u>	<u>72,824,776.38</u>
<u>Expenditures</u>			
Budget Appropriations:			
Salaries and Wages		9,188,811.69	9,427,656.00
Other Expenses		9,122,790.31	9,015,887.01
Capital Improvements		654,000.00	417,000.00
Municipal Debt Service		1,151,742.60	1,568,575.83
Deferred Charges and Statutory Expenditures		<u>10,103,738.31</u>	<u>2,255,080.53</u>
	A-3	30,221,082.91	22,684,199.37
County Taxes	A-8	29,756,634.71	28,516,044.88
Local District School Taxes	A-9	3,384,472.23	3,312,096.06
Regional School Taxes	A-11	17,730,770.28	16,452,390.59
Cancelled Federal and State Grant Receivables			18,639.47
Refund of Prior Year Revenues			3,184.91
Reserve for Due from Municipal Court			100.00
Senior Citizen and Veteran Deductions Disallowed			
by Tax Collector Prior Year Taxes		1,068.49	250.00
Prior Year Refunds	A-4	15,000.00	
Interfund Advances		1,553,853.96	
Total Expenditures		<u>82,662,882.58</u>	<u>70,986,905.28</u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE Sheet 2 of 2

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Excess in Revenue/(Deficit)		\$ (7,425,478.18)	\$ 1,837,871.10
Adjustments to Income before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-3	7,000,000.00	
Emergency Authorization Funded by Capital Ordinance	A-3	1,000,000.00	
Statutory Excess to Fund Balance		<u>574,521.82</u>	<u>1,837,871.10</u>
Fund Balance January 1	A	<u>3,244,794.85</u>	<u>2,906,923.75</u>
		<u>3,819,316.67</u>	<u>4,744,794.85</u>
Decreased by:			
Utilized as Anticipated Revenue	A-1	<u>1,360,000.00</u>	<u>1,500,000.00</u>
Fund Balance December 31	A	<u>\$ 2,459,316.67</u>	<u>\$ 3,244,794.85</u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 1 of 3

	Ref.	Anticipated		Excess or (Deficit)
		Budget	Special N.J.S. 40A:4-87	
		\$ 1,360,000.00	\$	
Fund Balance Anticipated	A-1	\$ 1,360,000.00	\$ 1,360,000.00	\$
<u>Miscellaneous Revenues</u>				
Licenses:				
Alcoholic Beverages	A-6	10,500.00	10,975.00	475.00
Other	A-6	74,395.00	82,460.00	8,065.00
Fees and Permits	A-6	42,405.00	41,690.00	(715.00)
Fines and Costs - Municipal Court	A-6	93,000.00	151,874.75	58,874.75
Interest and Costs on Taxes	A-6	142,000.00	152,690.49	10,690.49
Interest on Investments and Deposits	A-6	55,000.00	51,577.38	(3,422.62)
Beach Badge Fees	A-6	1,556,798.00	1,724,085.00	167,287.00
Energy Receipts Tax	A-6	675,438.00	675,438.00	
Uniform Construction Code Fees	A-6	175,000.00	175,000.00	
Additional Uniform Construction Code Fees	A-6	256,000.00	357,066.12	101,066.12
Interlocal Services Agreements:				
Barnegat Light Police Protection	A-6	559,113.00	559,112.84	(.16)
Police Dispatching Services	A-6	158,620.00	141,244.05	(17,375.95)
Health Contracts	A-6	237,003.00	237,013.00	10.00
Lobbyist	A-6	22,800.00	22,800.00	
MDT	A-6	6,080.00	2,015.00	(4,065.00)
Fees for Board of Health Services	A-6	13,655.00	29,565.88	15,910.88
Omnipoint Communications Lease Agreement	A-6	32,500.00	33,741.45	1,241.45
Alcohol Education and Rehabilitation Fund	A-13	1,887.71	1,887.71	
Body Armor Replacement Fund	A-13	3,737.88	3,737.88	
LBI Alliance - Clean Air Grant	A-13		1,000.00	

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 2 of 3

	Ref.	Anticipated		Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
		Budget				
Clean Communities (C. 87, P.L. 1986)	A-13	\$ 32,769.85	\$		\$ 32,769.85	\$
Pedestrian Safety	A-13			16,000.00	16,000.00	
Dare Program- Rotary Club Donation	A-13			250.00	250.00	
Municipal Alliance on Alcoholism and Drug Abuse	A-13	24,975.00			24,975.00	
Municipal Alliance on Alcoholism and Drug Abuse:						
Other Municipalities Matching Shares	A-13	4,849.00			4,849.00	
Ocean County Tourism Grant - LIT Tournament	A-13	1,060.00			1,060.00	
Cops In Shops	A-13		1,600.00		1,600.00	
Recycling Revenue and Residue	A-13	31,809.63			31,809.63	
JIF Safety Incentive Award	A-13	650.00			650.00	
966 Grant Program-2012	A-13		7,303.00		7,303.00	
966 Grant Program-2013	A-13		45,000.00		45,000.00	
	A-1	<u>4,212,046.07</u>	<u>71,153.00</u>		<u>4,621,241.03</u>	<u>338,041.96</u>
Receipts from Delinquent Taxes	A-1,5	538,263.95			605,416.51	67,152.56
Amount to be Raised by Taxation for Support of Municipal Budget	A-2	<u>16,731,195.52</u>			<u>16,865,703.20</u>	<u>134,507.68</u>
Budget Totals						
Non-Budget Revenues	A-1,2	22,841,505.54		71,153.00	23,452,360.74	539,702.20
					<u>255,792.95</u>	<u>255,792.95</u>
		<u>\$ 22,841,505.54</u>	<u>\$ 71,153.00</u>		<u>\$ 23,708,153.69</u>	<u>\$ 795,495.15</u>
Ref.		A-3	A-3			

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 3 of 3

	<u>Ref.</u>	<u>Amount</u>
<u>Analysis of Realized Revenue</u>		
Current Tax Collections	A-1,5	\$ 67,046,059.19
Appropriation "Reserve for Uncollected Taxes"	A-3	691,521.23
		<u>67,737,580.42</u>
Less: Allocated to School and County Taxes	A-5	<u>50,871,877.22</u>
	A-2	<u><u>\$ 16,865,703.20</u></u>
<u>Analysis of Non-Budget Revenue</u>		
Cable TV Franchise Fee		\$ 71,769.70
Salary Reimbursement		26,813.19
Recycling		12,342.47
Variance Fees		7,000.00
FEMA		64,735.87
Workmens' Compensation Refunds		8,754.59
Site Plans		9,650.00
Other Miscellaneous		<u>54,727.13</u>
	A-2,4	<u><u>\$ 255,792.95</u></u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 1 of 9

	<u>Appropriated Budget After Modification</u>	<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
		<u>Paid or Charged</u>	<u>Reserved</u>	
<u>OPERATIONS WITHIN CAPS</u>				
<u>Administrative and Executive</u>				
Revenue and Finance Director	\$ 11,730.00	\$ 11,729.90	\$.10	\$
Salaries and Wages	2,000.00	495.89	1,504.11	
Other Expenses				
Publicity	1,200.00	400.00	800.00	
Other Expenses				
Municipal Clerk	276,915.00	244,195.68	32,719.32	
Salaries and Wages	28,000.00	20,127.61	7,872.39	
Other Expenses	8,000.00	3,740.00	4,260.00	
Upgrade General Code				
Advertising	6,000.00	996.97	5,003.03	
Other Expenses				
Election	1,400.00	683.44	716.56	
Other Expenses				
Financial Administration	224,795.00	191,812.13	32,982.87	
Salaries and Wages	20,000.00	15,242.07	4,757.93	
Other Expenses				
Audit Services	35,500.00	35,500.00		
Other Expenses				
Purchasing	7,700.00	7,551.37	148.63	
Salaries and Wages	1,000.00		1,000.00	
Other Expenses				
Tax Collection	125,000.00	122,253.49	2,746.51	
Salaries and Wages	12,000.00	11,688.95	311.05	
Other Expenses				
Tax Assessment	145,000.00	121,734.57	23,265.43	
Salaries and Wages	72,000.00	10,485.76	61,514.24	
Other Expenses				
Legal Services	173,000.00	120,038.16	52,961.84	
Other Expenses				

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 2 of 9

	<u>Appropriated Budget After Modification</u>	<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
		<u>Paid or Charged</u>	<u>Reserved</u>	
Lobbyist - Beach Replenishment				\$
Other Expenses	\$ 39,200.00	\$ 38,019.40	\$ 1,180.60	
Engineering Services				
Other Expenses	75,000.00	64,613.47	10,386.53	
Contribution to Chamber of Commerce				
Other Expenses	515.00	515.00		
LBI Business Alliance				
Other Expenses	515.00	515.00		
<u>Land Use Administration</u>				
Planning Board				
Salaries and Wages	56,500.00	52,210.34	4,289.66	
Other Expenses	18,500.00	15,812.54	2,687.46	
<u>Insurance</u>				
Liability Insurance	125,800.00	125,800.00		
Other Insurance	5,500.00	2,730.00	2,770.00	
Worker Compensation	220,800.00	220,800.00		
Employee Group Insurance	2,660,000.00	2,438,019.82	221,980.18	
Unemployment Insurance	40,000.00	38,061.81	1,938.19	
<u>Public Safety Functions</u>				
Public Affairs/Public Safety Director				
Salaries and Wages	13,005.00	13,004.94	.06	
Other Expenses	2,000.00	1,732.20	267.80	
Police				
Salaries and Wages	3,916,887.69	3,895,032.23	21,855.46	
Other Expenses	708,149.24	607,762.15	100,387.09	
Emergency Management				
Salaries and Wages	16,650.00	16,650.00		
Other Expenses	21,700.00	13,882.18	7,817.82	

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 3 of 9

	<u>Appropriated Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
	\$	\$	\$	\$	\$
Aid to Volunteer Fire Company	278,037.00	278,037.00			
Aid to Volunteer Ambulance Company	144,893.00	144,893.00			
Fire					
Other Expenses	100.00			100.00	
Municipal Court					
Salaries and Wages	188,000.00	161,955.92		26,044.08	
Other Expenses	20,000.00	18,339.14		1,660.86	
Public Defender					
Other Expenses	7,200.00	2,867.00		4,333.00	
Municipal Prosecutor					
Other Expenses	22,400.00	20,503.56		1,896.44	
Public Works Functions					
Public Works and Property Director					
Salaries and Wages	11,730.00	11,729.90		.10	
Other Expenses	2,000.00	1,003.06		996.94	
Streets and Roads Maintenance					
Salaries and Wages	486,500.00	471,115.48		15,384.52	
Other Expenses	100,000.00	80,925.97		19,074.03	
Schedule C Public Works					
Other Expenses	80,000.00	12,712.51		67,287.49	
Public Works					
Salaries and Wages	815,000.00	783,478.17		31,521.83	
Other Expenses	120,000.00	114,660.42		5,339.58	
Garbage and Trash Removal					
Other Expenses					
Garbage and Recycling Collection	1,077,175.00	1,077,175.00			
Sanitary Landfill Fees	550,000.00	476,348.00		73,652.00	
Recycling					
Salaries and Wages	74,000.00	71,749.88		2,250.12	
Other Expenses	7,000.00	6,840.00		160.00	

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 4 of 9

	<u>Appropriated Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
Public Building and Grounds					\$
Salaries and Wages	\$ 189,000.00	\$ 175,355.29	\$	13,644.71	
Other Expenses	105,000.00	87,429.16		17,570.84	
Beach Erosion					
Other Expenses	200.00	179.42		20.58	
<u>Health and Human Services</u>					
Board of Health					
Salaries and Wages	207,242.00	205,745.69		1,496.31	
Other Expenses	85,000.00	75,306.52		9,693.48	
Animal Control Service					
Other Expenses	30,000.00	25,046.70		4,953.30	
Handicapped/ADA Compliance					
Other Expenses	100.00			100.00	
Aid to Domestic Violence					
Other Expenses	1,200.00	1,200.00			
Aid to Health Care Facilities					
Other Expenses	14,120.00	14,120.00			
Aid to Senior Citizens Center					
Other Expenses	14,420.00	14,420.00			
Aid to Museum					
Other Expenses	3,125.00	3,125.00			
Aid to Brant Beach Yacht Club					
Other Expenses	1,500.00	1,500.00			
<u>Parks and Recreation Functions</u>					
Recreation					
Other Expenses	500.00	400.00		100.00	
Parks and Playgrounds					
Other Expenses	500.00	32.29		467.71	
Lifeguards					
Salaries and Wages	1,300,305.00	1,298,967.25		1,337.75	
Other Expenses	94,300.00	88,143.16		6,156.84	

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 5 of 9

	<u>Appropriated Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Unexpended Balance Cancelled</u>
			<u>Reserved</u>	
Beach Badges				
Salaries and Wages	\$ 199,000.00	\$ 198,678.55	\$ 321.45	\$
Other Expenses	35,700.00	35,618.53	81.47	
Accumulated Absence Liability				
Other Expenses	150,000.00	150,000.00		
Celebration of Public Events				
Other Expenses	12,000.00	10,693.38	1,306.62	
<u>Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>				
Construction Code Official				
Salaries and Wages	140,000.00	139,043.09	956.91	
Other Expenses	15,500.00	13,776.04	1,723.96	
<u>Unclassified</u>				
Electricity	120,000.00	107,325.41	12,674.59	
Street Lighting	288,000.00	245,220.12	42,779.88	
Telephone	200,000.00	127,343.00	72,657.00	
Natural Gas	50,000.00	15,148.68	34,851.32	
Gasoline	275,000.00	194,247.76	80,752.24	
Share Equipment - Other Expenses	80,000.00	57,862.92	22,137.08	
Community Rating System				
Salaries and Wages	7,152.00	7,151.11	.89	
Other Expenses	3,500.00	2,685.90	814.10	
Total Operations within Caps	<u>16,678,360.93</u>	<u>15,493,936.05</u>	<u>1,184,424.88</u>	
Detail:				
Salaries and Wages	8,412,111.69	8,201,144.98	210,966.71	
Other Expenses	<u>8,266,249.24</u>	<u>7,292,791.07</u>	<u>973,458.17</u>	

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Exhibit A-3

Sheet 6 of 9

	<u>Appropriated Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>STATUTORY EXPENDITURES WITHIN CAPS</u>					
Contribution to:					
Public Employees Retirement System	\$ 325,000.00	\$ 325,000.00	\$	\$ 18,405.43	
Social Security System (O.A.S.I.)	743,200.00	724,794.57			
Police and Firemen's Retirement System of NJ	986,728.00	986,728.00			
Total Statutory Expenditures within Caps	<u>2,054,928.00</u>	<u>2,036,522.57</u>		<u>18,405.43</u>	
Total Appropriations within Caps	<u>18,733,288.93</u>	<u>17,530,458.62</u>		<u>1,202,830.31</u>	
					\$

OPERATIONS EXCLUDED FROM CAPS

911 Emergency Phone	40,940.00	40,940.00		2.64	
Salaries and Wages	8,550.00	8,547.36			
Other Expenses					
Uniform Construction Code					
Salaries and Wages	155,133.00	155,133.00		1,442.02	
Other Expenses	106,000.00	104,557.98		99,715.00	
Length of Service Awards Program (LOSAP)	99,715.00				
Recycling Fees	20,000.00	20,000.00			
<u>Interlocal Municipal Service Agreements</u>					
Barnegat Light Police Protection					
Salaries and Wages	447,291.00	447,291.00		402.46	
Other Expenses	111,822.00	111,419.54			
Police Dispatching Services					
Salaries and Wages	126,896.00	126,896.00		359.00	
Other Expenses	31,724.00	31,365.00		1,323.48	
Health Contracts	237,003.00	235,679.52			
Lobbyist - Beach Replenishment	22,800.00	22,800.00			
Police - Others Expenses - MDT	6,080.00	6,080.00			
<u>Public and Private Programs Offset by Revenues</u>					
Matching Funds for Grants	3,940.00			3,940.00	
Alcohol Education and Rehabilitation Fund	1,887.71	1,887.71			
Body Armor Replacement Fund	3,737.88	3,737.88			

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

Sheet 7 of 9

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	<u>Appropriated Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Unexpended Balance Cancelled</u>
	\$	\$	\$	\$
Clean Communities (C. 87, P.L. 1986)	32,769.85	32,769.85		
Cops in Shops	1,600.00	1,600.00		
Donation for DARE	250.00	250.00		
Donation from LBI Business Alliance	1,000.00	1,000.00		
JIF Safety Incentive Award	650.00	650.00		
Municipal Alliance on Alcoholism and Drug Abuse:				
Salaries and Wages	6,440.00	6,440.00		
Other Expenses	18,535.00	18,535.00		
Other Municipalities Matching Shares	6,244.00	6,244.00		
Ocean County Tourism Grant - LIT Tournament:				
County Share	1,060.00	1,060.00		
Local Share	1,060.00	1,060.00		
Pedestrian Safety Enforcement and Education	16,000.00	16,000.00		
Recycling Revenue and Residue	31,809.63	31,809.63		
966 Grant Program				
Grant Portion	52,303.00	52,303.00		
Matching Portion	40,000.00	40,000.00		
Total Operations excluded from Caps	<u>1,633,241.07</u>	<u>1,526,056.47</u>	<u>107,184.60</u>	
Detail:				
Salaries and Wages	776,700.00	776,700.00		
Other Expenses	856,541.07	749,356.47	107,184.60	
<u>CAPITAL IMPROVEMENTS EXCLUDED</u>				
<u>FROM CAPS</u>				
Capital Improvement Fund	100,000.00	100,000.00		
Computer Equipment Purchase	20,000.00	20,000.00		
Beach Replenishment	100,000.00	100,000.00		
Purchase of Bulldozer	25,000.00	25,000.00		
Purchase of Beach Tractor	25,000.00	25,000.00		
Site Remediation - Phase IV	50,000.00	50,000.00		
Purchase of a Dump Truck	80,000.00	80,000.00		

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Exhibit A-3

Sheet 8 of 9

	<u>Appropriated Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Unexpended Balance Cancelled</u>
	\$	\$	\$	\$
			<u>Reserved</u>	
Purchase of a Trailer	25,000.00	25,000.00		
Purchase of SUV for Assessor's Office	25,000.00	25,000.00		
Purchase Asphalt Reclaimer	32,000.00	32,000.00		
Upgrade EOC Center	100,000.00	100,000.00		
Purchase of Various Equip. for the Beach Patrol	40,000.00	40,000.00		
Purchase of Pickup Truck for the Beach Patrol	32,000.00	32,000.00		
Total Capital Improvements excluded from Caps	<u>654,000.00</u>	<u>654,000.00</u>		
<u>MUNICIPAL DEBT SERVICE EXCLUDED</u>				
<u>FROM CAPS</u>				
Payment of Bond Principal	397,000.00	397,000.00		49.50
Payment of Bond Anticipation Notes and Capital Notes	570,550.00	570,550.00		
Interest on Bonds	97,100.00	97,050.50		
Interest on Notes	54,450.00	54,450.00		
Green Trust Loan Payments for Principal and Interest	29,355.00	29,350.46		4.54
Blue Acres Loan Payments for Principal and Interest	3,342.00	3,341.64		.36
Total Municipal Debt Service excluded from Caps	<u>1,151,797.00</u>	<u>1,151,742.60</u>		<u>54.40</u>
<u>DEFERRED CHARGES EXCLUDED FROM CAPS</u>				
Emergency Authorizations	8,000,000.00	8,000,000.00		
Hurricane Sandy 2012				
Special Emergency Authorizations -				
Cost of Improvements Authorized	48,810.31	48,810.31		
Total Deferred Charges excluded from Caps	<u>8,048,810.31</u>	<u>8,048,810.31</u>		
Total General Appropriations excluded from Caps	<u>11,487,848.38</u>	<u>11,380,609.38</u>	<u>107,184.60</u>	<u>54.40</u>
Detail:				
Salaries and Wages	11,487,848.38	11,380,609.38	107,184.60	54.40
Other Expenses				

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

Sheet 9 of 9

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	<u>Appropriated Budget After Modification</u>	<u>Expended</u>	<u>Unexpended Balance Cancelled</u>
		<u>Paid or Charged</u>	<u>Reserved</u>
Subtotal General Appropriations	\$ 30,221,137.31	\$ 28,911,068.00	\$ 1,310,014.91
Reserve for Uncollected Taxes	691,521.23	691,521.23	
	<u>\$ 30,912,658.54</u>	<u>\$ 29,602,589.23</u>	<u>\$ 1,310,014.91</u>
<u>Ref.</u>			A
Budget	\$ 22,841,505.54		A-1
Emergency	1,000,000.00		
Special Emergency	7,000,000.00		
Appropriated by 40A:4-87	<u>71,153.00</u>		
	<u>\$ 30,912,658.54</u>		
Disbursements		\$ 20,846,118.55	
Deferred Charges Special Emergency			
Authorizations		7,000,000.00	
Reserve for Encumbrances		849,602.38	
Reserve for Uncollected Taxes		691,521.23	
Interfund - Grant Fund		<u>215,347.07</u>	
		<u>\$ 29,602,589.23</u>	

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

BALANCE SHEET - TRUST FUND

Exhibit B

REGULATORY BASIS

DECEMBER 31, 2012 AND 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Assets</u>			
Animal Control Trust Fund:			
Cash and Cash Equivalents	B-1	\$ <u>1,593.40</u>	\$ <u>1,536.65</u>
Trust - Other:			
Cash and Cash Equivalents	B-1	<u>1,274,898.61</u>	<u>1,131,831.01</u>
		<u>1,274,898.61</u>	<u>1,131,831.01</u>
		\$ <u><u>1,276,492.01</u></u>	\$ <u><u>1,133,367.66</u></u>
<u>Liabilities and Reserves</u>			
Animal Control Trust Fund:			
Reserve for Animal Control Trust Fund			
Expenditures	B-2	\$ 1,293.20	\$ 1,369.40
Interfunds	B-1,2	300.20	167.25
		<u>1,593.40</u>	<u>1,536.65</u>
Trust - Other:			
Miscellaneous Reserves	B-3	1,264,170.61	1,130,238.18
Reserve for Encumbrances	B-3	10,728.00	1,592.83
		<u>1,274,898.61</u>	<u>1,131,831.01</u>
		\$ <u><u>1,276,492.01</u></u>	\$ <u><u>1,133,367.66</u></u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

BALANCE SHEET - GENERAL CAPITAL FUND

Exhibit C

REGULATORY BASIS

DECEMBER 31, 2012 AND 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Assets</u>			
Cash and Cash Equivalents	C-2	\$ 1,688,621.19	\$ 1,638,577.14
Deferred Charges to Future Taxation:			
Funded	C-4	2,152,976.10	2,578,559.23
Unfunded	C-5	7,668,736.61	6,088,676.77
Grants Receivable			260,266.14
		<u>\$ 11,510,333.90</u>	<u>\$ 10,566,079.28</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Interfund - Current Fund	C-6	\$ 1,553,721.01	\$
Improvement Authorizations:			
Funded	C-7	135,722.09	59,815.14
Unfunded	C-7	1,525,499.71	1,293,508.78
Capital Improvement Fund	C-8	10,552.11	105,402.11
Serial Bonds Payable	C-9	1,969,000.00	2,366,000.00
Bond Anticipation Notes Payable	C-10	4,431,450.00	4,984,000.00
Green Trust Loan Payable	C-11	165,170.86	190,832.35
Blue Acres Loan Payable	C-12	18,805.24	21,726.88
Reserve for:			
Encumbrances	C-7,15	219,069.62	117,253.10
Retirement of Debt	C-13	302,227.38	282,216.26
Payment of Bond Issuance Costs	C-14	1,944.48	4,672.88
Miscellaneous Reserves	C-15	908,066.87	708,673.18
Grants Receivable			260,266.14
Fund Balance	C-1	<u>269,104.53</u>	<u>171,712.46</u>
		<u>\$ 11,510,333.90</u>	<u>\$ 10,566,079.28</u>

There were bonds and notes authorized but not issued on December 31, 2012 of \$3,237,286.61 (Schedule C-16).

