

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2015**

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

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COUNTY OF OCEAN, NEW JERSEY

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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN**

PART I

**INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Council
Stafford Township
County of ocean
Stafford, New Jersey

Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of Stafford Township, County of Ocean, State of New Jersey as of December 31, 2015 and 2014, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2015.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

As discussed in Note 1 to the financial statements, Stafford Township prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Stafford Township, County of Ocean, State of New Jersey, as of December 31, 2015 and 2014, or the results of its operations and changes in fund balance for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 1, the financial statements of the Length of Service Award Program Fund (“LOSAP”) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Township’s financial statements as of and for the years ended December 31, 2015 and 2014. The LOSAP Trust Fund financial activities are included in the Township’s Trust Fund, and represent 12.49% and 11.01% of the assets and liabilities, respectively, of the Township’s Trust Funds as of December 31, 2015 and 2014.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Trust Fund financial statements been audited as described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of Stafford Township, County of Ocean, State of New Jersey, as of December 31, 2015 and 2014, and the results of its operations and changes in fund balance -regulatory basis of such funds for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2015 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended December 31, 2015 Stafford Township adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No.27*. Our opinion on regulatory basis of accounting is not modified with respect to this matter.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2016, on our consideration of Stafford Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Stafford Township's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines
Certified Public Accountant
Registered Municipal Accountant
RMA #498

June 1, 2016
Toms River, New Jersey

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

Honorable Mayor and Members
of the Township Council
Stafford Township
County of Ocean
Stafford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements-regulatory basis of the Stafford Township (herein referred to as “the Township”), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Township’s basic financial statements, and have issued our report thereon dated . Our report on the financial statements-regulatory basis was modified to indicate that the financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the requirements of the State of New Jersey for municipal government entities as described in Note 1 .

Our report on the financial statements - regulatory basis included a qualified opinion on the financial statements of the Length of Service Award Program Fund (“LOSAP”) Trust Fund. As discussed in Note 1 the LOSAP Trust Fund financial statements were not audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Stafford Township’s financial statements as of and for the year ended December 31, 2015. With the exception of the LOSAP Trust Fund our opinion on the financial statements- regulatory basis was unmodified.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines
Certified Public Accountant
Registered Municipal Accountant
RMA #498

June 1, 2016
Toms River, New Jersey

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS
DECEMBER 31, 2015 AND 2014**