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

Exhibit C-1

Balance December 31, 2011	<u>Ref.</u> C	\$ 171,712.46
Increased by:		
Premium on Bond Anticipation Notes Issued	C-2	<u>97,392.07</u>
Balance December 31, 2012	C	\$ <u><u>269,104.53</u></u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

BALANCE SHEET - WATER-SEWER UTILITY FUND

Exhibit D

REGULATORY BASIS

Sheet 1 of 2

DECEMBER 31, 2012 AND 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Assets</u>			
Operating Fund:			
Cash and Cash Equivalents	D-5	\$ 3,332,256.04	\$ 2,164,113.51
Change Fund		150.00	150.00
Interfunds	D-5		400,000.00
		<u>3,332,406.04</u>	<u>2,564,263.51</u>
Receivables with Full Reserves:			
Water Rents Receivable	D-7	74,910.37	58,542.45
Sewer Rents Receivable	D-8	104,606.06	101,810.64
		<u>179,516.43</u>	<u>160,353.09</u>
Total Operating Fund		<u>3,511,922.47</u>	<u>2,724,616.60</u>
Capital Fund:			
Cash and Cash Equivalents	D-5	704,011.29	168,687.66
Fixed Capital	D-11	25,831,725.98	33,718,720.64
Fixed Capital Authorized and Uncompleted	D-12	17,063,833.28	7,944,989.34
New Jersey Infrastructure Receivables:			
Loans	D-13	1,541,810.00	8,296,260.00
Other	D-14	609,867.00	
Total Capital Fund		<u>45,751,247.55</u>	<u>50,128,657.64</u>
		<u>\$ 49,263,170.02</u>	<u>\$ 52,853,274.24</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Operating Fund:			
Appropriation Reserves	D-4, 9	\$ 1,283,409.37	\$ 361,204.08
Reserve for Encumbrances	D-4, 9	31,273.92	896,024.28
Utility Overpayments	D-5,7,8	7,705.22	4,614.83
Accrued Interest on Bonds, Notes and Loans	D-10	180,746.87	138,244.70
		<u>1,503,135.38</u>	<u>1,400,087.89</u>
Reserve for Receivables	D	179,516.43	160,353.09
Fund Balance	D-1	1,829,270.66	1,164,175.62
Total Operating Fund		<u>3,511,922.47</u>	<u>2,724,616.60</u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

BALANCE SHEET - WATER-SEWER UTILITY FUND

Exhibit D

REGULATORY BASIS

Sheet 2 of 2

DECEMBER 31, 2012 AND 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Capital Fund:			
Interfund - Utility Operating Fund	D-5	\$	\$ 400,000.00
Improvement Authorizations:			
Funded	D-15	1,342,935.56	4,522,418.37
Unfunded	D-15	2,627,155.93	3,422,570.97
Capital Improvement Fund	D-16	285,940.01	257,789.29
Serial Bonds Payable	D-17	840,000.00	1,309,000.00
Bond Anticipation Notes Payable	D-18	2,158,000.00	1,618,750.00
New Jersey Infrastructure Loans Payable	D-19	16,474,028.65	17,178,496.17
Reserve for:			
Payment of Bond Issuance Costs	D-5	35,409.46	37,380.67
Encumbrances	D-15	1,536,388.87	2,680,192.97
Retirement of Debt	D-20		1,289,475.47
Reserve for Amortization	D-21	17,751,556.39	16,645,622.85
Deferred Reserve for Amortization	D-22	2,635,783.70	595,883.37
Fund Balance	D-2	64,048.98	171,077.51
Total Capital Fund		<u>45,751,247.55</u>	<u>50,128,657.64</u>
		<u>\$ 49,263,170.02</u>	<u>\$ 52,853,274.24</u>

There were bonds and notes authorized but not issued on December 31, 2012 of \$3,036,190.52 (Schedule D-23).

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 400,000.00	\$ 498,000.00
Water Rents	D-3	3,727,504.24	3,374,450.11
Sewer Rents	D-3	5,413,386.68	5,379,546.76
Miscellaneous	D-3	245,515.99	270,923.84
Reserve for Retirement of Debt			338,000.00
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-9	455,236.88	86,859.99
		<u>10,241,643.79</u>	<u>9,947,780.70</u>
<u>Expenditures</u>			
Operations	D-4	6,875,754.93	6,822,385.50
Capital Improvements	D-4	105,000.00	405,000.00
Debt Service	D-4	1,914,048.75	2,040,786.30
Deferred Charges	D-4	51,900.07	30,934.50
Statutory Expenditures	D-4	229,845.00	242,380.00
		<u>9,176,548.75</u>	<u>9,541,486.30</u>
Excess in Revenue		1,065,095.04	406,294.40
Fund Balance January 1	D	1,164,175.62	1,255,881.22
		<u>2,229,270.66</u>	<u>1,662,175.62</u>
Less: Utilized as Anticipated Revenue	D-3	<u>400,000.00</u>	<u>498,000.00</u>
Fund Balance December 31	D	\$ <u>1,829,270.66</u>	\$ <u>1,164,175.62</u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND

Exhibit D-2

STATEMENT OF UTILITY CAPITAL FUND BALANCE

REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2011	<u>D</u>	\$ 171,077.51
Decreased by:		
Prior Year Adjustment	D-20	<u>107,028.53</u>
Balance December 31, 2012 and 2011	D	\$ <u>64,048.98</u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-3

STATEMENT OF REVENUES - REGULATORY BASIS

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	D-1	\$ <u>400,000.00</u>	\$ <u>400,000.00</u>	\$ _____
<u>Miscellaneous Revenues</u>				
Rents:				
Water	D-7	3,348,600.00	3,727,504.24	378,904.24
Sewer	D-8	5,314,100.00	5,413,386.68	99,286.68
Miscellaneous	D-3	192,900.00	245,515.99	52,615.99
		<u>8,855,600.00</u>	<u>9,386,406.91</u>	<u>530,806.91</u>
		\$ <u>9,255,600.00</u>	\$ <u>9,786,406.91</u>	\$ <u>530,806.91</u>
	<u>Ref.</u>	D-4		
<u>Analysis of Miscellaneous Revenue</u>				
Water Tower Rental			\$ 138,502.40	
Interest on Delinquent User Charges			50,708.32	
Water Taps/Shut Offs			34,894.00	
Interest on Investments			14,230.96	
Other			<u>7,180.31</u>	
	D-5		\$ <u>245,515.99</u>	

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-4

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Reserved	Expended	
Operating:						
Salaries and Wages	\$ 1,068,000.00	\$ 1,068,000.00	\$ 932,812.42	\$ 135,187.58	\$	
Other Expenses	4,952,307.83	4,950,307.83	3,829,039.75	1,121,268.08		
Interlocal Service Agreements:						
Water - Barnegat Light	375,270.00	375,270.00	369,892.88	5,377.12		
Water - Harvey Cedars	266,000.00	266,000.00	256,508.00	9,492.00		
Water - Surf City	207,545.00	207,545.00	203,385.00	4,160.00		
Water - Ship Bottom	1,980.00	1,980.00	1,980.00			
Sewer - Beach Haven	6,652.10	6,652.10	6,652.10			
Capital Improvements:						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	5,000.00		
Capital Outlay	5,000.00	5,000.00				
Debt Service:						
Bond Principal	469,000.00	469,000.00	469,000.00			
Bond Anticipation Notes	203,750.00	203,750.00	203,750.00			
Interest on Bonds	49,800.00	49,800.00	49,800.00			
Interest on Notes	57,450.00	57,450.00	57,450.00			
Infrastructure Loan Principal	912,600.00	912,600.00	833,548.75			79,051.25
Interest on Infrastructure Loans	300,500.00	300,500.00	300,500.00			
Deferred Charges:						
Costs of Improvements Authorized:						
Replace Water Mains	47,564.44	47,564.44	47,564.44			
Sewer Replacement	4,335.63	4,335.63	4,335.63			
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	150,345.00	150,345.00	150,345.00			
Social Security System (O.A.S.I.)	72,000.00	74,000.00	72,564.38	1,435.62		
Unemployment Compensation Insurance	5,500.00	5,500.00	4,011.03	1,488.97		
	<u>\$ 9,255,600.00</u>	<u>\$ 9,255,600.00</u>	<u>\$ 7,893,139.38</u>	<u>\$ 1,283,409.37</u>		<u>\$ 79,051.25</u>
					D	D-1
Disbursements			\$ 7,819,363.29			
Reserve for Encumbrances			31,273.92			
Accrued Interest on Bonds and Loans			42,502.17			
			<u>\$ 7,893,139.38</u>			

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

BALANCE SHEET - PAYROLL FUND

Exhibit G

REGULATORY BASIS

DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<u>Assets</u>		
Cash and Cash Equivalents	\$ 21,336.90	\$ 68,997.54
Interfund - Current Fund	<u>5,100.04</u>	<u>3,364.02</u>
	<u>\$ 26,436.94</u>	<u>\$ 72,361.56</u>
<u>Liabilities</u>		
Payroll Liabilities	<u>\$ 26,436.94</u>	<u>\$ 72,361.56</u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

BALANCE SHEET - GENERAL FIXED ASSETS ACCOUNT GROUP

Exhibit H

REGULATORY BASIS

DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
General Fixed Assets:		
Land	\$ 47,412,661.00	\$ 47,745,100.00
Buildings	4,977,639.00	4,977,639.00
Furniture, Fixtures and Equipment	<u>5,895,823.00</u>	<u>5,463,352.86</u>
	<u>\$ 58,286,123.00</u>	<u>\$ 58,186,091.86</u>
Investment in General Fixed Assets	<u>\$ 58,286,123.00</u>	<u>\$ 58,186,091.86</u>

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of the Township of Long Beach, County of Ocean, New Jersey (the "Township"), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township as required by N.J.S. 40A:5-5. The financial statements of the Township do not include the operations of the Board of Education, which is subject to a separate audit.

The Governmental Accounting Standards Board ("GASB") Statement 14 established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The criteria differ from the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") requirements where certain boards, commissions, and agencies of the Township, by statute or other directive, report separately on their financial statements. The Township had no component units during 2012.

B. Descriptions of Funds

The GASB is the recognized standard-setting body for establishing governmental generally accepted accounting and financial reporting principles.

The accounting policies of the Township conform to the accounting principles applicable to municipalities which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differs from the fund structure required by generally accepted accounting principles ("GAAP"):

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

Animal Control Trust Fund - animal license revenues and expenditures.

Trust Other Funds - sundry deposits held for satisfactory completion of specific work; receipts and disbursements for dedicated purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Descriptions of Funds (Continued)

General Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes.

Water-Sewer Utility Operating Fund - revenues and expenditures necessary to operate municipally-owned water supply and sewer collection systems from user fees.

Water-Sewer Utility Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of water-sewer capital facilities, other than those acquired through the Water-Sewer Utility Operating Fund, including the status of bonds and notes authorized for said purposes.

Payroll Fund - receipt and disbursement for payroll costs and payroll taxes.

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

C. Basis of Accounting

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

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

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

Grant Revenues - Federal and State grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. Federal and State grant revenues received for purposes of capital projects financed by capital ordinances are recognized when received. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

Deferred Charges - the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at December 31, 2012 is set forth in Note 9.

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount which would normally be liquidated with expendable available financial resources be recorded as an expenditure in the Current Fund and the remaining obligations be recorded as a long-term obligation. The expenditures in the Water-Sewer Utility Operating Fund would be on a full accrual basis. The compensated absence liability at December 31, 2012 is set forth in Note 4.

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

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

Interfunds - advances in the Current Fund are reported as interfund receivables with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires that the cost of inventories be reflected on the balance sheet until utilized and expended.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - In accordance with the New Jersey Administrative Code, which differs in certain respects from GAAP, the Township has developed a fixed assets accounting and reporting system.

Fixed assets used in governmental operations (general fixed assets) are required to be 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.

GAAP does not require utilization of a general fixed asset account group.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

Depreciation is not recorded in the General Fixed Assets Account Group.

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

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

Utility Fixed Assets - Accounting for utility fund “fixed capital” remains unchanged.

Property and equipment purchased by the Water-Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the costs of acquisitions of property, equipment and improvements.

Property and equipment of the Water-Sewer Utility Fund are not depreciated. Principal payments for Water-Sewer Utility debt are recorded as expenditures in the Water-Sewer Utility Statement of Operations.

During 2012 and 2011 the following changes occurred in the fixed assets of the Township:

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Increase</u> <u>(Net)</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
General Fixed Assets Account Group:			
Land	\$ 47,745,100	\$ (332,439)	\$ 47,412,661
Building	4,977,639		4,977,639
Furniture, Fixtures and Equipment	5,463,352	432,471	5,895,823
Water-Sewer Utility Fund:			
Fixed Capital	33,718,721	(7,886,995)	25,831,726
Fixed Capital Authorized and Uncompleted	7,944,989	9,118,844	17,063,833
	<u>\$ 99,849,801</u>	<u>\$ 1,331,881</u>	<u>\$ 101,181,682</u>

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Utility Fixed Assets (Continued)

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Increase</u> <u>(Net)</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
General Fixed Assets Account Group:			
Land	\$ 47,741,100	\$ 4,000	\$ 47,745,100
Building	4,977,639		4,977,639
Furniture, Fixtures and Equipment	5,983,308	(519,956)	5,463,352
Water-Sewer Utility Fund:			
Fixed Capital	28,729,408	4,989,313	33,718,721
Fixed Capital Authorized and Uncompleted	6,194,302	1,750,687	7,944,989
	<u>\$ 93,625,757</u>	<u>\$ 6,224,044</u>	<u>\$ 99,849,801</u>

D. Financial Statements

The GASB Codification requires the financial statements of a governmental unit to be presented in accordance with GAAP. The Township presents its financial statements in accordance with another comprehensive basis of accounting as promulgated by the Division which differs from the financial statements required by GAAP. In addition, the Division requires the financial statements to be referenced to the supplementary schedules. This practice differs from GAAP.

E. Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the Division in accordance with applicable statutes.

NOTE 2. CASH AND CASH EQUIVALENTS

A. 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 or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

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

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

NOTE 2. CASH AND CASH EQUIVALENTS

A. Deposits (Continued)

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

The Township considers certain short-term investments permitted by statute to be cash equivalents if they mature within three months or may be withdrawn in cash upon notice from a pool of eligible investments in a participation arrangement with a bank that meets the insurance and collateral requirements of the statute.

At year-end the carrying amount of the Township's deposits was \$17,264,993 and the bank balance amount was \$17,952,534. Of this amount \$500,000 was covered by federal depository insurance and a collateral pool under New Jersey's Governmental Unit Deposit Protection Act covered \$17,232,562. An amount of \$219,972 was on deposit in the name of various developers for escrow and is insured by federal depository insurance or uninsured depending on the deposits of the individual developer in the depository.

B. Investments

a. When authorized by a cash management plan approved pursuant to N.J.S. 40A:5-14, the Township may use available funds for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the Township:

- (1) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (2) Government money market mutual funds.
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (4) Bonds or other obligations of the Township, or bonds or other obligations of school districts of which the Township is a part or within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investments, New Jersey Department of the Treasury.
- (6) Municipal investment pools.
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c. 281; or

NOTE 2. CASH AND CASH EQUIVALENTS

B. Investments (Continued)

- a. (8) Agreements for the repurchase of fully collateralized securities, if:
- (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this section;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41);
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

b. Any investment instruments in which the security is not physically held by the Township shall be covered by a third party custodial agreement, which shall provide for the designation of such investments in the name of the Township and prevent unauthorized use of such investments.

- c. Investments are further regulated and restricted in accordance with N.J.S. 40A:5-15.1.

Other than cash equivalents that would otherwise qualify as investments, except for their maturity or the withdrawal provisions of their deposit, the Township had no investments in qualified securities at December 31, 2012.

C. Cash Management Plan

In accordance with N.J.S. 40A:5-14, every municipality shall adopt a cash management plan and shall deposit and invest its funds pursuant to that plan. The plan shall be approved annually by majority vote of the governing body and may be modified from time to time in order to reflect changes in federal or state law or regulations. The chief financial officer shall be charged with administering the plan.

When an investment in bonds maturing in more than one year is authorized, the maturity of those bonds shall approximate the prospective use of the funds invested.

The plan also requires a monthly report to the governing body summarizing all investments made or redeemed since the previous report and shall include, at a minimum, the specific detailed information as set forth in the statute.

NOTE 2. CASH AND CASH EQUIVALENTS

D. Credit Risk Categories

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following categories described below:

<u>Depository Account</u>	<u>Book Balance</u>	
	<u>2012</u>	<u>2011</u>
Insured:		
FDIC	\$ 500,000	\$ 636,261
GUDPA	17,232,562	18,103,218
Various Escrows	<u>219,972</u>	<u> </u>
	\$ <u>17,952,534</u>	\$ <u>18,739,479</u>

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Township does not have a formal policy for custodial credit risk.

State law limits investments as noted above.

During the year, the Township 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 Township.

NOTE 3. DEBT

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

NOTE 3. DEBT (CONTINUED)

A. Long-Term Debt

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

General Capital Fund

Serial Bonds:

4.20% General Obligation Bonds Series 2003 issued December 1, 2003, installment maturities to December 1, 2018	\$ 840,000
Various % General Obligation Bonds Series 2005 issued November 1, 2005, installment maturities to November 1, 2020	<u>1,129,000</u>
	\$ <u>1,969,000</u>

The General Capital Fund bonds mature serially in installments to the year 2020. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 240,000	\$ 79,748
2014	255,000	70,485
2015	265,000	60,493
2016	285,000	50,070
2017	295,000	29,675
2018-20	<u>629,000</u>	<u>51,902</u>
Total	\$ <u>1,969,000</u>	\$ <u>342,373</u>

Green Trust Loan Program

The Township has a low interest loan (1%) under the New Jersey Department of Environmental Protection's Green Trust Loan Program. The \$472,000 loan for Bayview Terrace was finalized on April 1, 1998. The Township must repay the loan in semi-annual installments over twenty years. Loan payments are due through the year 2018.

Debt service requirements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 26,177	\$ 3,173
2014	26,703	2,647
2015	27,240	2,110
2016	27,788	1,563
2017	28,346	1,004
2018	<u>28,917</u>	<u>435</u>
Total	\$ <u>165,171</u>	\$ <u>10,932</u>

NOTE 3. DEBT (CONTINUED)

A. Long-Term Debt (Continued)

General Capital Fund

Serial Bonds:

4.20% General Obligation Bonds Series 2003 issued December 1, 2003, installment maturities to December 1, 2018	\$ 840,000
Various % General Obligation Bonds Series 2005 issued November 1, 2005, installment maturities to November 1, 2020	<u>1,129,000</u>
	\$ <u>1,969,000</u>

The General Capital Fund bonds mature serially in installments to the year 2020. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 240,000	\$ 79,748
2014	255,000	70,485
2015	265,000	60,493
2016	285,000	50,070
2017	295,000	29,576
2018-20	<u>629,000</u>	<u>51,902</u>
Total	\$ <u>1,969,000</u>	\$ <u>342,373</u>

Green Trust Loan Program

The Township has a low interest loan (1%) under the New Jersey Department of Environmental Protection's Green Trust Loan Program. The \$472,000 loan for Bayview Terrace was finalized on April 1, 1998. The Township must repay the loan in semi-annual installments over twenty years. Loan payments are due through the year 2018.

Debt service requirements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 26,177	\$ 3,173
2014	26,703	2,647
2015	27,240	2,110
2016	27,788	1,563
2017	27,346	1,004
2018	<u>28,917</u>	<u>435</u>
Total	\$ <u>165,171</u>	\$ <u>10,932</u>

NOTE 3. DEBT (CONTINUED)

A. Long-Term Debt (Continued)

Blue Acres Loan Program

The Township has a low interest loan (1%) under the New Jersey Department of Environmental Protection's Blue Acres Loan Program. The \$51,461 loan for Acquisition of Ocean Front Land was finalized on December 24, 2000. The Township must repay the loan in semi-annual installments over twenty years. Loan payments are due through the year 2018.

Debt service requirements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 2,980	\$ 361
2014	3,040	301
2015	3,102	240
2016	3,164	178
2017	3,227	114
2018	<u>3,292</u>	<u>51</u>
Total	\$ <u>18,805</u>	\$ <u>1,245</u>

Water-Sewer Utility Capital Fund

Serial Bonds:

Various % Water-Sewer Improvement Bonds Series 2003 issued \$ 840,000

The Water-Sewer Utility Capital Fund bonds mature serially in installments to the year 2020. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 125,000	\$ 29,400
2014	130,000	25,740
2015	140,000	21,353
2016	145,000	17,088
2017	150,000	11,625
2018-20	<u>150,000</u>	<u>5,925</u>
Total	\$ <u>840,000</u>	\$ <u>111,131</u>

New Jersey Environmental Infrastructure Trust Loans

The Township received various low interest loans (variable rate) under the New Jersey Environmental Infrastructure Trust Loan Program. The respective loan balances at December 31, 2012 are enumerated below. Loan payments are due in semi-annual installments over twenty years. Loan payments are due through the year 2031.

NOTE 3.**DEBT (CONTINUED)****A. Long-Term Debt (Continued)****New Jersey Environmental Infrastructure Trust Loans (Continued)**

Various % 2002A issued November 7, 2002, for \$3,095,664, installment maturities to August 1, 2022	\$ 1,800,622
Various % 2003A issued November 6, 2003, for \$2,370,067, installment maturities to August 1, 2023	1,443,681
Various % 2005A issued November 10, 2005, for \$949,475, installment maturities to August 1, 2025	660,151
Various % 2005A issued November 10, 2005, for \$654,234, installment maturities to August 1, 2025	455,555
Various % 2006A issued November 9, 2006, for \$623,857, installment maturities to August 1, 2026	502,151
Various % 2009A issued December 2, 2009, for \$372,500, installment maturities to August 1, 2029	337,076
Various % 2010A issued March 10, 2010, for \$2,004,000, installment maturities to August 1, 2029	1,763,117
Various % 2010A issued March 10, 2010, for, \$1,990,000, installment maturities to August 1, 2029	1,751,610
Various % 2010B issued December 2, 2010, for \$1,929,506, installment maturities to August 1, 2030	1,811,582
Various % 2010B issued December 2, 2010, for \$2,149,210, installment maturities to August 1, 2030	2,019,786
Various % 2012A issued May 3, 2012, for \$1,872,765, installment maturities to August 1, 2031	1,839,621
Various % 2012A issued May 3, 2012, for \$2,126,764, installment maturities to August 1, 2031	<u>2,089,077</u>
	\$ <u>16,474,029</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 940,706	\$ 341,511
2014	953,221	324,732
2015	975,255	307,212
2016	990,451	288,556
2017	1,005,569	268,786
2018-22	5,387,044	1,013,705
2023-27	4,057,764	478,150
2028-31	<u>2,164,019</u>	<u>99,214</u>
Total	\$ <u>16,474,029</u>	\$ <u>3,121,866</u>

NOTE 3. DEBT (CONTINUED)**B. Short-Term Debt**

On December 31, 2012, the Township's outstanding Bond Anticipation Notes were as follows:

<u>Ordinance Number</u>		<u>Amount</u>	<u>Interest Rate</u>
	<u>General Capital Fund</u>		
07-04	Renovations and Improvements to the Municipal Building Complex	\$ 85,900	2.00%
07-07	Fees for an Engineering and Drainage Project for Ocean Boulevard	103,750	2.00%
07-30	Schedule C Improvements with Reference to Bulkhead Repairs to Coughlin and Baltic Avenues	141,250	2.00%
08-03	Acquisition of a Front-End Loader	133,500	2.00%
08-11	Resurfacing of North Ohio Avenue	83,700	2.00%
08-12	Various Road Improvements	139,500	2.00%
08-13	Acquisition of a Bulldozer	89,550	2.00%
08-15	Various Drainage Improvements	37,200	2.00%
08-16	Various Recreation Improvements	74,550	2.00%
08-18	Acquisition of Generators	139,500	2.00%
08-29	Acquisition of Two Four Wheel Drive Vehicles	43,200	2.00%
03-11	Beach Restoration	60,000	2.00%
03-17	Beach Repairs	20,000	2.00%
04-19	Condemnation and Acquisition of Easements	133,500	2.00%
05-26	Beach Replenishment	218,750	2.00%
07-04	Renovations and Improvement s to the Municipal Building Complex	155,000	2.00%
07-15	Acquisition of Equipment for the Long Beach Township Beach Patrol	26,000	2.00%
07-28	Schedule C Improvements with Reference to the Repaving of Ocean Boulevard	253,300	2.00%
07-29	Improvements with Reference to Bulkhead Repairs to Various Streets Ends as May be Fixed by Resolution	201,250	2.00%
07-34	Purchase of a New Telephone System	38,500	2.00%
07-42	Purchase of Four New Trucks	79,300	2.00%
09-18	Completion of Various Drainage Improvements	62,300	2.00%
09-19	Acquisition of a Bulldozer	100,700	2.00%
09-20	Acquisition of a Beach Tractor	68,500	2.00%
09-21	Completion of Various Improvements to the Public Works Facility	25,000	2.00%
09-21	Completion of Various Improvements to the Public Works Facility	18,000	2.00%
10-04	Acquisition of a Roll-Off Truck for the Public Works Department	114,000	2.00%
10-16	Resurfacing of Various Roadways	100,000	2.00%
10-23	Acquisition of Four Wheel Drive Vehicle for the Public Works Department	47,500	2.00%

NOTE 3. DEBT (CONTINUED)**B. Short-Term Debt (Continued)**

<u>Ordinance Number</u>		<u>Amount</u>	<u>Interest Rate</u>
	<u>General Capital Fund</u>		
10-24	Acquisition of Utility Body Truck for the Public Works Department	\$ 61,750	2.00%
10-25	Acquisition of Various Equipment for the Public Works Department	42,500	2.00%
10-26	Acquisition of Two Four Wheel Dive Vehicles for the Police Department	59,000	2.00%
10-16	Resurfacing of Various Roadways	280,000	2.00%
03-17	Beach Repairs	100,000	2.00%
05-26	Reach Replenishment	70,000	2.00%
09-35	Emergent Repair, Restoration and/or Reconstruction of Various Beaches, Public Facilities and Improvements	75,000	2.00%
11-32	Repair, Restoration and/or Replacement of Various Beaches	<u>950,000</u>	2.00%
		\$ <u>4,431,450</u>	
	<u>Water-Sewer Utility Capital Fund</u>		
08-04	NJEIT Sewer Projects	\$ 525,000	2.00%
08-38	Preliminary Costs for Replacement of Various Sewer Lines	210,000	2.00%
08-39	Preliminary Costs for Replacement of Various Water Lines	150,000	2.00%
09-24	Completion of Various Improvements to the North Beach Sewer Station	250,000	2.00%
10-30	Various Improvements to the Beach Haven Terrace Water Treatment Facility	115,000	2.00%
10-30	Various Improvements to the Beach Haven Terrace Water Treatment Facility	35,000	2.00%
10-40	Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets	525,000	2.00%
10-40	Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets	103,000	2.00%
11-10	Various Improvements to the North Beach Sewer Station	<u>245,000</u>	2.00%
		\$ <u>2,158,000</u>	

NOTE 3. DEBT (CONTINUED)

C. Bonds and Notes Authorized but not Issued

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

	<u>2012</u>	<u>2011</u>
General Capital Fund	\$ 3,237,287	\$ 1,104,677
Water-Sewer Utility Capital Fund	3,036,191	4,315,958

D. Borrowing Power

New Jersey statutes limit the debt of a municipality to 3.5% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2012 was .12%. The Township's remaining borrower power is 3.38%.

The summary of municipal debt for the last three years and the calculation of statutory net debt is presented in the Supplementary Data section of this report.

E. Summary of Debt Activity

During 2012 and 2011 the following changes occurred in the debt service of the Township:

	<u>Balance Dec. 31, 2011</u>	<u>Issued</u>	<u>Prior Year Adjustment</u>	<u>Retired</u>	<u>Balance Dec. 31, 2012</u>
General Capital Fund:					
Serial Bonds	\$ 2,366,000	\$	\$	\$ 397,000	\$ 1,969,000
Bond Anticipation Notes	4,984,000	18,000		570,550	4,431,450
Greent Trust Loan	190,832			25,661	165,171
Blue Acres Loan	21,727			2,922	18,805
Water-Sewer Fund:					
Serial Bonds	1,309,000			469,000	840,000
Bond Anticipation Notes	1,618,750	743,000		203,750	2,158,000
NJ Infrastructure Loans	17,178,496		227,234	931,701	16,474,029
	<u>\$ 27,668,805</u>	<u>\$ 761,000</u>	<u>\$ 227,234</u>	<u>\$ 2,600,584</u>	<u>\$ 26,056,455</u>

	<u>Balance Dec. 31, 2010</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Dec. 31, 2011</u>
General Capital Fund:				
Serial Bonds	\$ 2,955,500	\$	\$ 589,500	\$ 2,366,000
Bond Anticipation Notes	4,314,100	1,475,000	805,100	4,984,000
Greent Trust Loan	215,988		25,156	190,832
Blue Acres Loan	24,591		2,864	21,727
Water-Sewer Fund:				
Serial Bonds	1,859,500		550,500	1,309,000
Bond Anticipation Notes	1,430,500	640,000	451,750	1,618,750
NJ Infrastructure Loans	13,973,530	3,999,529	794,563	17,178,496
	<u>\$ 24,773,709</u>	<u>\$ 6,114,529</u>	<u>\$ 3,219,433</u>	<u>\$ 27,668,805</u>

NOTE 4. COMPENSATED ABSENCE LIABILITY

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation and sick pay. The Township permits certain employees within limits to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated maximum current cost of such unpaid compensation approximates \$870,945 and \$855,853 at December 31, 2012 and 2011, respectively, assuming that all personnel retire from the Township. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. Total funds reserved as of December 31, 2012 and 2011 was \$363,856 and \$308,314, respectively. The 2013 budget contained an appropriation in the amount of \$150,000 toward the funding of the liability.

NOTE 5. FUND BALANCES APPROPRIATED

The fund balances at December 31 which have been appropriated and included as anticipated revenue in the municipal budget for the year ending December 31 of the succeeding years are as follows:

	<u>2013</u>	<u>2012</u>
Current Fund	\$ 1,162,946	\$ 1,360,000
Water-Sewer Utility Fund	400,000	400,000

NOTE 6. TAXES AND WATER-SEWER CHARGES COLLECTED IN ADVANCE

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

	<u>Balance December 31</u>	
	<u>2012</u>	<u>2011</u>
Prepaid Taxes	\$ 1,051,758	\$ 1,115,510
Prepaid Sewer Rents	-0-	-0-

NOTE 7. ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1 in each year and filed with the County Board of Taxation (the "Board") by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, Local School District, Regional School District and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector (the "Collector") on or before May 13th.

Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The N.J. Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

NOTE 8. DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED

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

NOTE 9. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

As noted in Note 1, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012, the following deferred charges are shown on the balance sheets of the various funds:

	<u>Balance Authorizations</u>	<u>Funded by Ordinance</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:			
Emergency Authorizations (N.J.S. 40A:4-47):			
Hurricane Sandy Damage	\$ 1,000,000	\$ 1,000,000	\$ -0-
Special Emergency Authorizations (N.J.S. 40A:4-55):			
Hurricane Sandy Damage	<u>8,000,000</u>	<u>1,000,000</u>	<u>7,000,000</u>
	<u>\$ 8,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 7,000,000</u>

NOTE 10. PENSION PLANS

Substantially all of the Township's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits ("the Division"): the Police and Firemen's Retirement System ("the PFRS"), the Public Employees' Retirement System ("the PERS") or the Defined Contribution Retirement Program ("the DCRP"). Each plan has a Board of Trustees that is primarily responsible for its administration, The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

Public Employees' Retirement System (PERS)

The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

NOTE 10. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions are detailed below.

Police and Firemen's Retirement System (PFRS)

The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the PFRS are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was increased to 10% in October 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contributions plus any accrued liability. These contributions, equal to the required contributions are detailed below.

Defined Contribution Retirement Program (DCRP)

The DCRP was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP Board oversees the DCRP, which is administered by Prudential Financial on behalf of the Division. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The contribution requirements of plan members are determined by State statute. Plan members are required to contribute 5.5% of their annual covered salary and the Township is required to contribute 3% of the annual salary. The employee contributions along with the Township's contribution for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

There were no Township employees enrolled in the DCRP for the years ended December 31, 2012, 2011 and 2010.

NOTE 10. PENSION PLANS (CONTINUED)

Other Information

The Township's contributions, equal to the required contribution for each fiscal year, were as follows:

	2012		2011		2010	
	<u>PERS</u>	<u>PFRS</u>	<u>PERS</u>	<u>PFRS</u>	<u>PERS</u>	<u>PFRS</u>
Normal Contribution	\$ 148,958	\$ 454,361	\$ 175,021	\$ 631,794	\$ 146,471	\$ 544,847
Accrued Liability	297,916	496,951	278,885	498,820	188,198	382,098
Total Regular Pension Contribution	446,874	951,312	453,906	1,130,614	334,669	926,945
Non-Contributory Group Life Insurance	28,471	35,416	34,474	50,151	46,411	48,070
Total Due	\$ <u>475,345</u>	\$ <u>986,728</u>	\$ <u>488,380</u>	\$ <u>1,180,765</u>	\$ <u>381,080</u>	\$ <u>975,015</u>

The Division does not invest in securities issued by the Township.

NOTE 11. SCHOOL TAXES

Regional and Local District School Taxes have been raised and liabilities deferred. Section 13 of P.L. 1991, C. 63 required that any municipality that levied school taxes on a school year basis shall defer from the 1991 municipal purposes tax levy at least 25% of the amount allowable to be deferred (which is 50% (fifty percent) of the levy). The remainder of the allowable amount shall be deferred from the levy in each of the next three years (1992-1994). The amounts so deferred shall be regarded as fund balance and shall be used to offset the local property tax levy for local purposes. In 1992 at least 50% of the amount allowable to be deferred from the 1992 tax levy was required to offset the 1993 local property tax levy and the total amount of deferral at December 31, 1993 was 75% of the amount allowable to be deferred based on the 1993 tax levy.

In 1994 Section 13, P.L. 1991, C. 63 was amended to provide municipalities with the option to determine the percentage if any of the amount allowable to be deferred to offset the local property tax levy for local purposes.

	<u>Regional School Tax</u>		<u>Local District School Tax</u>	
	<u>Balance December 31</u>		<u>Balance December 31</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Tax Payable	\$ 6,247,458	\$ 5,628,110	\$ 895,853	\$ 859,665
Deferred Cash	<u>2,262,051</u>	<u>2,262,051</u>	<u>796,383</u>	<u>796,383</u>
Balance of Tax	\$ <u>8,509,509</u>	\$ <u>7,890,161</u>	\$ <u>1,692,236</u>	\$ <u>1,656,048</u>

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Township contributes to the State Health Benefits Program ("SHBP"), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions. 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. 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.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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. Many years ago, the Township authorized participation in the SHBP's post-retirement benefit program. The Township adopted the provisions of Chapter 88, P.L. 1974 that provides medical benefits to any employee who has over 25 years of pension service credit.

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, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions.

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 health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis.

The Township contributions to SHBP for the years ended December 31, 2012, 2011 and 2010 were \$830,191, \$815,525 and \$720,354, respectively, which equaled the required contributions for each year. There were approximately 55, 56 and 53 retired participants eligible at December 31, 2012, 2011 and 2010, respectively.

NOTE 13. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township is a member of the Ocean County Municipal Joint Insurance Fund, and the Municipal Excess Liability Fund, public entity risk pools currently operating as a common risk management and insurance programs for municipalities within the state. The Township pays an actuarially determined annual assessment to Ocean County Municipal Joint Insurance Fund for its insurance coverage and that of the Municipal Excess Liability Fund. Supplemental assessments may be levied to supplement the funds. The Township has not been notified on any supplemental assessments.

Settled claims resulting from these risks, if any, have not exceeded insurance coverage in any of the past three years

NOTE 14. PRIOR YEAR ADJUSTMENTS - WATER-SEWER UTILITY CAPITAL FUND

During the course of the 2012 audit information relating to the Township's New Jersey Environmental Infrastructure Trust Loan Programs (EIT loans) were confirmed with the New Jersey Department of Environmental Protection (NJDEP). Consequently, it was determined that changes in NJDEP funding sources including credits (premiums) from state level refunding bond sales subsequently changed EIT loan liabilities from original estimates.

It was also noted that the "reserve for retirement of debt" required an adjustment that resulted in a deficit which was charged against utility capital fund balance. Such deficit was the result of revenue realization in a previous period of available balances based on amounts previously calculated as available from EIT loan transactions.

Other ancillary utility capital exhibits including fixed capital and amortization reserves were adjusted to reflect projects previously completed and uncompleted and the "analysis of cash" was also adjusted to reflect the funding (permanent and temporary as required) status of improvement authorizations and EIT loan related receivables.

NOTE 15. "SUPER STORM SANDY" EMERGENCY APPROPRIATIONS

Storm damage from "Super Storm Sandy" resulted in the governing body authorizing emergency appropriations for clean-up and repairs as follows:

Emergency Appropriation Funded by Capital Ordinance (N.J.S. 40A:4-47) - \$1,000,000

Special Emergency Authorization (N.J.S. 40A:4-54) - \$7,000,000

The Special Emergency is required to be raised a minimum of 20% of the original amount authorized over a five year period. It is anticipated that a portion of the special emergency authorization will be funded by FEMA and/or insurance proceeds.

NOTE 16. CONTINGENT LIABILITIES

State and Federal Financial Assistance

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance 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, 2012, the Township estimates that no material liabilities will result from such audits.

Pending Litigation

Township Counsel's letter to the auditor indicated there was no pending or threatened litigation, claims and assessments which was not covered by adequate insurance.

NOTE 16. CONTINGENT LIABILITIES (CONTINUED)

Unasserted Claims and Assessments

With respect to unasserted claims and assessments, there are threats by various oceanfront homeowners to contest acquisition of oceanfront easements in furtherance of the United States Army Corps of Engineers Shore Replenishment Project. In the event that the Township is forced to proceed with condemnation of oceanfront lands owned by unrelenting owners, the financial impact on Township could be severe. However, the United States Army Corps of Engineers presently is considering reforming their policy to reimburse the Township for any expenditures which may be incurred by the Township as of a result of necessary condemnation practice thereby mitigating the severity of the financial impact.

NOTE 17. INTERFUND RECEIVABLES AND PAYABLES

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

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 1,554,021	\$ 144,485
Grant Fund	139,385	
General Capital Fund		1,553,721
Animal Control Trust Fund		300
Payroll Fund	<u>5,100</u>	<u> </u>
	<u>\$ 1,698,506</u>	<u>\$ 1,698,506</u>

NOTE 18. LENGTH OF SERVICE AWARD PROGRAM (“LOSAP”) - UNAUDITED

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

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be \$1,150 per year of active emergency service, commencing with the year 2007.

Appropriations - Appropriations for the purpose of funding the Township’s LOSAP shall be included as a separate line item in the Township’s budget, commencing with the year 2007.

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

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

NOTE 18. LENGTH OF SERVICE AWARD PROGRAM (“LOSAP”) – UNAUDITED
(CONTINUED)

Determination as to Eligibility - Each emergency service organization shall provide to the Township Administrator, acting as the Plan Administrator of LOSAP Plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan and those who are eligible to participate as each January 1 thereafter. The Plan Administrator shall forward said certified list to the Township Committee for approval, in accordance with the provision of N.J.A.C. 5:30-14.10. The decision of the Township Committee as to such active member’s eligibility shall be binding upon the Plan Administrator, participants, beneficiaries and any and all other persons having an interest hereunder, subject to appropriate judicial review.

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

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

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

Contributions from Other Entities - As of the audit date, amounts due for 2012, which were paid in 2013, are as follows:

Barnegat Light	\$ 25,106
Harvey Cedars	12,720
Ship Bottom	7,319
Surf City	<u>5,544</u>
Total Contributions	\$ <u>50,689</u>

The above information is presented as reflected in the Township’s records as of the date of audit.

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

NOTE 19. SUBSEQUENT EVENT - DEBT AUTHORIZED

The Township adopted capital ordinances through July 9, 2013:

<u>Ordinance Number</u>	<u>Project</u>	<u>Amount of Debt Authorized</u>
	General Capital Fund:	
13-03	To Pay a Special Emergency Appropriation for Hurricane Sandy	\$ 5,000,000
13-10	Supplemental Funding for the Replacement of an Emergency Generator	118,750
13-15	Acquisition of Equipment for Grounding and Lightening Protection	128,200
13-16	Acquisition of Various Equipment for the Public Works Department	128,200
13-17	Acquisition of a Beach Truck	427,500
13-18	Acquisition of Vehicles for the Public Works Department	<u>66,500</u>
	Total General Capital Fund	\$ <u>5,869,150</u>
	Water-Sewer Utility Capital Fund:	
13-19	Painting of the Brant Beach and Holgate Water Towers	\$ <u>500,000</u>

TOWNSHIP OF LONG BEACH
COUNTY OF OCEAN
PART II
SUPPLEMENTARY DATA
SUPPLEMENTARY SCHEDULES
YEAR ENDED DECEMBER 31, 2012

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax Rate	\$ <u>.892</u>	\$ <u>.864</u>	\$ <u>.838</u>
Apportionment of Tax Rate			
Municipal	.221	.224	.220
County	.393	.378	.362
Local School	.044	.044	.042
Regional High School	.234	.218	.214
Assessed Valuation			
2012	\$ 7,567,550,195		
2011		\$ 7,535,093,755	
2010			\$ 7,509,887,908

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collection</u>	<u>Percentage of Collection</u>
2012	\$ 67,798,996	\$ 67,025,265	98.85%
2011	65,355,061	64,624,595	98.88%
2010	63,104,502	62,495,084	99.03%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>Year Ended December 31</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2012	\$ 157	\$ 711,240	\$ 711,397	0.01%
2011	157	646,120	646,277	0.01%
2010	149	592,166	592,315	0.01%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties were acquired in 2012 by foreclosure as a result of liquidation of tax title liens. No properties were sold during the period under audit.