<u>Assets</u>	<u>Reference</u>	<u>2015</u>	<u>2014</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2015</u>	<u>2014</u>
Cash and Cash Equivalents - Treasurer	A-4	\$ 12,039,159.38	\$ 10,730,928.05	Appropriation Reserves	A-3,A-10	\$ 2,034,081.05	\$ 1,934,439.84
Cash - Change Fund	A	300.00	300.00	Encumbrances Payable	A-3,A-11	218,053.09	326,822.37
				Accounts Payable	A-10	22,352.69	46,684.53
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	A-5	-	4,483.02	Payroll Deductions Payable	A-13	181,662.78	242,396.78
				Prepaid Taxes	A-14	683,468.58	544,820.30
				County Taxes Payable	A-15	209,152.60	137,992.14
				Local District School Tax Payable	A-16	1,288,055.98	951,811.00
				Regional School Tax Payable	A-16	109,985.37	193,127.37
				Tax Overpayments Payable	A-17	35,023.08	48,106.68
				Due To State of New Jersey - Senior Citizens' and Veterans' Deductions	A-5	2,531.43	-
Taxes Receivable	A-6	628,590.93	720,964.93	Due To Grant Fund	A-12	142,325.93	196,141.26
Tax Title Liens Receivable	A-7	161,359.82	137,681.01	Reserve for:			
Revenue Accounts Receivable	A-9	29,870.84	28,915.75				
Due From Animal Control Fund	B	6,382.89	-	Tax Appeals		187,130.40	131,316.03
Property Acquired for Taxes - Assessed Valuation	A-8	186,650.00	186,650.00	Sale of Municipal Assets		193,298.25	193,298.25
				FEMA and Insurance Funds	A-4	-	301,087.46
				FEMA Community Disaster Loan Payable	A-22	3,285,358.91	3,261,075.62
Deferred Charges:							
Future Taxation Unfunded - CDL	A-22	3,285,358.91	3,261,075.62			8,592,480.14	8,509,119.63
				Reserve for Receivables and Other Assets	A	1,012,854.48	1,074,211.69
				Fund Balance	A-1	6,732,338.15	5,487,667.06
						16,337,672.77	15,070,998.38
Grant Fund:				Grant Fund:			
				Encumbrances Payable	A-11	12,098.80	-
				Reserve for Grant Expenditures - Appropriated	A-20	151,761.51	247,057.95
State and Federal Grants Receivable	A-19	21,534.38	103,957.38	Reserve for Grant Expenditures - Unappropriated	A-21	-	53,040.69
Due From Current Fund	A-12	142,325.93	196,141.26				
						163,860.31	300,098.64
Total Assets		<u>\$ 16,501,533.08</u>	<u>\$ 15,371,097.02</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 16,501,533.08</u>	<u>\$ 15,371,097.02</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>2014</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 3,500,000.00	\$ 2,500,000.00
Miscellaneous Revenue Anticipated	6,659,828.65	8,773,125.21
Receipts From Delinquent Taxes	723,934.86	558,202.27
Receipts From Current Taxes	85,762,956.26	83,415,651.39
Non-Budget Revenues	770,470.35	977,506.77
Other Credits To Income:		
Unexpended Balance of Appropriation		
Reserves	1,298,926.04	1,301,206.90
Interfunds Returned	-	7,816.37
	<hr/>	<hr/>
Total Revenues	98,716,116.16	97,533,508.91
	<hr/>	<hr/>
Expenditures:		
Budget Appropriations:	-	
Operations:		
Salaries and Wages	16,994,950.00	16,960,750.00
Other Expenses	12,601,369.14	12,386,064.91
Capital Improvements	100,000.00	141,274.00
Deferred Charges and Statutory		
Expenditures	3,768,003.50	4,819,413.96
Debt Service	7,548,244.07	6,629,805.48
Prior Year Senior Citizens' Disallowed	9,750.00	9,830.14
Interfunds Advanced	6,382.89	-
County Taxes	16,179,632.68	15,692,880.54
County Share of Added Taxes	209,152.60	137,992.14
Local District School Tax	27,672,843.00	26,949,518.00
Regional School Tax	8,496,147.00	8,662,431.00
Municipal Open Space Tax	384,970.19	92,707.30
	<hr/>	<hr/>
Total Expenditures	93,971,445.07	92,482,667.47
	<hr/>	<hr/>
Statutory Excess	4,744,671.08	5,050,841.44
	<hr/>	<hr/>
Fund Balance, January 1	5,487,667.06	2,936,825.62
	<hr/>	<hr/>
	10,232,338.15	7,987,667.06
Decreased By:		
Utilized as Anticipated Revenue	3,500,000.00	2,500,000.00
	<hr/>	<hr/>
Fund Balance, December 31	<u>\$ 6,732,338.15</u>	<u>\$ 5,487,667.06</u>

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

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Anticipated</u>	<u>Amount Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Anticipated	\$ 3,500,000.00	\$ 3,500,000.00	\$ -
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	30,000.00	30,450.00	450.00
Fees and Permits	25,000.00	42,495.00	17,495.00
Fines and Costs:			
Municipal Court	430,000.00	438,877.32	8,877.32
Interest and Cost on Taxes	190,000.00	200,191.42	10,191.42
Fire Prevention Bureau Fees	85,000.00	95,711.63	10,711.63
Mobile Home Park Fees	130,000.00	142,757.99	12,757.99
Payments in Lieu of Taxes - Federal	10,989.00	12,071.00	1,082.00
Cable TV Fee and Lease	112,817.83	112,817.83	-
PILOT - Target, Costco, etc.	255,000.00	244,765.04	(10,234.96)
Energy Receipts Tax	2,465,920.00	2,465,920.00	-
Supplemental Energy Receipts Tax	104,286.00	104,286.00	-
Garden State Preservation Trust Fund	36,666.00	36,666.00	-
Uniform Construction Code Fees	1,000,000.00	957,354.20	(42,645.80)
Shared Services Agreement -			
Animal Control:			
Township of Long Beach	16,800.00	18,110.00	1,310.00
Borough of Beach Haven	5,000.00	5,190.00	190.00
Borough of Barnegat Light	2,900.00	3,515.00	615.00
Borough of Harvey Cedars	2,800.00	4,015.00	1,215.00
Shared Services Agreement -			
Construction:			
Township of Eagleswood	30,000.00	35,571.00	5,571.00
Borough of Beach Haven	40,000.00	52,926.30	12,926.30
Borough of Surf City	30,000.00	41,854.00	11,854.00
Borough of Harvey Cedars	15,000.00	16,504.00	1,504.00
Ocean County Cooperative Pricing System	15,000.00	16,500.00	1,500.00
Reserve To Pay Bonds	94,347.00	94,347.00	-
Reserve To Pay Notes	336,905.98	336,905.98	-
Capital Surplus	215,000.00	215,000.00	-
Reserve for FEMA/Insurance Reimbursements	301,087.46	301,087.46	-
PILOT - Stafford Preserve	400,000.00	439,538.56	39,538.56
Clean Communities Program	78,571.86	78,571.86	-
Alcohol Education and Rehabilitation Fund	3,830.66	3,830.66	-
Municipal Alliance on Alcoholism and Drug Abuse	45,248.00	45,248.00	-
Recycling Tonnage Grant	53,040.69	53,040.69	-
Body Armor Replacement Fund	4,709.71	4,709.71	-
Click It or Ticket	4,000.00	4,000.00	-
Drive Sober or Get Pulled Over	5,000.00	5,000.00	-
Total Miscellaneous Revenues	<u>6,574,920.19</u>	<u>6,659,828.65</u>	<u>84,908.46</u>