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

<u>Year</u>	<u>Amount</u>
2012	\$ 27,200
2011	27,400
2010	27,200

* Includes prior period adjustment

COMPARISON OF WATER-SEWER UTILITY LEVIES

<u>Year</u>	<u>Rents</u>	<u>Cash Collection</u>
2012	\$ 9,160,054	\$ 9,140,891
2011	8,859,832	8,753,997
2010	8,085,794	8,070,301

COMPARATIVE SCHEDULE OF FUND BALANCES

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
<u>Current Fund</u>		
2012	\$ 2,459,317	\$ 1,162,946
2011	3,244,795	1,360,000
2010	2,906,924	1,500,000
2009	2,613,557	1,500,000
2008	3,009,574	1,558,300
<u>Water-Sewer Fund</u>		
2012	\$ 1,829,271	\$ 400,000
2011	1,164,176	400,000
2010	1,255,881	498,000
2009	1,396,486	551,500
2008	1,523,878	685,150

SUMMARY OF MUNICIPAL DEBT

	<u>Year 2012</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Issued</u>			
General Bonds, Notes and Loans	\$ 6,584,426	\$ 7,562,559	\$ 7,510,179
Water-Sewer Utility Bonds, Notes and Loans	<u>19,472,029</u>	<u>20,106,246</u>	<u>17,263,530</u>
Total Issued	<u>26,056,455</u>	<u>27,668,805</u>	<u>24,773,709</u>
<u>Authorized but not Issued</u>			
General Bonds and Notes	3,237,287	1,104,677	1,882,837
Water-Sewer Utility Bonds and Notes	<u>3,036,191</u>	<u>4,315,958</u>	<u>2,345,433</u>
	<u>6,273,478</u>	<u>5,420,635</u>	<u>4,228,270</u>
Net Bonds and Notes Issued and Authorized but not Issued	\$ <u>32,329,933</u>	\$ <u>33,089,440</u>	\$ <u>29,001,979</u>

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 .12%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional and Local District School Debt	\$ 2,859,506	\$ 2,859,506	\$ -0-
General Debt	9,821,713		9,821,713
Water-Sewer Utility Debt	<u>22,508,220</u>	<u>22,508,220</u>	<u>-0-</u>
	\$ <u>35,189,439</u>	\$ <u>25,367,726</u>	\$ <u>9,821,713</u>

Net Debt \$9,821,713 divided by Equalized Valuation basis per N.J.S.A. 40A:2-6 as amended \$8,438,633,453 = .12%.

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

3.5% of Equalized Valuation Basis	\$ 295,352,171
Net Debt	<u>9,821,713</u>
Remaining Borrowing Power	\$ <u>285,530,458</u>

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

Cash Receipts from Fees, Rents or Other Charges for the Year		\$ 9,786,407
Deductions:		
Operating and Maintenance Cost	\$ 7,157,500	
Debt Service per Water-Sewer Account	<u>1,914,049</u>	
Total Deductions		<u>9,071,549</u>
Excess in Revenue		\$ <u>714,858</u>

The forgoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2012:

<u>Name</u>	<u>Position</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
Joseph H. Mancini	Mayor		
Ralph H. Bayard	Commissioner		
Joseph P. Lattanzi	Commissioner		
Lynda J. Wells	Township Clerk, Improvement Search Officer		
Elizabeth L. Jones	Chief Financial Officer	\$ 1,000,000	MEL/JIF
Deborah L. Hample	Tax Collector, Tax Search Officer	1,000,000	MEL/JIF
Nancy Fritz	Water-Sewer Utility Collector	1,000,000	MEL/JIF
James A. Liguori	Municipal Court Judge	1,000,000	MEL/JIF
Helen-Jean Robinson	Court Administrator	1,000,000	MET/JIF
Shackleton & Hazeltine	Attorney		
Owen, Little & Associates	Engineer		

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

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-4

SCHEDULE OF CASH

Balance December 31, 2011		\$ 13,223,279.53
Increased by Receipts:		
Taxes Receivable	\$ 66,428,916.70	
State of New Jersey - Employee Benefits Payable	12,140,876.45	
Revenue Accounts Receivable	4,448,348.96	
State of New Jersey (Ch. 20, P.L. 1971)	85,681.51	
State of New Jersey - Other Payables	34,387.00	
Non-Budget Revenue	255,792.95	
Payroll Reserve Cancelled	50,000.00	
Uniform Construction Code Fees Due Stafford Township	218,051.98	
Tax Overpayments	2,677.98	
Prepaid Taxes	1,051,757.57	
Interfunds:		
Other	5,722.78	
Grant Fund	170,124.25	
	<u>84,892,338.13</u>	
		<u>98,115,617.66</u>
Decreased by Disbursements:		
2012 Budget Appropriations	20,846,118.55	
Reserve for Hurricane Damage	3,067,370.59	
County Tax	29,736,214.40	
Local District School Tax	3,348,284.10	
Regional School Tax	17,111,421.83	
2011 Appropriation Reserves	566,705.14	
State of New Jersey - Employee Benefits Payable	12,137,869.36	
State of New Jersey - Other Payables	31,651.00	
Uniform Construction Code Fees Due Stafford Township	224,649.88	
Interfunds:		
Other	557,540.52	
Grant Fund	249,229.28	
Prior Year Refund Charged to Operations	15,000.00	
Tax Refunds	2,615.93	
Refund of Prior Year Revenues	85.00	
	<u>87,894,755.58</u>	
Balance December 31, 2012		\$ <u><u>10,220,862.08</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-5

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance		Collected		Veterans and Senior Citizens Deductions	Overpayments Applied	Cancelled	Added Tax	Balance Dec. 31, 2012
	Dec. 31, 2011	2012 Levy	2012	2011					
2010	\$ 7,198.11	\$	\$ 3,427.11	\$	\$	\$	\$	\$	\$ 3,771.00
2011	638,921.64		601,984.78			4.62	5,037.99	1,068.49	32,962.74
	646,119.75		605,411.89			4.62	5,037.99	1,068.49	36,733.74
2012		67,798,995.79	65,823,504.81	1,115,509.85	86,250.00	20,794.53	78,430.01		674,506.59
	\$ 646,119.75	\$ 67,798,995.79	\$ 66,428,916.70	\$ 1,115,509.85	\$ 86,250.00	\$ 20,799.15	\$ 83,468.00	\$ 1,068.49	\$ 711,240.33

Analysis of 2012 Property Tax Levy

Tax Yield:	
General Purpose Tax	\$ 67,502,547.47
Added Taxes	<u>296,448.32</u>
	\$ 67,798,995.79

Tax Levy:

Local District School Tax (Abstract)	\$ 3,384,472.23
Regional School Tax (Abstract)	<u>17,730,770.28</u>
County Tax (Abstract)	
County Library Tax (Abstract)	\$ 25,683,682.93
County Open Space Preservation (Abstract)	2,912,397.45
Due County Added Taxes	<u>1,029,977.97</u>
	130,576.36
Total School and County Taxes	16,731,195.52
Local Tax for Municipal Purposes	<u>195,923.05</u>
Added Taxes	<u>16,927,118.57</u>
	\$ 67,798,995.79

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-6

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Accrued</u> <u>in 2012</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Licenses:				
Alcoholic Beverages	\$	10,975.00	\$ 10,975.00	\$
Other		82,460.00	82,460.00	
Fees and Permits		41,690.00	41,690.00	
Fines and Costs - Municipal Court		156,262.67	151,874.75	8,406.63
Interest and Costs on Taxes	4,018.71	152,690.49	152,690.49	
Interest on Investments and Deposits		51,577.38	51,577.38	
Beach Badge Fees		1,724,085.00	1,724,085.00	
Energy Receipts Tax		675,438.00	675,438.00	
Uniform Construction Code Fees		175,000.00	175,000.00	
Additional Uniform Construction Code Fees		357,066.12	357,066.12	
Interlocal Services Agreements:				
Barnegat Light Police Protection		559,112.84	559,112.84	
Police Dispatching Services		141,244.05	141,244.05	
Health Contracts		237,013.00	237,013.00	
Lobbyist		22,800.00	22,800.00	
MDT		2,015.00	2,015.00	
Fees for Board of Health Services		29,565.88	29,565.88	
Omnipoint Communications Lease Agreement		33,741.45	33,741.45	
	<u>\$ 4,018.71</u>	<u>\$ 4,452,736.88</u>	<u>\$ 4,448,348.96</u>	<u>\$ 8,406.63</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-7

Sheet 1 of 5

SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>After</u> <u>Transfer</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
<u>OPERATIONS WITHIN CAPS</u>				
<u>Administrative and Executive</u>				
Revenue and Finance Director	\$ 1,903.34	\$ 1,903.34		\$ 1,903.34
Other Expenses				
Publicity				
Other Expenses	819.35	819.35		819.35
Municipal Clerk				
Salaries and Wages	52,438.70	52,438.70		52,438.70
Other Expenses	2,706.70	2,706.70	335.00	2,371.70
Upgrade General Code	.98	.98		.98
Advertising				
Other Expenses	3,702.47	3,702.47	142.55	3,559.92
Election				
Other Expenses	65.35	65.35		65.35
Financial Administration				
Salaries and Wages	38,466.20	38,466.20		38,466.20
Other Expenses	7,002.17	7,002.17	4,924.41	2,077.76
Audit Services				
Other Expenses	5,000.00	5,000.00		5,000.00
Purchasing				
Salaries and Wages	39.87	39.87		39.87
Other Expenses	355.00	355.00		355.00
Tax Collection				
Salaries and Wages	1,111.37	1,111.37		1,111.37
Other Expenses	1,141.46	1,141.46	193.19	948.27
Tax Assessment				
Salaries and Wages	11,939.64	11,939.64		11,939.64
Tax Assessment				
Other Expenses	39,176.34	39,176.34	8,518.33	30,658.01
Legal Services				
Other Expenses	16,197.10	16,197.10	6,460.44	9,736.66
Lobbyist - Beach Replenishment				
Other Expenses	2,000.00	2,000.00		2,000.00

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-7

SCHEDULE OF APPROPRIATION RESERVES

Sheet 2 of 5

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>After</u> <u>Transfer</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Feasibility Study	\$ 1,000.00	\$ 1,000.00		\$ 1,000.00
Other Expenses				
Engineering Services				
Other Expenses	8,715.24	8,715.24	585.44	8,129.80
<u>Land Use Administration</u>				
Planning Board				
Salaries and Wages	3,843.79	3,843.79		3,843.79
Other Expenses	6,269.78	6,269.78	347.50	5,922.28
<u>Insurance</u>				
Liability Insurance	5,000.00	5,000.00		5,000.00
Worker Compensation	15,381.06	15,381.06		15,381.06
Employee Group Insurance	373,418.66	373,418.66	24,862.75	348,555.91
Unemployment Insurance	9,627.18	9,627.18		9,627.18
<u>Public Safety Functions</u>				
Public Affairs/Public Safety Director				
Salaries and Wages	1.70	1.70		1.70
Other Expenses	255.34	255.34		255.34
Police				
Salaries and Wages	194,052.76	194,052.76	28,071.99	165,980.77
Other Expenses	176,070.16	176,070.16	154,679.18	21,390.98
Emergency Management				
Other Expenses	66,644.62	66,644.62	37,759.17	28,885.45
Fire				
Other Expenses	100.00	100.00		100.00
Municipal Court				
Salaries and Wages	27,075.84	27,075.84		27,075.84
Other Expenses	4,337.84	4,337.84	447.87	3,889.97
Public Defender				
Other Expenses	2,500.00	2,500.00	583.33	1,916.67
Municipal Prosecutor				
Other Expenses	1,896.38	1,896.38		1,896.38

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-7

SCHEDULE OF APPROPRIATION RESERVES

Sheet 3 of 5

	<u>Balance Dec. 31, 2011</u>	<u>Balance After Transfer</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Public Works Functions				
Public Works and Property Director				
Other Expenses	\$ 1,108.67	\$ 1,108.67		\$ 1,108.67
Streets and Road Maintenance				
Salaries and Wages	47,045.17	47,045.17	5,945.04	41,100.13
Other Expenses	9,482.19	9,482.19	6,838.79	2,643.40
Schedule C Public Works				
Other Expenses	77,738.21	77,738.21		77,738.21
Public Works				
Salaries and Wages	58,948.39	58,948.39	10,613.19	48,335.20
Other Expenses	10,869.64	10,869.64	10,396.62	473.02
Garbage and Trash Removal				
Other Expenses				
Garbage and Recycling Collection	68,000.00	68,000.00	68,000.00	
Sanitary Landfill Fees	64,792.09	59,792.09	13,069.55	46,722.54
Recycling				
Salaries and Wages	5,193.70	5,193.70		5,193.70
Other Expenses	257.56	257.56	170.84	86.72
Public Buildings and Grounds				
Salaries and Wages	18,432.22	18,432.22	2,834.52	15,597.70
Other Expenses	16,776.53	16,776.53	11,300.56	5,475.97
Beach Erosion				
Other Expenses	200.00	200.00		200.00
Health and Human Services				
Board of Health				
Salaries and Wages	10,909.20	10,909.20		10,909.20
Other Expenses	5,428.16	5,428.16	4,293.77	1,134.39
Animal Control Services				
Other Expenses	3,890.50	3,890.50	1,923.00	1,967.50
Handicapped/ADA Compliance				
Other Expenses	100.00	100.00		100.00

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-7

SCHEDULE OF APPROPRIATION RESERVES

Sheet 4 of 5

	<u>Balance Dec. 31, 2011</u>		<u>Balance After Transfer</u>		<u>Paid or Charged</u>	<u>Balance Lapsed</u>
<u>Parks and Recreation Functions</u>						
Recreation						
Other Expenses	\$ 500.00		\$ 500.00			\$ 500.00
Parks and Playgrounds						
Other Expenses	190.00		190.00			190.00
Lifeguards						
Salaries and Wages	3,533.35		3,533.35			3,533.35
Other Expenses	10,849.19		10,849.19		8,348.83	2,500.36
Beach Badge						
Salaries and Wages	350.66		350.66			350.66
Other Expenses	953.07		953.07			953.07
Celebration of Public Events						
Other Expenses	2,137.62		2,137.62			2,137.62
<u>Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>						
Construction Code Official						
Salaries and Wages	6,517.42		6,517.42			6,517.42
Other Expenses	19,445.16		19,445.16		18,117.10	1,328.06
<u>Unclassified</u>						
Electricity	25,554.74		25,554.74		15,965.62	9,589.12
Street Lighting	50,122.67		50,122.67		24,123.33	25,999.34
Telephone	15,558.90		20,558.90		16,613.23	3,945.67
Natural Gas	10,235.19		10,235.19		4,035.39	6,199.80
Gasoline	53,616.04		53,616.04		2,878.82	50,737.22
Shared Equipment - Other Expense	27,686.54		27,686.54		2,344.30	25,342.24
Community Rating System						
Salaries and Wages	32.67		32.67			32.67
Other Expenses	2,659.60		2,659.60			2,659.60
<u>STATUTORY EXPENDITURES WITHIN CAPS</u>						
Contribution to:						
Social Security System (O.A.S.I.)	47,384.70		47,384.70			47,384.70
Total Appropriations within Caps	<u>1,756,756.14</u>		<u>1,756,756.14</u>		<u>495,723.65</u>	<u>1,261,032.49</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-7

SCHEDULE OF APPROPRIATION RESERVES

Sheet 5 of 5

OPERATIONS EXCLUDED FROM CAPS

	<u>Balance Dec. 31, 2011</u>	<u>Balance After Transfer</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
911 Emergency Phone	\$ 2.64	\$ 2.64		\$ 2.64
Other Expenses				
Uniform Construction Code	108.93	108.93		108.93
Salaries and Wages	4,083.60	4,083.60	3,000.00	1,083.60
Other Expenses	99,715.00	99,715.00	68,737.00	30,978.00
Length of Service Awards Program (LOSAP)	20,000.00	20,000.00	20,000.00	
Recycling Fees				
Interlocal Municipal Service Agreements:				
Barnegat Light Police Protection	78.70	78.70		78.70
Salaries and Wages	16,492.34	16,492.34	15,433.39	1,058.95
Other Expenses	281.21	281.21		281.21
Health Contracts				
Public and Private Program Offset by Revenue	3,970.00	3,970.00		3,970.00
Matching Funds for Grants	<u>144,732.42</u>	<u>144,732.42</u>	<u>107,170.39</u>	<u>37,562.03</u>
Total Appropriations excluded from Caps	\$ <u>1,901,488.56</u>	\$ <u>1,901,488.56</u>	\$ <u>602,894.04</u>	\$ <u>1,298,594.52</u>
Appropriation Reserves - 2011				
Reserve for Encumbrances	\$ 1,546,160.44			
	<u>355,328.12</u>			
	\$ <u>1,901,488.56</u>			
Disbursements				
Reserve for Encumbrances			\$ 566,705.14	
			<u>36,188.90</u>	
			\$ <u>602,894.04</u>	

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-8

SCHEDULE OF COUNTY TAXES PAYABLE

Balance December 31, 2011		\$ 110,156.05
Increased by:		
General County Tax	\$ 25,683,682.93	
County Library Tax	2,912,397.45	
County Open Space Preservation	1,029,977.97	
Added Taxes	<u>130,576.36</u>	
		<u>29,756,634.71</u>
		<u>29,866,790.76</u>
Decreased by:		
Disbursements		<u>29,736,214.40</u>
Balance December 31, 2012		<u><u>\$ 130,576.36</u></u>

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Exhibit A-9

Balance December 31, 2011:			
School Tax Payable	\$ 859,665.00		
School Tax Deferred	<u>796,383.00</u>		
		\$ 1,656,048.00	
Increased by:			
Levy School Year July 1, 2012 to June 30, 2013		<u>3,384,472.23</u>	
		<u>5,040,520.23</u>	
Decreased by:			
Payments		<u>3,348,284.10</u>	
Balance December 31, 2012:			
School Tax Payable	895,853.13		
School Tax Deferred	<u>796,383.00</u>		
		\$ 1,692,236.13	

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-10

SCHEDULE OF RESERVE FOR HURRICANE DAMAGE

Increased by:		
2012 Budget Appropriations		\$ 7,000,000.00
Decreased by:		
Disbursements		<u>3,067,370.59</u>
Balance December 31, 2012		<u>\$ 3,932,629.41</u>

SCHEDULE OF REGIONAL SCHOOL TAX

Exhibit A-11

Balance December 31, 2011:			
School Tax Payable	\$ 5,628,109.97		
School Tax Deferred	<u>2,262,051.00</u>		
		\$ 7,890,160.97	
Increased by:			
Levy School Year July 1, 2012 to June 30, 2013		<u>17,730,770.28</u>	
		25,620,931.25	
Decreased by:			
Payments		<u>17,111,421.83</u>	
Balance December 31, 2012:			
School Tax Payable	6,247,458.42		
School Tax Deferred	<u>2,262,051.00</u>		
		\$ 8,509,509.42	

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-12

SCHEDULE OF INTERFUNDS

	Total (Memo Only)	Payroll Fund	Animal Control Trust Fund	General Capital Fund
Balance December 31, 2011 - (Due From)/Due To	\$ 3,196.77	\$ 3,364.02	\$ (167.25)	\$
Increased by:				
Receipts	5,722.78	5,555.53	167.25	
Total Increases and Balances	<u>8,919.55</u>	<u>8,919.55</u>		
Decreased by:				
Disbursements	557,540.52	3,819.51		553,721.01
Statutory Excess	300.20		300.20	
Special Emergency Funded by Capital Ordinance	1,000,000.00			1,000,000.00
Total Decreases	<u>1,557,840.72</u>	<u>3,819.51</u>	<u>300.20</u>	<u>1,553,721.01</u>
Balance December 31, 2012 - (Due From)/Due To	\$ (1,548,921.17)	\$ 5,100.04	\$ (300.20)	\$ (1,553,721.01)

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF INTERFUND

GRANT FUND

Balance December 31, 2011 - Due To		\$ 176,034.59
Increased by:		
Receipts:		
Grants Receivable	\$ 114,660.54	
Unappropriated Reserves	55,463.71	
2012 Budget Appropriations	<u>215,347.07</u>	
		<u>385,471.32</u>
		<u>561,505.91</u>
Decreased by Disbursements:		
Disbursements:		
Appropriated Reserves	249,229.28	
2012 Revenue Anticipated	<u>172,892.07</u>	
		<u>422,121.35</u>
Balance December 31, 2012 - Due To		<u><u>\$ 139,384.56</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-14

SCHEDULE OF GRANTS RECEIVABLE

GRANT FUND

	<u>Balance Dec. 31, 2011</u>	<u>2012 Budget Revenue Realized</u>	<u>Received</u>	<u>Balance Dec. 31, 2012</u>
	\$	\$	\$	\$
Alcohol Education and Rehabilitation Fund		1,887.71	1,887.71	
Body Armor Replacement Fund		3,737.88	3,737.88	
Community Development Block Grant/CT-935-11	42,000.00		42,000.00	
Cops in Shops-Summer Shore Initiative	1,600.00		800.00	800.00
Cops in Shops		1,600.00	1,600.00	
Clean Communities Program		32,769.85	32,141.54	628.31
Donation for DARE		250.00	250.00	
Donation from LBI Business Alliance		1,000.00	1,000.00	
Municipal Alliance on Alcoholism and Drug Abuse Grant Share	18,981.08	24,975.00	21,277.29	22,678.79
Other Municipalities Matching Shares		4,849.00	4,583.71	265.29
Ocean County Tourism		1,060.00	1,060.00	
Pedestrian Safety Enforcement & Education		16,000.00		16,000.00
JIF Safety Incentive Award		650.00	650.00	
Recycling Mini-Grant	25,000.00			25,000.00
Recycling Revenue and Residue		31,809.63	31,809.63	
966 Grant Program	9,298.00	52,303.00	9,298.00	52,303.00
	\$ 96,879.08	\$ 172,892.07	\$ 152,095.76	\$ 117,675.39
Interfund - Current Fund			114,660.54	
Unappropriated Reserves			37,435.22	
			\$ 152,095.76	

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

Exhibit A-15

CURRENT FUND

SCHEDULE OF APPROPRIATED RESERVES

GRANT FUND

	Balance Dec. 31, 2011	2012 Budget Appropriation	Prior Year Encumbrances	Paid or Charged	Balance Dec. 31, 2012
	\$	\$	\$	\$	\$
Alcohol Education and Rehabilitation Fund	27,460.17	1,887.71		6,868.00	22,479.88
Body Armor Replacement Fund	6,567.15	3,737.88		7,967.26	2,337.77
Bullet Proof Vest Partnership Program	2,032.30			1,366.10	666.20
Civic Donations	511.56				511.56
Clean Communities (C. 87, P.L. 1986)	28,950.77	32,769.85	12,519.87	54,425.58	7,295.04
Community Development Block Grant/CT-935-11	9,329.21			21,849.08	
Cops in Shops		1,600.00		1,600.00	
Donation for DARE		250.00			250.00
Donation from LBI Business Alliance		1,000.00			1,000.00
Drunk Driving Enforcement Fund	11,434.73			8,557.42	2,877.31
Emergency Management Performance	15,600.00			15,600.00	
Holiday Lights	44.00			42.00	2.00
JIF Safety Incentive Award		650.00			650.00
Municipal Alliance on Alcoholism and Drug Abuse	4,862.40	31,219.00	4,634.48	31,414.61	9,301.27
Ocean County Tourism					
County Share	2,060.00	1,060.00		2,060.00	1,060.00
Local Share		1,060.00			1,060.00
Pedestrian Safety Grant		16,000.00		7925	8,075.00
Recycling Mini-Grant	50,000.00			47,365.54	2,634.46
Recycling Revenue and Residue	18,224.89			36,092.79	14,393.47
Recycling Tonnage Grant	30,173.38	31,809.63	451.74	30,497.18	.00
Summer Concerts Program	1,000.00		323.80	1,000.00	
966 Grant Program					
Grant Share	9,298.00	52,303.00		16,601.00	45,000.00
Local Share		40,000.00			40,000.00
	\$ 217,548.56	\$ 215,347.07	\$ 17,929.89	\$ 291,231.56	\$ 159,593.96
Disbursements				\$ 249,229.28	
Reserve for Encumbrances				42,002.28	
				\$ 291,231.56	

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-16

SCHEDULE OF UNAPPROPRIATED RESERVES

GRANT FUND

	Balance Dec. 31, 2011	Receipts	Utilization as Anticipated Revenue	Balance Dec. 31, 2012
Alcohol Education and Rehabilitation Fund	\$ 1,887.71	\$ 1,726.82	\$ 1,887.71	\$ 1,726.82
Body Armor Replacement Fund	3,737.88	3,652.37	3,737.88	3,652.37
Recycling Revenue and Residue	31,809.63	29,182.86	31,809.63	29,182.86
Recycling Tonnage Grant		20,076.66		20,076.66
Regional Traffic Enforcement		825.00		825.00
	<u>\$ 37,435.22</u>	<u>\$ 55,463.71</u>	<u>\$ 37,435.22</u>	<u>\$ 55,463.71</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

TRUST FUND

Exhibit B-1

SCHEDULE OF CASH

	Animal Control Trust Fund	Trust Other Fund
Balance December 31, 2011	\$ <u>1,536.65</u>	\$ <u>1,131,831.01</u>
Increased by Receipts:		
Animal Control License Fees Collected	692.00	
State Registration Fees	181.20	
Miscellaneous Reserves		1,151,638.30
Total Receipts	<u>873.20</u>	<u>1,151,638.30</u>
Total Receipts and Balances	<u>2,409.85</u>	<u>2,283,469.31</u>
Decreased by Disbursements:		
Animal Control Expenditures	468.00	
State Registration Fees	181.20	
Interfund - Current Fund	167.25	
Miscellaneous Reserves		1,008,570.70
Total Disbursements	<u>816.45</u>	<u>1,008,570.70</u>
Balance December 31, 2012	\$ <u>1,593.40</u>	\$ <u>1,274,898.61</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

TRUST FUND

Exhibit B-2

SCHEDULE OF RESERVE FOR ANIMAL CONTROL

TRUST FUND EXPENDITURES

Balance December 31, 2011			\$ 1,369.40
Increased by:			
Animal Control License Fees Collected			<u>692.00</u>
			2,061.40
Decreased by:			
Expenditures Under R.S. 4:19-15.11:			
Disbursements	\$ 468.00		
Statutory Excess	<u>300.20</u>		
			<u>768.20</u>
Balance December 31, 2012			<u>\$ 1,293.20</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2011	\$ <u>605.80</u>
2010	<u>687.40</u>
	<u>\$ 1,293.20</u>

TOWNSHIP OF LONG BEACH- COUNTY OF OCEAN

TRUST FUND

Exhibit B-3

SCHEDULE OF MISCELLANEOUS RESERVES

	Balance Dec. 31, 2011	Increased	Decreased	Balance Dec. 31, 2012
A.D.A. Implementation	34.74			34.74
Accumulated Absence Liability	308,314.38	150,000.00	94,458.88	363,855.50
Beach Wheels	489.25	6,106.00	4,556.00	2,039.25
Centennial Celebration	1,107.59			1,107.59
Construction Code Fees Escrow:				
Cash Bonds and Inspections Fees	190,637.74	53,800.00	101,237.01	143,200.73
Certification Fees	2,093.00	11,585.00	5,830.69	7,847.31
Dune Bond Inspection Fees	7,605.83	4,200.00	351.00	11,454.83
Escrow Over 5K	84,791.74	205,705.62	70,524.87	219,972.49
Escrow Under 5K	24,475.22	1,000.00	3,000.00	22,475.22
Land Use Inspection Fees	58,148.74	53,107.79	42,259.86	68,996.67
Flex Account Disbursements	14,828.16	43,009.50	30,310.43	27,527.23
Forfeited Property	7,407.24	10.87	6,745.12	672.99
Historic Boat Monument	607.39			607.39
Hurricane Sandy Relief Donations	1,494.70	39,805.33		39,805.33
Municipal Public Defender	7,491.44	2,183.33	3,678.00	0.03
Parking Offense Adjudication Act	205,632.71	234.00		7,725.44
Police Off-Duty/Outside Employment	3,919.21	358,629.63	292,490.91	271,771.43
Police Safety Equipment	37,425.83	1,472.40	60.80	5,330.81
Recreation Trust Fund	3,629.67	36,290.12	32,503.59	41,212.36
Special Events	162,425.00	88.75	1,900.00	1,729.67
Tax Sale Premiums	7,678.60	242,971.80	143,388.75	19,125.00
Tax Title Lien Redemptions			242,971.80	7,678.60
	\$ 1,130,238.18	\$ 1,210,200.14	\$ 1,076,267.71	\$ 1,264,170.61
Receipts				
Disbursements		1,151,638.30	1,008,570.70	
Reallocate		56,969.01	56,969.01	
Reserve for Encumbrances		1,592.83	10,728.00	
		\$ 1,210,200.14	\$ 1,076,267.71	

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-2

SCHEDULE OF CASH

Balance December 31, 2011		\$ 1,638,577.14
Increased by:		
Premium on Bond Anticipation Note	\$ 97,392.07	
Grant Proceeds:		
Deferred Charges Unfunded	166,079.85	
Reserve for Retirement of Debt	20,011.12	
Interfund - Current Fund	23,000.00	
2012 Current Fund Budget:		
Capital Improvement Fund	100,000.00	
Deferred Charges Unfunded	48,810.31	
Miscellaneous Reserves	554,000.00	
Bond Anticipation Notes Issued	<u>18,000.00</u>	
		<u>1,027,293.35</u>
		<u>2,665,870.49</u>
Decreased by:		
Improvement Authorizations	751,027.83	
Reserve for Payment of Bond Issuance Costs	2,728.40	
Miscellaneous Reserves	<u>223,493.07</u>	
		<u>977,249.30</u>
Balance December 31, 2012		\$ <u><u>1,688,621.19</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-3

ANALYSIS OF CASH

Sheet 1 of 2

	Balance		Receipts	Disbursements		Transfers		Balance Dec. 31, 2012
	Dec. 31, 2011			To	From	Dec. 31, 2012		
	\$	\$	\$	\$	\$	\$	\$	\$
Fund Balance	171,712.46	97,392.07						269,104.53
Miscellaneous Reserves	708,673.18	554,000.00		223,493.07	159,643.00			908,066.87
Reserve for:								
Payment of Bond Issuance Costs	4,672.88			2,728.40				1,944.48
Retirement of Debt	282,216.26	20,011.12						302,227.38
Encumbrances	117,253.10				117,253.10			219,069.62
Capital Improvement Fund	105,402.11	100,000.00			194,850.00			10,552.11
Interfund - Current Fund		23,000.00			1,530,721.01			1,553,721.01
Improvement Authorizations:								
Ordinance								
Number								
03-11								
03-17	Beach Restoration	(16,875.00)	16,875.00					
04-06	Beach Repairs	(9,087.63)	9,087.63					
04-19	Installation of Curbs and Sidewalks	(1,002.45)	1,002.45					
04-32	Condemnation of Easements	(795.02)	795.02					
05-26	Acquisition of Two Breathalyzers	(250.00)	250.00					
06-32	Beach Replenishment	(1,282.00)	1,282.00					
07-29	Road Improvements, Reconstruction and Repair of Various Streets	(6,575.74)	6,575.74					
	Improvements with Reference to Bulkhead Repairs to Various							
	Street Ends as May be Fixed by Resolution							
07-30	Improvements with Reference to Bulkhead Repairs	37,060.00						37,060.00
	Schedule C Improvements With Reference to Bulkhead Repairs							
	to Coughlin and Baltic Avenue							
07-42	Purchase of Four New Trucks	203,779.85						203,779.85
08-16	Various Recreation Improvements	(863.50)	863.50					
09-17	Reconstruction and/or Resurfacing of Pacific Avenue	33,046.87		7,957.29				25,089.58
09-18	Completion of Various Drainage Improvements	(167,636.16)	44,049.55					(123,586.61)
09-21	Completion of Various Improvements to the Public Works Facility	34,434.81						34,434.81
09-35	Emergent Repair, Restoration and/or Reconstruction of Various Beaches, Public Facilities and Improvements	(18,132.09)	18,000.00	395.00				(527.09)
	Resurfacing of Various Roadways	(476.88)	476.88					
10-16	Reconstruction and/or Resurfacing of Indiana and Stockton Avenues	27,589.52						27,589.52
0-22, 11-29	Acquisition of Two Four Wheel Drive Vehicles for Police Department	(46,938.71)	122,030.30	115,217.45		84,630.84		44,504.98
10-26	Acquisition of a Salt Spreader	(11,602.09)	11,602.09					
10-27	Reconstruction and/or Resurfacing of Various Roadways	101.14						101.14
11-26	Repair and/or Replacement of Bulkheads	12,157.92						(252,554.07)
11-27	Reconstruct and/or Resurface Winifred Avenue	1,866.39				1,940.00	2,231.10	(128,308.38)
11-28	Repair, Restoration and/or Replacement of Various Beaches	11,409.84				2,152.50	39,395.52	(177,642.25)
11-32	Repair, Restoration and/or Replacement of Various Beaches	168,718.08						167,178.08

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

ANALYSIS OF CASH

Exhibit C-3

Sheet 2 of 2

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance</u>		<u>Receipts</u>		<u>Disbursements</u>		<u>Transfers</u>		<u>Balance Dec. 31, 2012</u>			
		<u>Dec. 31, 2011</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>To</u>	<u>From</u>	<u>\$</u>	<u>\$</u>				
12-12	Reconstruction and/or Resurfacing of Various Roadways	\$		\$	363.00	\$		\$	15,000.00	\$	14,637.00		
12-16	Reconstruction and/or Resurfacing of South Lagoon Drive				24,799.48				10,250.00		(14,549.48)		
12-18	Repair and/or Replacement of Bulkheads				4,253.00				12,500.00		8,247.00		
12-21	Lovcladies Beach Ramp				19,250.00				19,250.00				
12-22	Police Department Roof Repairs				11,347.88				20,300.00	6,500.00	2,452.12		
12-23	New Air Conditioning Unit				14,700.00				14,700.00				
12-24	Crosswalk at 110th Street				4,800.00				4,800.00				
12-26	Phase I of the Lightening Protection Consulting Proposal								11,300.00				
12-28	Various Capital Equipment Purchases								33,500.00	530,721.01	(497,221.01)		
12-29	Emergency Appropriation for the Repair, Rehabilitation, Reconstruction and/or Replacement of Streets/Roads/Bridges and Other Public Property								50,000.00	1,000,000.00	(950,000.00)		
12-30	Replacement of an Emergency Generator				4,800.00				3,250.00		3,250.00		
		<u>\$</u>	<u>1,638,577.14</u>	<u>\$</u>	<u>1,027,293.35</u>	<u>\$</u>	<u>977,249.30</u>	<u>\$</u>	<u>2,061,893.73</u>	<u>\$</u>	<u>2,061,893.73</u>	<u>\$</u>	<u>1,688,621.19</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-4

SCHEDULE OF DEFERRED CHARGES TO FUTURE

TAXATION - FUNDED

Balance December 31, 2011		\$ 2,578,559.23
Decreased by:		
2012 Budget Appropriations to Pay:		
Serial Bonds	\$ 397,000.00	
Green Trust Loan	25,661.49	
Blue Acres Loan	2,921.64	
	<u> </u>	<u>425,583.13</u>
Balance December 31, 2012		\$ <u><u>2,152,976.10</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-5

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Sheet 1 of 2

Ordinance Number	Date	Improvement Description	Balance Dec. 31, 2011	2012 Authorizations	2012 Budget Appropriations	Grant Proceeds	Balance Dec. 31, 2012	Analysis of Balance Dec. 31, 2012	
								Bond Anticipation Notes	Unexpended Improvement Authorizations
03-11	5/09/2003	Beach Restoration	\$ 106,875.00	\$	\$ 46,875.00	\$	\$ 60,000.00	\$ 60,000.00	\$
03-17	9/01/2003	Beach Repairs	139,087.63	19,087.63	1,002.45		120,000.00	120,000.00	
04-06	4/27/2004	Installation of Curbs and Sidewalks	1,002.45	1,002.45					
04-19	8/31/2004	Condemnation of Easements	178,795.02	45,295.02	250.00		133,500.00	133,500.00	
04-32	12/01/2004	Acquisition of Two Breathalyzers	250.00	250.00					
05-26	12/10/2005	Beach Replenishment	321,282.00	32,532.00			288,750.00	288,750.00	
06-32	10/06/2006	Road Improvements, Reconstruction and Repair of Various Streets	28,575.74	28,575.74			240,900.00	240,900.00	
07-04	2/16/2007	Renovations and Improvements to the Municipal Building Complex	265,000.00	24,100.00			103,750.00	103,750.00	
07-07	3/02/2007	Fees for an Engineering and Drainage Project for Ocean Boulevard	125,500.00	21,750.00			26,000.00	26,000.00	
07-15	4/20/2007	Acquisition of Equipment for the Long Beach Township Beach Patrol	39,000.00	13,000.00			253,300.00	253,300.00	
07-28	6/15/2007	Schedule C Improvements With Reference to the Repaving of Ocean Boulevard	380,000.00	126,700.00			208,750.00	208,750.00	7,500.00
07-29	6/15/2007	Improvements With Reference to Bulkhead Repairs to Various Street Ends as May be Fixed by Resolution	237,500.00	28,750.00			141,250.00	141,250.00	
07-30	6/15/2007	Schedule C Improvements With Reference to Bulkhead Repairs to Coughlin and Baltic Avenues	169,500.00	28,250.00			38,500.00	38,500.00	
07-34	8/17/2007	Purchase a New Telephone System	44,000.00	5,500.00			79,300.00	79,300.00	
07-42	11/09/2007	Purchase of Four New Trucks	119,863.50	40,563.50			133,500.00	133,500.00	
08-03	2/22/2008	Acquisition of a Front-End Loader	156,750.00	23,250.00			83,700.00	83,700.00	
08-11	7/10/2008	Resurfacing of North Ohio Avenue - D.O.T.	97,700.00	14,000.00			139,500.00	139,500.00	
08-12	7/10/2008	Various Road Improvements	162,800.00	23,300.00			89,550.00	89,550.00	
08-13	7/10/2008	Acquisition of a Bulldozer	104,500.00	14,950.00			37,200.00	37,200.00	
08-15	7/10/2008	Various Drainage Improvements	43,500.00	6,300.00			74,550.00	74,550.00	
08-16	7/10/2008	Various Recreation Improvements	87,000.00	12,450.00			139,500.00	139,500.00	
08-18	7/10/2008	Acquisition of Generators	162,800.00	23,300.00			43,200.00	43,200.00	
08-29	8/22/2008	Acquisition of Two Four Wheel Drive Vehicles	50,500.00	7,300.00			62,300.00	62,300.00	
09-17	10/02/2009	Reconstruction and/or Resurfacing of Pacific Avenue	167,636.16			44,049.55	123,586.61	123,586.61	
09-18	10/16/2009	Completion of Various Drainage Improvements	71,200.00				62,300.00	62,300.00	
09-19	10/16/2009	Acquisition of a Bulldozer	112,000.00				100,700.00	100,700.00	
09-20	10/16/2009	Acquisition of a Beach Tractor	68,500.00				68,500.00	68,500.00	
09-21	10/16/2009	Completion of Various Improvements to the Public Works Facility	47,500.00				47,500.00	47,500.00	3,972.91
09-35	12/18/2009	Emergent Repair, Restoration and/or Reconstruction of Various Beaches, Public Facilities and Improvements	75,476.88	476.88			75,000.00	75,000.00	
10-04	2/05/2010	Acquisition of a Roll-Off Truck for the Public Works Department	114,000.00				114,000.00	114,000.00	
10-16	4/23/2010	Resurfacing of Various Roadways	380,000.00				380,000.00	380,000.00	
10-22, 11-29	8/19/2011	Reconstruction and/or Resurfacing of Indiana and Stockton Avenues	122,030.30			122,030.30	47,500.00	47,500.00	
10-23	6/18/2010	Acquisition of Four Wheel Drive Vehicle for Public Works Department	47,500.00				61,750.00	61,750.00	
10-24	6/18/2010	Acquisition of Utility Body Truck for Public Works Department	61,750.00				42,500.00	42,500.00	
10-25	6/18/2010	Acquisition of Various Equipment for Public Works Department	42,500.00				59,000.00	59,000.00	
10-26	6/18/2010	Acquisition of Two Four Wheel Drive Vehicles for Police Department	70,602.09	11,602.09			285,000.00	285,000.00	
11-26	8/19/2011	Reconstruction and/or Resurfacing of Various Roadways	285,000.00				190,000.00	190,000.00	
11-27	8/19/2011	Repair and/or Replacement of Bulkheads	190,000.00				261,200.00	261,200.00	
11-28	8/19/2011	Reconstruct and/or Resurface Winifred Avenue	261,200.00				950,000.00	950,000.00	
11-32	9/09/2011	Repair, Restoration and/or Replacement of Various Beaches	950,000.00				252,554.07	252,554.07	32,445.93
							128,308.38	128,308.38	61,691.62
							177,642.25	177,642.25	83,557.75

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-5

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Sheet 2 of 2

Ordinance Number	Date	Improvement Description	Analysis of Balance							
			Balance Dec. 31, 2011	2012 Authorizations	2012 Budget Appropriations	Grant Proceeds	Balance Dec. 31, 2012	Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
12-12	5/04/2012	Reconstruction and/or Resurfacing of Various Roadways	\$	\$ 285,000.00	\$	\$	\$ 285,000.00	\$	\$ 14,549.48	\$ 285,000.00
12-16	7/20/2012	Reconstruction and/or Resurfacing of South Lagoon Drive		194,750.00			194,750.00			180,200.52
12-18	7/20/2012	Repair and/or Replacement of Bulkheads		237,500.00			237,500.00			237,500.00
12-28	12/07/2012	Various Capital Equipment Purchases		636,500.00			636,500.00		497,221.01	139,278.99
12-29	12/07/2012	Emergency Appropriation for the Repair, Rehabilitation, Reconstruction and/or Replacement of Streets/Roads/Bridges and Other Public Property		950,000.00			950,000.00		950,000.00	
12-30	12/21/2012	Replacement of an Emergency Generator		61,750.00			61,750.00			61,750.00
			\$ 6,088,676.77	\$ 2,365,500.00	\$ 619,360.31	\$ 166,079.85	\$ 7,668,736.61	\$ 4,431,450.00	\$ 2,144,388.89	\$ 1,092,897.72
		Bond Anticipation Notes		\$ 570,550.00						
		Receipts		48,810.31						
				\$ 619,360.31						

Improvement Authorizations - Unfunded
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:

\$ 1,525,499.71

Ordinance Number
07-29

Improvement Description

Improvements with Reference to Bulkhead Repairs to Various Street Ends as May be Fixed by Resolution
Schedule C Improvements With Reference to Bulkhead Repairs to Coughlin and Baltic Avenues
Various Recreation Improvements
Completion of Various Drainage Improvements
Resurfacing of Various Roadways
Repair, Restoration and/or Replacement of Various Beaches

\$	37,060.00
	141,250.00
	25,089.58
	34,434.81
	27,589.52
	<u>167,178.08</u>
	432,601.99
	<u>\$ 1,092,897.72</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-6

SCHEDULE OF INTERFUND - CURRENT FUND

Increased By:	
Receipts	\$ 23,000.00
Capital Expenditures Paid in Current Fund	530,721.01
Special Emergency Funded by Capital Ordinance	<u>1,000,000.00</u>
Balance December 31, 2012 - Due To	<u>\$ 1,553,721.01</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-8

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2011	\$ 105,402.11
Increased by:	
2012 Budget Appropriation	<u>100,000.00</u>
	<u>205,402.11</u>
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>194,850.00</u>
Balance December 31, 2012	\$ <u><u>10,552.11</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-9

SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2012		Interest Rate	Balance Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
			Date	Amount				
2000 General Obligation Bonds	11/01/2000	\$ 1,697,000.00	12/01/2013	\$ 125,000.00	4.20%	\$ 172,000.00		
2003 General Obligation Bonds	12/01/2003	1,725,000.00	12/01/2014	130,000.00	4.20%			
			12/01/2015	140,000.00	4.20%			
			12/01/2016	145,000.00	4.20%			
			12/01/2017	150,000.00	4.20%			
			12/01/2018	150,000.00	4.20%			
			11/01/2013	115,000.00	Various	955,000.00	115,000.00	840,000.00
			11/01/2014	125,000.00	Various			
			11/01/2015	125,000.00	Various			
			11/01/2016	140,000.00	Various			
			11/01/2017	145,000.00	Various			
			11/01/2018	150,000.00	Various			
			11/01/2019	159,000.00	Various			
			11/01/2020	170,000.00	Various			
2005 General Obligation Bonds	11/01/2005	1,814,000.00				1,239,000.00	110,000.00	1,129,000.00
						\$ 2,366,000.00	\$ 397,000.00	\$ 1,969,000.00

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-10

SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2011	Issued	Raised In 2012 Budget	Balance Dec. 31, 2012
07-04	Renovations and Improvements to the Municipal Building Complex	12/19/2007	3/29/2012	3/28/2013	2.00%	\$ 110,000.00	\$	\$ 24,100.00	\$ 85,900.00
07-07	Fees for an Engineering and Drainage Project for Ocean Boulevard	12/19/2007	3/29/2012	3/28/2013	2.00%	125,500.00		21,750.00	103,750.00
07-30	Schedule C Improvements With Reference to Bulkhead Repairs to Coughlin and Baltic Avenues	12/19/2007	3/29/2012	3/28/2013	2.00%	169,500.00		28,250.00	141,250.00
08-03	Acquisition of a Front - End Loader	12/18/2008	3/29/2012	3/28/2013	2.00%	156,750.00		23,250.00	133,500.00
08-11	Resurfacing of North Ohio Avenue	12/18/2008	3/29/2012	3/28/2013	2.00%	97,700.00		14,000.00	83,700.00
08-12	Various Road Improvements	12/18/2008	3/29/2012	3/28/2013	2.00%	162,800.00		23,300.00	139,500.00
08-13	Acquisition of a Bulldozer	12/18/2008	3/29/2012	3/28/2013	2.00%	104,500.00		14,950.00	89,550.00
08-15	Various Drainage Improvements	12/18/2008	3/29/2012	3/28/2013	2.00%	43,500.00		6,300.00	37,200.00
08-16	Various Recreation Improvements	12/18/2008	3/29/2012	3/28/2013	2.00%	87,000.00		12,450.00	74,550.00
08-18	Acquisition of Generators	12/18/2008	3/29/2012	3/28/2013	2.00%	162,800.00		23,300.00	139,500.00
08-29	Acquisition of Two Four Wheel Drive Vehicles	12/18/2008	3/29/2012	3/28/2013	2.00%	50,500.00		7,300.00	43,200.00
03-11	Beach Restoration	11/06/2009	3/29/2012	3/28/2013	2.00%	90,000.00		30,000.00	60,000.00
03-17	Beach Repairs	11/06/2009	3/29/2012	3/28/2013	2.00%	30,000.00		10,000.00	20,000.00
05-26	Beach Replenishment	11/06/2009	3/29/2012	3/28/2013	2.00%	178,000.00		44,500.00	133,500.00
06-32	Road Improvements, Reconstruction and Repair of Various Streets	11/06/2009	3/29/2012	3/28/2013	2.00%	250,000.00		31,250.00	218,750.00
07-04	Renovations and Improvements to the Municipal Building Complex	11/06/2009	3/29/2012	3/28/2013	2.00%	22,000.00		22,000.00	155,000.00
07-15	Acquisition of Equipment for the Long Beach Township Beach Patrol	11/06/2009	3/29/2012	3/28/2013	2.00%	155,000.00			26,000.00
07-28	Schedule C Improvements with Reference to the Repaving of Ocean Boulevard	11/06/2009	3/29/2012	3/28/2013	2.00%	39,000.00		13,000.00	26,000.00
07-29	Improvements with Reference to Bulkhead Repairs to Various Street	11/06/2009	3/29/2012	3/28/2013	2.00%	380,000.00		126,700.00	253,300.00
07-34	Ends as May be Fixed by Resolution	11/06/2009	3/29/2012	3/28/2013	2.00%	230,000.00		28,750.00	201,250.00
07-42	Purchase of a New Telephone System	11/06/2009	3/29/2012	3/28/2013	2.00%	44,000.00		5,500.00	38,500.00
09-18	Purchase of Four New Trucks	11/06/2009	3/29/2012	3/28/2013	2.00%	119,000.00		39,700.00	79,300.00
09-19	Completion of Various Drainage Improvements	11/04/2010	3/29/2012	3/28/2013	2.00%	71,200.00		8,900.00	62,300.00
09-20	Acquisition of a Bulldozer	11/04/2010	3/29/2012	3/28/2013	2.00%	112,000.00		11,300.00	100,700.00
09-21	Acquisition of a Beach Tractor	11/04/2010	3/29/2012	3/28/2013	2.00%	68,500.00			68,500.00
09-21	Completion of Various Improvements to the Public Works Facility	3/29/2012	3/29/2012	3/28/2013	2.00%	25,000.00	18,000.00		25,000.00
10-04	Completion of Various Improvements to the Public Works Facility	11/04/2010	3/29/2012	3/28/2013	2.00%	114,000.00			18,000.00
10-16	Acquisition of a Roll-Off Truck for the Public Works Department	11/04/2010	3/29/2012	3/28/2013	2.00%	100,000.00			114,000.00
10-23	Resurfacing of Various Roadways	11/04/2010	3/29/2012	3/28/2013	2.00%	100,000.00			100,000.00
10-24	Acquisition of Four Wheel Drive Vehicle for Public Works Department	11/04/2010	3/29/2012	3/28/2013	2.00%	47,500.00			47,500.00
10-24	Acquisition of Utility Body Truck for Public Works Department	11/04/2010	3/29/2012	3/28/2013	2.00%	61,750.00			61,750.00
10-25	Acquisition of Various Equipment for Public Works Department	11/04/2010	3/29/2012	3/28/2013	2.00%	42,500.00			42,500.00
10-26	Acquisition of Two Four Wheel Drive Vehicles for Police Department	11/04/2010	3/29/2012	3/28/2013	2.00%	59,000.00			59,000.00
10-16	Resurfacing of Various Roadways	3/31/2011	3/29/2012	3/28/2013	2.00%	280,000.00			280,000.00
03-17	Beach Repairs	11/09/2011	3/29/2012	3/28/2013	2.00%	100,000.00			100,000.00
05-26	Beach Replenishment	11/09/2011	3/29/2012	3/28/2013	2.00%	70,000.00			70,000.00
09-35	Emergent Repair, Restoration and/or Reconstruction of Various Beaches, Public Facilities and Improvements	11/09/2011	3/29/2012	3/28/2013	2.00%	75,000.00			75,000.00
11-32	Repair, Restoration and/or Replacement of Various Beaches	11/09/2011	3/29/2012	3/28/2013	2.00%	950,000.00			950,000.00
						\$ 4,984,000.00	\$ 18,000.00	\$ 570,550.00	\$ 4,431,450.00

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-11

SCHEDULE OF GREEN TRUST LOAN PAYABLE

Purpose	Date of Issue	Original Issue	Interest Rate	Loan Maturities		Balance Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
				Year	Outstanding Dec. 31, 2012 Amount			
Bayview Terrace	4/01/1998	\$ 472,000.00	1.00%	2013	\$ 26,177.28			
				2014	26,703.45			
				2015	27,240.18			
				2016	27,787.71			
				2017	28,346.25			
				2018	28,915.99			
						\$ 190,832.35	\$ 25,661.49	\$ 165,170.86

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-12

SCHEDULE OF BLUE ACRES LOAN PAYABLE

Purpose	Date of Loan	Original Loan Amount	Interest Rate	Loan Maturities		Balance Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
				Year	Outstanding Dec. 31, 2012 Amount			
Acquisition of Ocean Front Land	12/24/2000	\$ 51,461.00	1.00%	2013	\$ 2,980.37	\$ 21,726.88	\$ 2,921.64	\$ 18,805.24
				2014	3,040.27			
				2015	3,101.39			
				2016	3,163.72			
				2017	3,227.31			
				2018	3,292.18			
						\$ 21,726.88	\$ 2,921.64	\$ 18,805.24

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-13

SCHEDULE OF RESERVE FOR RETIREMENT OF DEBT

Balance December 31, 2011	\$ 282,216.26
Increased by:	
Grant Proceeds Received For Permanently Funded Ordinance	<u>20,011.12</u>
Balance December 31, 2012	<u>\$ 302,227.38</u>

SCHEDULE OF RESERVE FOR PAYMENT OF

BOND ISSUANCE COSTS

Exhibit C-14

Balance December 31, 2011	\$ 4,672.88
Decreased by:	
Disbursements	<u>2,728.40</u>
Balance December 31, 2012	<u>\$ 1,944.48</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-15

SCHEDULE OF MISCELLANEOUS RESERVES

Balance December 31, 2011		\$ 708,673.18
Increased by:		
2012 Budget Appropriations	\$ 554,000.00	
Prior Year Encumbrances	<u>28,529.76</u>	
		582,529.76
		<u>1,291,202.94</u>
Decreased by:		
Disbursements	223,493.07	
Current Year Encumbrances	<u>159,643.00</u>	
		<u>383,136.07</u>
Balance December 31, 2012		\$ <u><u>908,066.87</u></u>
Reserve for Capital Projects		\$ 533,296.85
Reserve for Capital Improvements		<u>374,770.02</u>
		\$ <u><u>908,066.87</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-16

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2012</u>
07-29	Improvements with Reference to Bulkhead Repairs to Various Street Ends as May be Fixed by Resolution	\$ 7,500.00
09-17	Reconstruction and/or Resurfacing of Pacific Avenue	123,586.61
09-21	Completion of Various Improvements to the Public Works Facility	4,500.00
11-26	Reconstruction and/or Resurfacing of Various Roadways	285,000.00
11-27	Repair and/or Replacement of Bulkheads	190,000.00
11-28	Reconstruction and/or Resurfacing of Winifred Ave.	261,200.00
12-12	Reconstruction and/or Resurfacing of Various Roadways	285,000.00
12-16	Reconstruction and/or Resurfacing of South Lagoon Drive	194,750.00
12-18	Repair and/or Replacement of Bulkheads	237,500.00
12-28	Various Capital Equipment Purchases	636,500.00
12-29	Emergency Appropriation for the Repair, Rehabilitation, Reconstruction and/or Replacement of Streets/Roads/ Bridges and Other Public Property	950,000.00
12-30	Replacement of an Emergency Generator	61,750.00
		<u>\$ 3,237,286.61</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND

Exhibit D-5

SCHEDULE OF WATER-SEWER UTILITY CASH

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2011	\$ 2,164,113.51	\$ 168,687.66
Increased by Receipts:		
Water Rents	3,725,506.86	
Sewer Rents	5,410,769.23	
Miscellaneous Revenue	245,515.99	
Overpayments	7,705.22	
2012 Budget Appropriations:		
Reserve for Deferred Amortization		9,675.48
Reserve for Amortization		42,224.59
Capital Improvement Fund		100,000.00
Interfund-Utility Capital Fund	400,000.00	
NJ EIT Loans:		
Loans Receivable		5,431,733.75
Other Receivable		614,427.00
Reserve for Amortization		250,000.00
Deferred Reserve for Amortization		96,785.25
Bond Anticipation Notes Issued		743,000.00
Total Receipts	<u>9,789,497.30</u>	<u>7,287,846.07</u>
Total Receipts and Balances	<u>11,953,610.81</u>	<u>7,456,533.73</u>
Decreased by Disbursements:		
Budget Appropriations	7,819,363.29	
Appropriation Reserves	801,991.48	
Interfund - Utility Operating Fund		400,000.00
Reserve for Bond Issuance Costs		1,971.21
Improvement Authorizations		6,350,551.23
Total Disbursements	<u>8,621,354.77</u>	<u>6,752,522.44</u>
Balance December 31, 2012	<u>\$ 3,332,256.04</u>	<u>\$ 704,011.29</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND

ANALYSIS OF UTILITY CAPITAL CASH

Exhibit D-6

Sheet 1 of 2

	Balance Dec. 31, 2011 \$	Beginning Balance Adjustments \$	Receipts \$	Disbursements \$	Transfers		Balance Dec. 31, 2012 \$
					To \$	From \$	
Fund Balance	\$ 171,077.51						\$ 64,048.98
Reserve for:							
Payment of Bond Issuance Costs	37,380.67			1,971.21	107,028.53		35,409.46
Retirement of Debt	1,289,475.47	(1,396,504.00)			1,536,388.87	2,680,192.97	1,536,388.87
Encumbrances	2,680,192.97						
Interfunds:							
Utility Operating Fund	400,000.00			400,000.00			
Capital Improvement Fund	257,789.29		100,000.00		1,706.25	71,849.28	285,940.01
NJ EIT Loan Proceeds Receivables		(6,975,250.00)	5,431,733.75				(1,541,810.00)
NJ EIT Other Receivables			614,427.00			1,224,294.00	(609,867.00)
Improvement Authorizations:							
Ordinance Number							
05-12							
08-04							
08-23							
08-38							
08-39							
09-06							
09-07							
09-08							
09-24							
09-25							
09-26							
09-27							
10-14							
10-15							
10-28							
10-29							
10-30							
10-40							
Replace Water Mains	(42,224.59)		42,224.59				96,289.64
NJ EIT Sewer Projects	96,289.64						10,000.00
Acquisition of Meter Reading Software	10,000.00						7,063.27
Preliminary Costs for Replacement of Various Sewer Lines	(211,989.18)		214,335.63	2,383.18	7,100.00		
Preliminary Costs for Replacement of Various Water Lines	(155,339.85)		155,339.85				
Removal and/or Replacement of Existing Water Mains	(206,708.84)	322,662.00	7,575.00	172,294.41	134,589.51	1,273.00	84,550.26
Beneath Various Streets							(18,685.67)
Removal and/or Replacement of Sanitary Sewer Pipes	(484,003.91)	474,148.00	10,000.25	356,653.86	337,823.85		
Beneath Various Streets							621.47
Completion of Improvements to the Existing Sanitary Gravity Sewer System	(1,878.53)	2,500.00					
Completion of Various Improvements to the North Beach Sewer Station				176,509.16	176,509.16		
Acquisition of Valves for Water Mains	31,172.23						31,172.23
Acquisition of Meter Reading Equipment	39,917.99						39,917.99
Acquisition of Various Pieces of Equipment	11,264.53						11,264.53
Removal and Replacement of Existing Water Mains	(661,481.78)	836,941.00		641,581.85	415,562.98	433.25	(50,992.90)
Beneath Various Streets							
Removal and Replacement of Sanitary Sewer Pipes	(1,624,824.49)	1,511,680.00	79,210.00	1,372,172.88	1,334,527.37		(71,580.00)
Beneath Various Streets							1,955.42
Acquisition of Two Utility Vehicles	1,955.42						(4,028.79)
Replacement of Fencing at Utility Plants	1,218.21			69,677.75	64,430.75		
Various Improvements to the Beach Haven Terrace Water Treatment Facility	(35,000.00)		35,000.00				
Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets	(103,467.92)		103,000.00				(467.92)

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND

ANALYSIS OF UTILITY CAPITAL CASH

Exhibit D-6

Sheet 2 of 2

Ordinance Number	Improvement Description	Balance	Beginning	Receipts	Disbursements	Transfers		Balance
		Dec. 31, 2011	Balance Adjustments			To	From	
11-10	Various Improvements to the North Beach Sewer Station	\$ (245,000.00)	\$	\$ 245,000.00	\$ 189,659.35	\$	\$	\$
11-14	Acquisition and Replacement of Sewer Mains	14,768.72						14,768.72
11-23	Acquisition of a Utility Body Truck	44,796.16			228.00		39,386.27	5,181.89
11-24	Inspection of and Repairs to Well #1 (Peahala Park)	27,805.78			19,990.00	19,990.00		27,805.78
11-25	Inspection of and Repairs to Well #23 (Holgate)	49,796.16			42,859.78			6,936.38
11-44	Acquisition of Equipment			250,000.00	233,207.00			16,793.00
11-45	Replacement of Sanitary Sewer Mains Beneath Various Streets	(652,645.00)	2,779,409.00		1,074,465.28	638,646.00	1,147,601.30	543,343.42
11-46	Replacement of Existing Water Mains Beneath Various Streets	(571,649.00)	2,444,414.00		1,560,387.23	585,648.00	349,401.30	548,624.47
12-10	Removal and Replacement of Sanitary Sewer Pipes				118,846.78			(118,846.78)
12-11	Removal and Replacement of Sanitary Sewer Pipes				300,000.00			(300,000.00)
12-19	NJ EIT Sewer Projects				3,679.58			43,169.70
12-25	Various Repairs Needed in Response to Loss Control Report				51.68			24,948.32
12-20	Construction of Salt Dome and Related Structures				15,903.46			(15,903.46)
		\$ 168,687.66	\$	\$ 7,287,846.07	\$ 6,752,522.44	\$ 5,621,459.90	\$ 5,621,459.90	\$ 704,011.29

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-7

SCHEDULE OF WATER RENTS RECEIVABLE

Balance December 31, 2011		\$	58,542.45
Increased by:			
Water Rents Levied (Net)			<u>3,743,872.16</u>
			3,802,414.61
Decreased by:			
Collection	\$ 3,725,506.86		
Overpayments Applied	<u>1,997.38</u>		
			<u>3,727,504.24</u>
Balance December 31, 2012		\$	<u><u>74,910.37</u></u>

SCHEDULE OF SEWER RENTS RECEIVABLE

Exhibit D-8

Balance December 31, 2011		\$	101,810.64
Increased by:			
Sewer Rents Levied (Net)			<u>5,416,182.10</u>
			5,517,992.74
Decreased by:			
Collection	\$ 5,410,769.23		
Overpayments Applied	<u>2,617.45</u>		
			<u>5,413,386.68</u>
Balance December 31, 2012		\$	<u><u>104,606.06</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-9

SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance Dec. 31, 2011</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:			
Salaries and Wages	\$ 56,081.04	\$ 626.00	\$ 55,455.04
Other Expenses	1,077,658.73	792,182.48	285,476.25
Interlocal Service Agreements:			
Water - Barnegat Light	50,680.76	2,481.00	48,199.76
Water - Harvey Cedars	60,647.00	6,702.00	53,945.00
Capital Improvements:			
Capital Outlay	5,000.00		5,000.00
Statutory Expenditures:			
Contribution to:			
Social Security System (O.A.S.I.)	6,896.03		6,896.03
Unemployment Compensation Insurance	264.80		264.80
	<u>\$ 1,257,228.36</u>	<u>\$ 801,991.48</u>	<u>\$ 455,236.88</u>
Appropriation Reserves - 2011	\$ 361,204.08		
Reserve for Encumbrances	<u>896,024.28</u>		
	<u>\$ 1,257,228.36</u>		

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-10

SCHEDULE OF ACCRUED INTEREST ON

BONDS, NOTES AND LOANS

Balance December 31, 2011		\$ 138,244.70
Increased by:		
Budget Charges Increase (Net):		
Interest on Bonds	\$ 21.50	
Interest on Notes	37,470.28	
Interest on Infrastructure Loans	<u>5,010.39</u>	
		<u>42,502.17</u>
Balance December 31, 2012		\$ <u><u>180,746.87</u></u>
Interest on Bonds		\$ 2,622.54
Interest on Notes		32,609.78
Interest on Infrastructure Loans		<u>145,514.55</u>
		\$ <u><u>180,746.87</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-11

SCHEDULE OF FIXED CAPITAL

Sheet 1 of 3

<u>Improvement Description</u>	<u>Balance Dec. 31, 2011</u>	<u>Fixed Capital Beginning Balance Adjustments</u>	<u>Additions by Ordinance</u>	<u>Balance Dec. 31, 2012</u>
	\$ 315,143.84	\$		\$ 315,143.84
Land, Buildings and Equipment	1,828,653.89			1,828,653.89
Distribution Mains and Accessories	58,605.08			58,605.08
Water Plant and Improvements	294,588.56			294,588.56
Wells and Tanks	269,273.29			269,273.29
Water Meters	3,319.19			3,319.19
Fire Hydrants	8,365.00			8,365.00
Engineering	5,131.12			5,131.12
Legal and Administrative	292,714.95			292,714.95
Trucks and Equipment				
Purchase of Long Beach Water Company and Improvements	5,601,189.20			5,601,189.20
Long Beach Sewerage Authority - Collection System Improvements	2,690,361.05			2,690,361.05
Garage Building	104,819.01			104,819.01
Water Tower	782,335.40			782,335.40
Improvements to Water/Sewer System	2,218,238.35			2,218,238.35
Water Treatment Plant	1,776,602.06			1,776,602.06
Replace Sewer Pipes	29,551.75			29,551.75
Repainting of the Peahala Park Water Tower	79,373.68			79,373.68
Replace Water Mains	700,000.00			700,000.00
Sewer Replacement	686,700.00			686,700.00
Sewer Replacement	310,000.00			310,000.00
Replace Water Mains	700,000.00			700,000.00
Improvements to Beach Haven Terrace Detention Basin	100,000.00			100,000.00
Various Improvements to North Beach Sewer Station	150,000.00			150,000.00
Infrastructure Loan Projects	2,994,925.88			2,994,925.88
Replace Water Mains	661,974.74			661,974.74
Repair/Replace Pump at Well #22	25,593.70			25,593.70