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Anticipated</u>	<u>Amount Realized</u>	<u>Excess/ (Deficit)</u>
Receipts From Delinquent Taxes	500,000.00	723,934.86	223,934.86
Amount To Be Raised By Taxes for Support of Municipal Budget	32,718,424.95	34,969,269.35	2,250,844.40
Budget Totals	43,293,345.14	45,853,032.86	2,559,687.72
Non-Budget Revenues	-	770,470.35	770,470.35
	<u>\$ 43,293,345.14</u>	<u>\$ 46,623,503.21</u>	<u>\$ 3,330,158.07</u>
Revenue Accounts Receivable		\$ 6,465,427.73	
Grants Receivable		194,400.92	
		<u>\$ 6,659,828.65</u>	
Summary of Revenue Realized:			
Allocation of Current Tax Revenues:			
Allocation of Current Tax Collections:			
Revenue From Collections		\$ 85,762,956.26	
Allocated To School and County Taxes		52,942,745.47	
Balance for Support of Municipal Appropriations		32,820,210.79	
Increased By:			
Appropriation Reserve for Uncollected Taxes		2,149,058.56	
Amount for Support of Municipal Budget Appropriations		<u>\$ 34,969,269.35</u>	

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Analysis of Non-Budget Revenues

Peddler and Taxi Licenses	\$ 1,590.00
Raffle/Bingo Licenses	6,375.00
Food-Handlers License	13,091.61
Vital Statistics	26,550.00
Tax Searches	90.00
Xerox Copies	1,002.54
FEMA Reimbursement - Sandy (Debris Removal)	282,946.23
Land Use - Zoning Fees	10.00
Administration Fees - Site Plans	11,200.00
Variance Lists	1,210.00
Towing Fees	860.00
Ocean County Recycling Revenue Sharing	41,160.30
Pool Licenses	450.00
Street Opening Permits	22,327.00
Labor Liens	9,859.99
Police Reports	2,173.08
Police Outside Employment Administrative Fee	56,867.02
Interest on Investments and Deposits	5,871.19
Trash Containers	9,360.00
Returned Check Charge Fees	280.00
Cat Licenses	9,150.60
Court Reporter - Planning and Zoning	8,800.00
Miscellaneous	460.15
2% Administrative Payment	8,127.93
Miscellaneous Refunds and Reimbursements	68,220.46
Restitution	2,215.00
Penalty - Building Department	4,250.00
FEMA Reimbursement - Sandy (Storm Recovery Center)	35,794.81
PILOT - Presbyterian Homes	29,394.43
PILOT - Stafford Family Apartments	45,687.40
PILOT - Stafford Properties Urban Development	28,033.90
PILOT - Olive Garden	13,634.33
Tax Sale Premiums	4,200.00
Firearms Application Fees	2,076.00
Statutory Excess - Animal Control	6,382.89
DMV Inspection Fines	5,059.00
Exotic Pet Permits	30.00
Auction Proceeds	100.00
Photo ID's	60.00
Carfax Reports	658.25
FEMA Reimbursement - 2009 Snow Storm	861.24
Shared Services Agreement (Animal Control) - Borough of Ship Bottom	4,000.00
	<u>\$ 770,470.35</u>
Cash Receipts	\$ 764,087.46
Due from Animal Control Fund	<u>6,382.89</u>
	<u>\$ 770,470.35</u>