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-11

SCHEDULE OF FIXED CAPITAL

Sheet 2 of 3

<u>Improvement Description</u>	<u>Balance Dec. 31, 2011</u>	<u>Fixed Capital Beginning Balance Adjustments</u>	<u>Additions by Ordinance</u>	<u>Balance Dec. 31, 2012</u>
	\$	\$	\$	\$
Acquisition of a Dump Truck	51,138.24			51,138.24
NJ EIT Sewer Projects	603,710.36	603,710.36		
Acquisition of Two Pick-Up Trucks	52,042.16			52,042.16
Improvements to Beach Haven Terrace Detention Basin	56,003.83			56,003.83
Preliminary Costs for Replacement of Various Sewer Lines	230,739.18	230,739.18		
Preliminary Costs for Replacement of Various Water Lines	174,089.85	174,089.85		
Removal and/or Replacement of Existing Water Mains				
Beneath Various Streets	1,888,046.84	1,888,046.84		
Removal and/or Replacement of Sanitary Sewer Pipes				
Beneath Various Streets	1,999,855.91	1,999,855.91		
Completion of Improvements to the Existing Sanitary				
Gravity Sewer System	374,378.53	374,378.53		
Completion of Various Improvements to the North Beach				
Sewer Station	250,000.00			250,000.00
Acquisition of Valves for Water Mains	8,827.77	8,827.77		
Acquisition of Meter Reading Equipment	82.01	82.01		82.01
Acquisition of Various Pieces of Equipment	17,735.47	17,735.47		
Acquisition of Heating Equipment for Well #13	82.01			82.01
Various Repairs to Well #14	40,000.00			40,000.00
Removal and Replacement of Existing Water Mains				
Beneath Various Streets	1,754,046.78	1,754,046.78		
Removal and Replacement of Sanitary Sewer Pipes				
Beneath Various Streets	2,262,354.49	2,262,354.49		
Acquisition of Two Utility Vehicles	48,044.58	48,044.58		
Replacement of Fencing at Utility Plants	88,781.79	88,781.79		
Various Improvements to the Beach Haven Terrace				
Water Treatment Facility	150,000.00			150,000.00

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-11

SCHEDULE OF FIXED CAPITAL

Sheet 3 of 3

<u>Improvement Description</u>	<u>Balance Dec. 31, 2011</u>	<u>Fixed Capital Beginning Balance Adjustments</u>	<u>Additions by Ordinance</u>	<u>Balance Dec. 31, 2012</u>
Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets	\$ 628,467.92	\$ 628,467.92	\$	\$ 245,000.00
Various Improvements to the North Beach Sewer Station Acquisition and Replacement of Sewer Mains	85,231.28	85,231.28		203.84
Acquisition of a Utility Body Truck	203.84	203.84		22,194.22
Inspection of and Repairs to Well #1 (Peahala Park)	22,194.22	22,194.22		203.84
Inspection of and Repairs to Well #23 (Holgate)	203.84	203.84		
Removal and Replacement of Sanitary Sewer Pipes Beneath Various Streets			<u>2,300,000.00</u>	<u>2,300,000.00</u>
	<u>\$ 33,718,720.64</u>	<u>\$ 10,186,994.66</u>	<u>2,300,000.00</u>	<u>\$ 25,831,725.98</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Exhibit D-12

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2011	Fixed Capital Beginning Balance Adjustments	Deferred Reserve for Amortization	2012 Authorizations		Costs to Fixed Capital	Balance Dec. 31, 2012
		Date	Amount				Deferred Charges to Future Revenue	Revenue		
08-04	NJEIT Sewer Projects	2/22/2008	\$ 700,000.00	\$ 96,289.64	\$ 603,710.36					\$ 700,000.00
08-23	Acquisition of Meter Reading Software	7/10/2008	10,000.00	10,000.00						10,000.00
08-38	Preliminary Costs for Replacement of Various Sewer Lines	11/07/2008	375,000.00	144,260.82	230,739.18					375,000.00
08-39	Preliminary Costs for Replacement of Various Water Lines	11/07/2008	375,000.00	200,910.15	174,089.85					375,000.00
09-06	Removal and/or Replacement of Existing Water Mains Beneath Various Streets	4/17/2009	2,040,000.00	151,953.16	1,888,046.84					2,040,000.00
09-07	Removal and/or Replacement of Sanitary Sewer Pipes Beneath Various Streets	4/17/2009	2,030,000.00	30,144.09	1,999,855.91					2,030,000.00
09-08	Completion of Improvements to the Existing Sanitary Gravity Sewer System	4/17/2009	387,984.00	13,605.47	374,378.53					387,984.00
09-25	Acquisition of Valves for Water Mains	10/02/2009	40,000.00	31,172.23	8,827.77					40,000.00
09-26	Acquisition of Meter Reading Equipment	10/02/2009	40,000.00	39,917.99	82.01					40,000.00
09-27	Acquisition of Various Pieces of Equipment	10/02/2009	29,000.00	11,264.53	17,735.47					29,000.00
10-14	Removal and Replacement of Existing Water Mains Beneath Various Streets	4/09/2010	2,110,000.00	355,953.22	1,754,046.78					2,110,000.00
10-15	Removal and Replacement of Sanitary Sewer Pipes Beneath Various Streets	4/09/2010	2,300,000.00	37,645.51	2,262,354.49			2,300,000.00		50,000.00
10-28	Acquisition of Two Utility Vehicles	7/09/2010	50,000.00	1,955.42	48,044.58					50,000.00
10-29	Replacement of Fencing at Utility Plants	6/18/2010	150,000.00	61,218.21	88,781.79					150,000.00
10-40	Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets	8/20/2010	1,000,000.00	371,532.08	628,467.92					1,000,000.00
11-14	Acquisition and Replacement of Sewer Mains	4/01/2011	100,000.00	14,768.72	85,231.28					100,000.00
11-23	Acquisition of a Utility Body Truck	8/19/2011	45,000.00	44,796.16	203.84					45,000.00
11-24	Inspection of and Repairs to Well #1 (Peahala Park)	8/19/2011	50,000.00	27,805.78	22,194.22					50,000.00
11-25	Inspection of and Repairs to Well #23 (Holgate)	8/19/2011	50,000.00	49,796.16	203.84					50,000.00
11-44	Acquisition of Equipment	11/18/2011	250,000.00	250,000.00						250,000.00
11-45	Replacement of Sanitary Sewer Mains Beneath Various Streets	11/18/2011	2,900,000.00	2,900,000.00						2,900,000.00
11-46	Replacement of Existing Water Mains Beneath Various Streets	11/18/2011	3,100,000.00	3,100,000.00						3,100,000.00
12-10	Removal and Replacement of Sanitary Sewer Pipes	5/04/2012	120,000.00				120,000.00			120,000.00
12-11	Removal and Replacement of Sanitary Sewer Pipes	5/04/2012	300,000.00				300,000.00			300,000.00
12-19	NJEIT Sewer Projects	8/03/2012	46,849.28			46,849.28				46,849.28
12-25	Various Repairs Needed in Response to Loss Control Report	9/21/2012	25,000.00			25,000.00				25,000.00
12-20	Construction of Salt Dome and Related Structures	9/21/2012	740,000.00				740,000.00			740,000.00
				\$ 7,944,989.34	\$ 10,186,994.66	\$ 71,849.28	\$ 1,160,000.00	\$ 2,300,000.00	\$ 17,063,833.28	

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY INFRASTRUCTURE LOAN
(NJ EIT) RECEIVABLE

Exhibit D-13

Balance December 31, 2011		\$ 8,296,260.00
Decreased by:		
Prior Year Adjustment - Reserve for Retirement of Debt	\$ 1,321,010.00	
Receipts	5,431,733.75	
Current Year Adjustment - Loan Decrease	1,273.00	
Loans Receivable Decreased	433.25	
		6,754,450.00
Balance December 31, 2012		\$ 1,541,810.00

SCHEDULE OF NEW JERSEY INFRASTRUCTURE
(NJ EIT) OTHER RECEIVABLE

Exhibit D-14

Increased by:		
Other Project Funding Amounts:		
NJ EIT Fund Loan "Forgiveness of Debt"	\$ 1,044,766.00	
NJ EIT Trust Loan Premiums Funding Projects	179,528.00	
		1,224,294.00
Decreased by:		
Receipts		614,427.00
Balance December 31, 2012		\$ 609,867.00

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

Exhibit D-15

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2011		2012 Authorizations	Prior Year Encumbrances	Paid or Charged	Balance Dec. 31, 2012	
				Funded	Unfunded				Funded	Unfunded
08-04	NJIT Sewer Projects	2/22/2008	\$ 700,000.00	\$ 96,289.64	\$	\$	\$	\$ 10,000.00	\$ 96,289.64	
08-23	Acquisition of Meter Reading Software	7/10/2008	10,000.00							
08-38	Preliminary Costs for Replacement of Various Sewer Lines	11/07/2008	375,000.00	144,260.82		7,100.00	2,383.18		148,977.64	
08-39	Preliminary Costs for Replacement of Various Water Lines	11/07/2008	375,000.00	200,910.15					200,910.15	
09-06	Removal and/or Replacement of Existing Water Mains Beneath Various Streets	4/17/2009	2,040,000.00	36,000.00		134,589.51	172,294.41	84,550.26	29,698.00	
09-07	Removal and/or Replacement of Sanitary Sewer Pipes Beneath Various Streets	4/17/2009	2,030,000.00	30,144.09		337,823.85	356,653.86		11,314.08	
09-08	Completion of Improvements to the Existing Sanitary Gravity Sewer System	4/17/2009	387,984.00	13,605.47				621.47	12,984.00	
09-24	Completion of Various Improvements to the North Beach Sewer Station					176,509.16	176,509.16			
09-25	Acquisition of Valves for Water Mains	10/02/2009	250,000.00						31,172.23	
09-26	Acquisition of Meter Reading Equipment	10/02/2009	40,000.00						39,917.99	
09-27	Acquisition of Various Pieces of Equipment	10/02/2009	29,000.00						11,264.53	
10-14	Removal and Replacement of Existing Water Mains Beneath Various Streets	4/09/2010	2,110,000.00	180,494.00		415,562.98	641,581.85		129,934.35	
10-15	Removal and Replacement of Sanitary Sewer Pipes Beneath Various Streets	4/09/2010	2,300,000.00	37,645.51		1,334,527.37	1,372,172.88	1,955.42		
10-28	Acquisition of Two Utility Vehicles	7/09/2010	50,000.00							
10-29	Replacement of Fencing at Utility Plants	6/18/2010	150,000.00	61,218.21		64,430.75	69,677.75		55,971.21	
10-40	Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets					189,659.35	189,659.35		371,532.08	
11-10	Various Improvements to the North Beach Sewer Station	8/20/2010	1,000,000.00	371,532.08						
11-14	Acquisition and Replacement of Sewer Mains	2/18/2011	245,000.00						14,768.72	
11-23	Acquisition of a Utility Body Truck	4/01/2011	100,000.00						5,181.89	
11-24	Acquisition of a Utility Body Truck	8/19/2011	45,000.00	44,796.16			39,614.27		19,990.00	
11-25	Inspection of and Repairs to Well #1 (Peahala Park)	8/19/2011	50,000.00	27,805.78		19,990.00	19,990.00		42,859.78	
11-44	Inspection of and Repairs to Well #23 (Hologate)	8/19/2011	50,000.00	49,796.16			233,207.00		6,936.38	
11-44	Acquisition of Equipment	11/18/2011	250,000.00	250,000.00					16,793.00	
11-45	Replacement of Sanitary Sewer Mains Beneath Various Streets	11/18/2011	2,900,000.00	773,236.00			2,222,066.58	543,343.42	134,590.00	
11-46	Replacement of Existing Water Mains Beneath Various Streets	11/18/2011	3,100,000.00	1,872,765.00			1,909,788.53	548,624.47	641,587.00	
12-10	Removal and Replacement of Sanitary Sewer Pipes	5/04/2012	120,000.00	1,227,235.00	120,000.00		118,846.78		1,153.22	
12-11	Removal and Replacement of Sanitary Sewer Pipes	5/04/2012	300,000.00		300,000.00		300,000.00			
12-19	NJIT Sewer Projects	8/03/2012	300,000.00	46,849.28	46,849.28		3,679.58		43,169.70	
12-25	Various Repairs Needed in Response to Loss Control Report	9/21/2012	25,000.00	25,000.00	25,000.00		51.68		24,948.32	
12-20	Construction of Salt Dome and Related Structures	9/21/2012	740,000.00	740,000.00	740,000.00		15,903.46		724,096.54	
				\$ 4,522,418.37	\$ 3,422,570.97	\$ 1,231,849.28	\$ 2,680,192.97	\$ 7,886,940.10	\$ 1,342,935.56	\$ 2,627,155.93
	Deferred Charges to Future Revenue				\$ 1,160,000.00					
	Capital Improvement Fund				71,849.28					
					\$ 1,231,849.28					
	Disbursements							\$ 6,350,551.23		
	Reserve for Encumbrances							1,536,388.87		
								\$ 7,886,940.10		

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-16

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2011	\$ 257,789.29
Increased by:	
2012 Budget Appropriation	<u>100,000.00</u>
	357,789.29
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>71,849.28</u>
Balance December 31, 2012	\$ <u><u>285,940.01</u></u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-17

SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
			Outstanding Date	Amount				
Purchase and Improvement of Long Beach Water Company	6/15/1987	\$ 4,650,000.00			\$	\$ 250,000.00	\$ 250,000.00	\$
Water-Sewer Improvements	11/01/2000	999,000.00				99,000.00	99,000.00	
Water-Sewer Improvements	12/01/2003	1,775,000.00	12/01/13	\$ 125,000.00	3.50%			
			12/01/14	130,000.00	3.60%			
			12/01/15	140,000.00	3.65%			
			12/01/16	145,000.00	3.84%			
			12/01/17	150,000.00	3.875%			
			12/01/18	150,000.00	3.95%	960,000.00	120,000.00	840,000.00
						\$ 1,309,000.00	\$ 469,000.00	\$ 840,000.00

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

Exhibit D-18

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2011	Increased	Decreased	Balance Dec. 31, 2012
08-04	NJET Sewer Projects	12/17/2008	3/29/2012	3/28/2013	2.00%	\$ 612,500.00	\$	\$ 87,500.00	\$ 525,000.00
08-21	Various Improvements to North Beach Sewer Station	12/17/2008				71,250.00		71,250.00	
08-38	Preliminary Costs for Replacement of Various Sewer Lines	3/29/2012	3/29/2012	3/28/2013	2.00%		210,000.00		210,000.00
08-39	Preliminary Costs for Replacement of Various Water Lines	3/29/2012	3/29/2012	3/28/2013	2.00%		150,000.00		150,000.00
09-24	Completion of Various Improvements to the North Beach Sewer Station	11/04/2010	3/29/2012	3/28/2013	2.00%	250,000.00		45,000.00	250,000.00
10-29	Replacement of Fencing at Utility Plants	11/04/2010				45,000.00			
10-30	Various Improvements to the Beach Haven Terrace Water Treatment Facility	3/31/2011	3/29/2012	3/28/2013	2.00%	115,000.00			115,000.00
10-30	Various Improvements to the Beach Haven Terrace Water Treatment Facility	3/29/2012	3/29/2012	3/28/2013	2.00%		35,000.00		35,000.00
10-40	Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets	3/31/2011	3/29/2012	3/28/2013	2.00%	525,000.00			525,000.00
10-40	Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets	3/29/2012	3/29/2012	3/28/2013	2.00%		103,000.00		103,000.00
11-10	Various Improvements to the North Beach Sewer Station	3/29/2012	3/29/2012	3/28/2013	2.00%		245,000.00		245,000.00
						\$ 1,618,750.00	\$ 743,000.00	\$ 203,750.00	\$ 2,158,000.00
	Reserve for Amortization							\$ 71,250.00	
	Reserve for Deferred Amortization							132,500.00	
								\$ 203,750.00	

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-19

SUMMARY SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE

Sheet 1 of 2

TRUST LOANS (NJ EIT) PAYABLE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Prior Year Adjustments</u>	<u>2012 Principal</u>	<u>Balance Dec. 31, 2012</u>
New Jersey Environmental Infrastructure Trust - 2002	10/15/2002	Various	\$ 1,812,782.28	\$ 145,826.20	\$ 157,986.54	\$ 1,800,621.94
New Jersey Environmental Infrastructure Trust - 2003	10/15/2003	Various	1,595,565.26	(38,267.40)	113,616.73	1,443,681.13
New Jersey Environmental Infrastructure Trust - 2005	11/10/2005	Various	727,474.14	(23,611.07)	43,711.84	660,151.23
New Jersey Environmental Infrastructure Trust - 2005	11/10/2005	Various	504,293.30	(16,557.81)	32,180.62	455,554.87
New Jersey Environmental Infrastructure Trust - 2006	11/09/2006	Various	545,459.30	(10,029.69)	33,278.70	502,150.91
New Jersey Environmental Infrastructure Trust - 2009	12/02/2009	Various	351,610.18		14,533.89	337,076.29
New Jersey Environmental Infrastructure Trust - 2010	3/10/2010	Various	1,861,118.65		98,001.81	1,763,116.84
New Jersey Environmental Infrastructure Trust - 2010	3/10/2010	Various	1,847,881.38		96,271.17	1,751,610.21
New Jersey Environmental Infrastructure Trust - 2010	12/02/2010	Various	1,821,342.51	72,994.00	82,754.23	1,811,582.28
New Jersey Environmental Infrastructure Trust - 2010	12/02/2010	Various	2,111,440.17		91,654.74	2,019,785.43
New Jersey Environmental Infrastructure Trust - 2012	5/03/2012	Various	1,872,765.00		33,144.57	1,839,620.43
New Jersey Environmental Infrastructure Trust - 2012	5/03/2012	Various	2,126,764.00		37,686.91	2,089,077.09
			<u>\$ 17,178,496.17</u>	<u>\$ 130,354.23</u>	<u>\$ 834,821.75</u>	<u>\$ 16,474,028.65</u>
		Ref.	C			C
Reserve for Amortization				\$ 57,360.23	\$ 380,774.43	
Reserve for Deferred Amortization					452,774.32	
EIT Loan Receivable				72,994.00	1,273.00	
Reserve for Payment of Debt						\$ 834,821.75

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-19

SCHEDULE OF NEW JERSEY ENVIRONMENTAL

Sheet 2 of 2

INFRASTRUCTURE TRUST LOANS (NJ EIT) PAYABLE

<u>Due</u>	<u>Principal</u>	<u>Interest</u>
February 2013	\$ 166,303.13	\$ 170,980.36
August 2013	774,402.64	170,530.82
February 2014	163,216.61	162,260.34
August 2014	790,004.85	162,471.69
February 2015	159,965.29	153,491.00
August 2015	815,290.15	153,720.57
February 2016	157,033.10	144,147.62
August 2016	833,418.27	144,408.07
February 2017	153,958.63	134,357.86
August 2017	851,610.64	134,427.89
February 2018	150,746.01	124,228.48
August 2018	892,519.20	124,263.10
February 2019	147,274.49	113,066.48
August 2019	915,189.81	113,174.29
February 2020	143,481.82	101,603.07
August 2020	927,508.08	101,712.54
February 2021	139,491.64	89,633.19
August 2021	954,446.74	89,758.72
February 2022	135,485.82	78,129.57
August 2022	980,900.33	78,135.15
February 2023	131,358.29	67,709.89
August 2023	821,385.63	67,709.75
February 2024	128,856.13	55,869.13
August 2024	684,352.27	55,869.11
February 2025	127,604.46	47,156.17
August 2025	696,950.75	47,156.17
February 2026	126,414.84	38,200.12
August 2026	617,651.16	38,200.12
February 2027	126,063.33	30,140.00
August 2027	597,126.72	30,140.00
February 2028	126,063.33	23,190.00
August 2028	612,126.72	23,190.00
February 2029	126,063.33	15,915.00
August 2029	620,854.27	15,915.00
February 2030	71,885.38	8,308.75
August 2030	365,777.05	8,308.75
February 2031	35,415.73	2,193.75
August 2031	205,832.01	2,193.75
	<u>\$ 16,474,028.65</u>	<u>\$ 3,121,866.27</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-20

SCHEDULE OF RESERVE FOR RETIREMENT OF DEBT

Balance December 31, 2011		\$ 1,289,475.47
Increased by:		
Prior Year Adjustment		<u>107,028.53</u>
		1,396,504.00
Decreased by:		
Prior Period Adjustments:		
NJ EIT Loans Receivable	\$ 1,321,010.00	
NJ EIT Loans Payable	72,994.00	
Deferred Reserve for Amortization	<u>2,500.00</u>	
		\$ <u>1,396,504.00</u>

SCHEDULE OF RESERVE FOR AMORTIZATION

Exhibit D-21

Balance December 31, 2011		\$ 16,645,622.85
Increased by:		
Serial Bonds Paid by Operating Budget	\$ 469,000.00	
Bond Anticipation Notes Paid by Operating Budget	71,250.00	
NJ EIT Loans Paid by Operating Budget	380,774.43	
Deferred Charges Raised in 2012 Budget	42,224.59	
New Jersey Infrastructure Direct Assistance (Forgiveness of Debt)	250,000.00	
Deferred Reserve for Amortization	<u>208,634.57</u>	
		<u>1,421,883.59</u>
		18,067,506.44
Decreased by:		
Prior Period Adjustments:		
NJ EIT Loan Adjustments	57,360.23	
Deferred Reserve for Amortization	<u>258,589.82</u>	
		<u>315,950.05</u>
Balance December 31, 2012		\$ <u>17,751,556.39</u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER - SEWER UTILITY CAPITAL FUND

Exhibit D-22

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2011	Prior Period Adjustment	Capital Improvement Fund	Bond Anticipation Notes	Budget Appropriations		Loan Receivable Decreased	NJ EIT Loan Forgiveness and Premiums	Transfer to Reserve for Amortization	Balance Dec. 31, 2012
							NJ EIT Loan Payable	Deferred Charges Raised				
08-04	NJ EIT Sewer Projects	2/22/2008	\$ 10,000.00	\$ 87,500.00	\$	\$ 87,500.00	\$	\$	\$	\$	\$	\$ 175,000.00
08-23	Acquisition of Meter Reading Software	7/10/2008		18,750.00				4,335.63				10,000.00
08-38	Preliminary Costs for Replacement of Various Sewer Lines	11/07/2008		18,750.00				5,339.85				23,085.63
08-39	Preliminary Costs for Replacement of Various Water Lines	11/07/2008										24,089.85
09-06	Removal and/or Replacement of Existing Water Mains											
	Beneath Various Streets	4/17/2009	115,953.16	(24,224.35)					96,728.81			196,032.62
09-07	Removal and/or Replacement of Sanitary Sewer Pipes											
	Beneath Various Streets	4/17/2009		91,271.17					96,271.17			197,542.59
09-08	Completion of Improvements to the Existing Sanitary Gravity Sewer System	4/17/2009		17,033.89					14,533.89			31,567.78
09-25	Acquisition of Valves for Water Mains	10/02/2009	31,172.23	8,827.77								40,000.00
09-26	Acquisition of Meter Reading Equipment	10/02/2009	39,917.99	82.01								40,000.00
09-27	Acquisition of Various Pieces of Equipment	10/02/2009	11,264.53	17,735.47								29,000.00
10-14	Removal and Replacement of Existing Water Mains											
	Beneath Various Streets	4/09/2010	248,453.22	(213,283.73)					82,754.23	(433.25)		117,490.47
10-15	Removal and Replacement of Sanitary Sewer Pipes											
	Beneath Various Streets	4/09/2010		37,769.83					91,654.74	208,634.57		50,000.00
10-28	Acquisition of Two Utility Vehicles	7/09/2010	1,955.42	48,044.58								90,000.00
10-29	Replacement of Fencing at Utility Plants	06/18/10		45,000.00		45,000.00						100,000.00
11-14	Acquisition and Replacement of Sewer Mains	4/01/2011	14,768.72	85,231.28								45,000.00
11-23	Acquisition of a Utility Body Truck	8/19/2011	44,796.16	203.84								50,000.00
11-24	Inspection of and Repairs to Well #1 (Peahala Park)	8/19/2011	27,805.78	22,194.22								50,000.00
11-25	Inspection of and Repairs to Well #23 (Holgate)	8/19/2011	49,796.16	203.84								50,000.00
11-45	Replacement of Sanitary Sewer Mains	11/18/2011							37,686.91			676,332.91
11-46	Replacement of Existing Water Mains	11/18/2011							33,144.57			618,792.57
12-19	NJ EIT Sewer Projects	8/03/2012			46,849.28							46,849.28
12-25	Various Repairs Needed in Response to Loss Control Report	9/21/2012			25,000.00							25,000.00
			\$ 595,883.37	\$ 261,089.82	\$ 71,849.28	\$ 132,500.00	\$ 452,774.32	\$ 9,675.48	\$ (433.25)	\$ 1,321,079.25	\$ 208,634.57	\$ 2,635,783.70
	NJ EIT Other Receivable									\$ 1,224,294.00		
	NJ EIT Receipt									96,785.25		
										\$ 1,321,079.25		

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-23

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2012</u>
08-38	Preliminary Costs for Replacement of Various Sewer Lines	\$ 141,914.37
08-39	Preliminary Costs for Replacement of Various Water Lines	200,910.15
09-06	Removal and/or Replacement of Existing Water Mains Beneath Various Streets	29,698.00
09-07	Removal and/or Replacement of Sanitary Sewer Pipes Beneath Various Streets	29,999.75
09-08	Completion of Improvements to the Existing Sanitary Gravity Sewer System	12,984.00
10-14	Removal and Replacement of Existing Water Mains Beneath Various Streets	180,927.25
10-15	Removal and Replacement of Sanitary Sewer Pipes Beneath Various Streets	71,580.00
10-29	Replacement of Fencing at Utility Plants	60,000.00
10-40	Renovation and/or Replacement of Sanitary Sewer System Beneath Various Streets	372,000.00
11-45	Replacement of Sanitary Sewer Mains Beneath Various Streets	134,590.00
11-46	Replacement of Existing Water Mains Beneath Various Streets	641,587.00
12-10	Removal and Replacement of Sanitary Sewer Pipes	120,000.00
12-11	Removal and Replacement of Sanitary Sewer Pipes	300,000.00
12-20	Construction of Salt Dome and Related Structures	740,000.00
		<u>\$ 3,036,190.52</u>

TOWNSHIP OF LONG BEACH

COUNTY OF OCEAN

PART III

REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

AND ON COMPLIANCE AND OTHER MATTERS

YEAR ENDED DECEMBER 31, 2012

William E. Antonides and Company
CERTIFIED PUBLIC ACCOUNTANTS

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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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Board of Commissioners
Township of Long Beach
County of Ocean
Long Beach, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and the standards applicable to financial statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - regulatory basis of the Township of Long Beach, (the "Township"), in the County of Ocean, State of New Jersey, as of and for the years ended December 31, 2012 and 2011, as listed in the table of contents, and the related notes to the financial statements, which collectively comprise the Township's financial statements, and have issued our report thereon dated April 26, 2013. These financial statements have been prepared in conformity with accounting principles prescribed by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

William E. Antonides and Company

Independent Auditors

Wall Township, New Jersey
April 26, 2013

TOWNSHIP OF LONG BEACH

COUNTY OF OCEAN

PART IV

SINGLE AUDIT SECTION

FEDERAL AND STATE AWARDS

YEAR ENDED DECEMBER 31, 2012

William E. Antonides and Company

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR LETTER 04-04

Honorable Mayor and Members
of the Board of Commissioners
Township of Long Beach
County of Ocean
Long Beach, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited Township of Long Beach's (the "Township") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Township's major federal and state programs for the year ended December 31, 2012. The Township's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express opinions on compliance for each of the Township's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* and the New Jersey Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB *Circular A-133* and New Jersey OMB *Circular Letter 04-04* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major and state program. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Township, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB *Circular A-133* and New Jersey OMB *Circular Letter 04-04*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB *Circular A-133* and New Jersey OMB *Circular Letter 04-04*. Accordingly this report is not suitable for any other purpose.

William E. Antonides and Company
Independent Auditors

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Schedule 1
 Sheet 1 of 2

FOR THE YEAR ENDED DECEMBER 31, 2012

Federal Grantor/ C.F.D.A. Number	Agency or Pass-Through Number	Program or Award Amount	Grant Period		Cash Received	Year 2012 Federal Expenditures	Total Federal Expenditures
			From	To			
14.218	CT-935-11	\$ 42,000	01/01/11	Till Finished	\$ 42,000.00	\$ 21,849.08	\$ 42,000.00
Department of Housing and Urban Development							
Community Development Block Grant							
Indirect Programs - Passed through the County of Ocean							
Department of Planning							
Handicapped Beach Access							
Department of Law and Public Safety							
Alcohol Traffic Safety and Drunk Driving Prevention Incentives							
Indirect Programs - Passed through the New Jersey							
Cops in Shops							
20.601	100-066-1400-017-210050	1,600	01/01/11	Till Finished	1,600.00	1,600.00	1,600.00
20.601	100-066-1400-017-210050	1,600	01/01/12	Till Finished	800.00	1,600.00	1,600.00
97.036	100-066-1200-A70-068250	64,736	01/01/12	12/31/12	64,735.87	64,735.87	64,735.87
Public Assistance Grants							
Indirect Programs - Passed through the New Jersey							
Hurricane Sandy							
Total Department of Law and Public Safety							
Department of Justice							
Bureau of Justice Assistance							
Direct Program							
Bulletproof Vest Partnership Program							
16.607	08BVP	1,293	01/01/08	Till Finished	739.80	1,293.00	1,293.00
16.607	11BVP	740	01/01/11	Till Finished	739.80	73.10	73.10
Total Department of Justice							
Department of Transportation							
Highway Planning and Construction							
Indirect Programs - Passed through the New Jersey							
Department of Transportation							
Pacific Avenue							
20.205	480-078-6320-xxx-xxxx	152,314	01/01/09	Till Finished	44,049.55	152,313.71	152,313.71
20.205	480-078-6320-xxx-xxxx	130,000	01/01/10	Till Finished	25,706.57	80,235.12	130,000.00
20.205	480-078-6320-xxx-xxxx	175,000	01/01/11	Till Finished	116,334.85	115,717.61	115,955.27
Pedestrian/Bicycle Safety Education							
20.609	100-066-1160-148-030380	16,000	01/01/12	Till Finished	186,090.97	7,925.00	7,925.00
2012							
Total Department of Transportation							
						203,877.73	406,193.98

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

Schedule 1

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Sheet 2 of 2

FOR THE YEAR ENDED DECEMBER 31, 2012

Federal C.F.D.A. Number	Federal Grantor/ Pass-Through Program Title	Agency or Pass-Through Number	Program or Award Amount	Grant Period		Year 2012		Total Federal Expenditures
				From	To	Cash Received	Federal Expenditures	
66.458	Department of Environmental Protection Capitalization Grants for Drinking Water State Revolving Fund Indirect Programs - Passed through the New Jersey Department of Environmental Protection Completion of Improvements to the Existing Sanitary Beneath Various Streets	707-042-4840-011-xxxxxx	\$ 1,500,000	04/17/09	Till Finished	\$	295,071.23	\$ 1,500,000.00
66.468	Removal and/or Replacement of Existing Water Mains Beneath Various Streets	707-042-4840-011-xxxxxx	1,509,000	04/17/09	Till Finished		110,344.80	1,509,000.00
66.468	Removal and/or Replacement of Existing Water Mains Beneath Various Streets	707-042-4840-011-xxxxxx	964,506	04/09/10	Till Finished		307,201.72	964,506.00
66.458	Removal and/or Replacement of Sanitary Sewer Pipes Beneath Various Streets	707-042-4840-011-xxxxxx	1,114,210	04/09/10	Till Finished		744,396.71	1,114,210.00
66.458	Acquisition of Equipment Replacement of Sanitary Sewer Mains Beneath Various Streets	707-042-4840-011-xxxxxx	250,000	11/18/11	Till Finished		232,500.00	232,500.00
66.458	Replacement of Sanitary Sewer Mains Beneath Various Streets	707-042-4840-011-xxxxxx	1,111,764	11/18/11	Till Finished		402,217.20	402,217.20
66.458	Replacement of Existing Water Mains Beneath Various Streets	707-042-4840-011-xxxxxx	555,882	11/18/11	Till Finished		201,108.60	201,108.60
66.468	Replacement of Existing Water Mains Beneath Various Streets	707-042-4840-011-xxxxxx	977,765	11/18/11	Till Finished		620,715.23	620,715.23
66.468	Replacement of Existing Water Mains Beneath Various Streets	707-042-4840-011-xxxxxx	488,884	11/18/11	Till Finished		310,357.62	310,357.62
	Total Department of Environmental Protection						<u>3,847,615.95</u>	<u>6,854,614.64</u>
	Total Federal Assistance						<u>\$ 4,143,582.59</u>	<u>\$ 7,372,110.59</u>

Supplementary Information

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

SCHEDULE OF EXPENDITURES OF STATE AWARDS

Schedule 2

FOR THE YEAR ENDED DECEMBER 31, 2012

Sheet 1 of 2

State Grantor/ Pass-Through Grantor/ Program Title	Account Number	Program or Award Amount	Grant Period		Cash Received	Year 2012 State Expenditures	Total State Expenditures
			From	To			
Judiciary							
Direct Programs							
Alcohol Education and Rehabilitation Fund							
2006 and Prior		\$	1/01/PY	Till Finished	\$	6,718.00	\$ 10,908.90
2007	760-098-9735-001-xxxxxx	17,322	1/01/2007	Till Finished		150.00	150.00
2010	760-098-9735-001-xxxxxx	2,320	1/01/2010	Till Finished			185.00
2012	760-098-9735-001-xxxxxx	1,888	1/01/2012	Till Finished	1,887.71		
Total Judiciary					1,887.71	6,868.00	11,243.90
Law and Public Safety							
Direct Programs							
Body Armor Replacement Fund							
2008	718-066-1020-001-YCJS-6120	4,308	1/01/2008	Till Finished		1,281.65	4,308.24
2010	718-066-1020-001-YCJS-6120	3,326	1/01/2010	Till Finished		154.90	3,325.50
2011	718-066-1020-001-YCJS-6120	5,131	1/01/2011	Till Finished		5,130.60	5,130.60
2012	718-066-1020-001-YCJS-6120	3,738	1/01/2012	Till Finished	3,737.88	1,400.11	1,400.11
					3,737.88	7,967.26	14,164.45
Drunk Driving Enforcement Fund							
2007	100-078-6400-001-YYYY-xxxx	6,685	1/01/2007	Till Finished		2,940.97	7,128.41
2008	100-078-6400-001-YYYY-xxxx	4,285	1/01/2008	Till Finished		1,142.18	2,078.46
2009	100-078-6400-001-YYYY-xxxx	2,661	1/01/2009	Till Finished		2,790.31	2,661.07
2010	100-078-6400-001-YYYY-xxxx	8,497	1/01/2010	Till Finished		1,683.96	8,273.62
2011	100-078-6400-001-YYYY-xxxx	3,197	1/01/2011	Till Finished		8,557.42	2,891.92
							23,033.48
Indirect Programs - Passed Through Ocean County							
Office of Emergency Management							
966 Reimbursement	APU-634	11,832	1/01/2008	Till Finished			11,832.00
966 Reimbursement	APU-634	9,298	8/12/2011	Till Finished	9,298.00	9,298.00	9,298.00
					9,298.00	9,298.00	21,130.00
Total Law and Public Safety					13,035.88	25,822.68	58,327.93

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

SCHEDULE OF EXPENDITURES OF STATE AWARDS

Schedule 2

FOR THE YEAR ENDED DECEMBER 31, 2012

Sheet 2 of 2

State Grantor/ Pass-Through Grantor/ Program Title	Account Number	Program or Award Amount	Grant Period		Year 2012		Total State Expenditures
			From	To	Cash Received	State Expenditures	
Environmental Protection							
Direct Programs							
Clean Communities							
2011	765-042-4900-004-178910	32,673	1/01/2011	Till Finished	\$	28,950.77	\$ 32,673.19
2012	765-042-4900-004-178910	32,770	1/01/2012	Till Finished		19,330.31	19,330.31
						48,281.08	52,003.50
Recycling Tonnage							
2010	752-042-4900-001-178810	14,119	1/01/2010	Till Finished		1,153.31	14,096.63
2011	752-042-4900-001-178810	18,744	1/01/2011	Till Finished		18,456.47	18,660.00
2012	752-042-4900-001-178810	10,781	1/01/2012	Till Finished		7,847.62	7,847.62
						27,457.40	40,604.25
Capitalization Grants for Drinking Water State Revolving Fund							
Removal and/or Replacement of Sanitary Sewer Pipes Beneath Various Streets	707-042-4840-011-xxxxxx	500,000	4/17/2009	Till Finished		98,357.00	567,980.83
Removal and/or Replacement of Existing Water Mains Beneath Various Streets	707-042-4840-011-xxxxxx	503,000	4/17/2009	Till Finished		80,241.00	536,222.10
Removal and/or Replacement of Existing Water Mains Beneath Various Streets	707-042-4840-011-xxxxxx	964,506	4/09/2010	Till Finished		381,973.50	1,047,564.22
Removal and/or Replacement of Sanitary Sewer Pipes Beneath Various Streets	707-042-4840-011-xxxxxx	1,114,210	4/09/2010	Till Finished		755,840.00	1,433,650.21
Replacement of Sanitary Sewer Mains Beneath Various Streets	707-042-4840-011-xxxxxx	1,111,763	11/18/2011	Till Finished		491,173.60	402,217.20
Replacement of Existing Water Mains Beneath Various Streets	707-042-4840-011-xxxxxx	977,765	11/18/2011	Till Finished		737,685.20	620,715.23
						2,545,270.30	4,608,349.78
						2,577,411.84	4,700,957.53
Total Environmental Protection							
Health							
Indirect Programs - Passed Through Ocean County Health Department							
Municipal Alliance on Alcoholism and Drug Abuse							
2011	100-046-4230-JJJ-6310	18,258	1/01/2011	Till Finished		10,424.29	18,258.00
2012	100-046-4230-JJJ-6310	24,975	1/01/2012	Till Finished		15,628.40	20,113.00
Total Health						26,052.69	38,371.00
Total State Assistance						\$ 2,613,612.72	\$ 4,808,900.36

Supplementary Information

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

NOTES TO SCHEDULES OF EXPENDITURES OF

FEDERAL AND STATE AWARDS

YEAR ENDED DECEMBER 31, 2012

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards include the grant activity of the Township of Long Beach. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

Expenditures, as reported on the accompanying Schedule of Expenditures of Federal and State Awards, reflect cash disbursements charged directly to a grant program.

NOTE 2. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (“CFDA”) NUMBERS

The CFDA numbers included in the accompanying SEFA were determined based on the program name, review of grant contract information and the Office of Management and Budget’s Catalog of Federal Domestic Assistance.

NOTE 3. CONTINGENCIES

Each of the cognizant agencies reserves the right to conduct additional audits of the Township’s grant programs. Management does not believe such audits would result in material amounts of disallowed costs.

NOTE 4. RECONCILIATION OF SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS TO THE BASIC FINANCIAL STATEMENTS

In accordance with OMB Circular A-133, New Jersey OMB Circular 04-04 and industry audit guides, the Schedules of Expenditures of Federal and State Awards should be reflecting actual program activity. Therefore it is necessary to make reconciliation from the schedules to the financial statements for grants that have encumbrances but the actual activity has not yet occurred. The aforementioned reconciliation is presented below:

NOTE 4. RECONCILIATION OF SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

	<u>Total</u>
General Capital Fund	\$ 195,952.73
Grant Fund	167,222.03
Water-Sewer Utility Capital Fund	5,431,548.62
Water-Sewer Utility Operating Fund	2,034.00
Expended in Previous Year	<u>64,735.87</u>
	<u>\$ 5,861,493.25</u>
Federal Expenditures	\$ 3,517,341.87 *
State Expenditures	<u>2,344,151.38 **</u>
	<u>\$ 5,861,493.25</u>

* Agrees to Schedule of Expenditures of Federal Awards

** Agrees to Schedule of Expenditures of State Awards

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- 1) Material weakness(es) identified? Yes X No
- 2) Reportable condition(s) identified that are not considered material weaknesses? Yes X None

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Dollar threshold used to determine Type A and B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

Internal Control over major programs"

- 1) Material weakness(es) identified? Yes X No
- 2) Reportable condition(s) identified that are not considered to be material weaknesses? Yes X None

Type of auditor's report on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular Letter A-133? Yes X No

Identification of major programs:

<u>Federal Grant/ CFDA Number(s)</u>	<u>Name of Federal Program</u>
<u>20.205</u>	<u>Highway Planning and Construction</u>
<u>66.458</u>	<u>Capitalization Grants for Clean Water State Revolving Fund</u>
<u>66.468</u>	<u>Capitalization Grants for Drinking Water State Revolving Fund</u>
<u> </u>	<u> </u>

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Section I - Summary of Auditor's Results (Continued)

State Awards

Dollar threshold used to determine Type A and B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

Internal Control over major programs"

1) Material weakness(es) identified? Yes X No

2) Reportable condition(s) identified that are not considered to be material weaknesses? Yes X None

Type of auditor's report on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular Letter A-133? Yes X No

Identification of major programs:

<u>State Grant Number(s)</u>	<u>Name of State Program</u>
707-042	Capitalization Grants for Drinking Water State Revolving Fund
711-042	Capitalization Grants for Clean Water State Revolving Fund

TOWNSHIP OF LONG BEACH - COUNTY OF OCEAN

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2012

Section II - Schedule of Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the financial statements - statutory basis that are required to be reported in accordance with Chapter 5.18 through 5.20 of *Government Auditing Standards*.

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Recommendation: N/A

TOWNSHIP OF LONG BEACH- COUNTY OF OCEAN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies audit findings required to be reported by Section .510(a) of USOMB Circular A-133 and NJOMB Circular 04-04.

Federal Awards

Finding: None

Information on the federal program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

State Awards

Finding: None

Information on the state program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

TOWNSHIP OF LONG BEACH

COUNTY OF OCEAN

PART V

GENERAL COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2012

An audit of the financial accounts and transactions of the Township of Long Beach, in the County of Ocean, for the year ended December 31, 2012, has recently been completed. The results of the audit are herewith set forth.

SCOPE OF AUDIT

The audit covered the financial transactions of the Chief Financial Officer, Tax/Utility Collector, the activities of the Mayor and Commissioners, 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. These details were necessarily covered by the internal review and control before approval of such claims by the governing body.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Township Departments as shown on the Statement of Revenues and Schedule of Revenue Accounts Receivable are presented as recorded in the Township records.

All material items of revenue and receipts were established and verified as to source and amount where practical.

GENERAL COMMENTS

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

N.J.S. 40A:11-4a states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law." The amount set forth pursuant to the above statute was \$17,500 for municipalities without a qualified purchasing agent (QPA) and \$36,000 with a qualified purchasing agent. In 2011, it was noted that the Division of Local Government Services adopted a temporary rule that permits municipalities to increase their bid threshold to \$26,000 for a person meeting certain eligibility requirements for the future anticipated QPA certification exam. The Township's bid threshold was \$36,000 for the year under audit.

The governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the above statutory limitation within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute the Township Counsel's opinion should be sought before a commitment is made.

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

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

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

The compliance review of expenditures did not reveal any individual payments or contracts in excess of the statutory limit other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-4.

Contracts or Agreements not Required to be Advertised per N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states “For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount... .. the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable.”

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

Collection of Interest on Delinquent Taxes and Water-Sewer Rents

N.J.S. 54:4-67, as amended, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes, assessments or water-sewer rents on or before the date when they would become delinquent.

The governing body December 28, 2011 adopted the following resolution authorizing interest to be charged on delinquent taxes, assessments and water-sewer rents:

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

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

Delinquent Taxes and Tax Title Liens

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

<u>Year</u>	<u>Number of Liens</u>
2012	3
2011	3
2010	3

Miscellaneous

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

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

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

Individual payments of the Local, Regional and/or Consolidated School District Taxes by the municipality were verified using alternate procedures for the year 2012.

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

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

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

FOLLOW-UP OF PRIOR YEAR FINDINGS

In accordance with Government Auditing Standards procedures should include a review of all prior year findings. There were no prior year findings that needed to be addressed in 2012.

FINDINGS/RECOMMENDATIONS

Interfunds

12-01 Finding - There is a large interfund (\$1.5 million) at year-end between the Current Fund and the General Capital Fund.

Recommendation - That the aforementioned interfund be liquidated.

ACKNOWLEDGEMENT

We desire to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the audit.

The foregoing comments and resultant recommendation are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments or recommendation, or should you desire assistance in implementing our recommendations, please contact us at your earliest opportunity.