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Original Budget	Balance After Modification	Paid or Charged	Encumbered	Reserved	Cancelled
GENERAL APPROPRIATIONS						
Operations - Within "CAPS"	\$ 234,000.00	\$ 234,000.00	\$ 223,220.09	\$ -	\$ 10,779.91	\$ -
General Administration:	9,215.00	9,215.00	8,286.45	-	928.55	-
Salaries and Wages	149,000.00	149,000.00	145,864.19	-	3,135.81	-
Other Expenses	9,840.00	9,840.00	8,402.87	462.85	974.28	-
Purchasing:						
Salaries and Wages	25,000.00	25,000.00	25,000.00	-	-	-
Other Expenses						
Mayor and Council:	125,500.00	125,500.00	125,201.16	-	298.84	-
Salaries and Wages	2,850.00	7,150.00	2,654.39	52.90	4,442.71	-
Other Expenses						
Municipal Clerk:						
Salaries and Wages	252,500.00	262,500.00	259,857.40	-	2,642.60	-
Other Expenses	35,950.00	35,950.00	32,571.10	3,378.59	0.31	-
Elections	2,500.00	2,500.00	2,500.00	-	-	-
Financial Administration (Treasury):						
Salaries and Wages	380,000.00	380,000.00	354,640.27	-	25,359.73	-
Other Expenses	15,917.00	15,917.00	11,832.74	3,451.31	632.95	-
Audit Services:						
Other Expenses	38,000.00	38,000.00	37,100.00	-	900.00	-
Banking and Arbitrage Rebate Services:						
Other Expenses	20,000.00	20,000.00	17,095.69	-	2,904.31	-
Computerized Data Processing:						
Salaries and Wages	135,000.00	135,000.00	-	-	135,000.00	-
Other Expenses	121,850.00	146,150.00	106,410.75	37,903.08	1,836.17	-
Revenue Administration (Tax Collection):						
Salaries and Wages	350,000.00	350,000.00	334,028.84	-	15,971.16	-
Other Expenses	70,306.00	70,306.00	67,755.18	247.50	2,303.32	-
Tax Assessment Administration:						
Salaries and Wages	372,000.00	372,000.00	365,457.14	-	6,542.86	-
Other Expenses	85,650.00	85,650.00	31,789.29	6,000.00	47,860.71	-
Legal Services (Legal Department)						
Other Expenses	150,000.00	175,000.00	150,986.68	-	24,013.32	-
Engineering Services:						
Other Expenses	140,000.00	155,000.00	138,221.33	915.75	15,862.92	-
Municipal Alliance:						
Salaries and Wages	41,750.00	41,750.00	37,132.60	-	4,617.40	-
Community Development and Zoning:						
Salaries and Wages	176,000.00	176,000.00	173,420.94	-	2,579.06	-
Other Expenses	14,050.00	14,050.00	12,457.06	514.37	1,078.57	-

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS						
Operations - Within "CAPS"						
Historic Sites Office:						
Salaries and Wages	500.00	500.00	-	-	500.00	-
Other Expenses	1,200.00	1,200.00	629.98	556.07	13.95	-
LAND USE ADMINISTRATION						
Planning Board:						
Salaries and Wages	4,000.00	4,000.00	3,300.83	-	699.17	-
Other Expenses	10,445.00	10,445.00	7,965.39	502.18	1,977.43	-
Zoning Board of Adjustment:						
Salaries and Wages	2,500.00	3,000.00	2,931.56	-	68.44	-
Other Expenses	9,900.00	11,000.00	8,976.88	1,375.71	647.41	-
CODE ENFORCEMENT AND ADMINISTRATION						
Uniform Construction Code Enforcement:						
Salaries and Wages	701,000.00	701,000.00	680,593.53	-	20,406.47	-
Other Expenses	12,150.00	12,150.00	10,722.81	683.23	743.96	-
Other Code Enforcement Functions:						
Salaries and Wages	182,000.00	186,200.00	174,549.15	-	11,650.85	-
Other Expenses	2,400.00	2,400.00	1,702.34	25.86	671.80	-
INSURANCE						
General Liability	440,967.42	440,967.42	406,836.62	-	34,130.80	-
Workers Compensation	397,910.80	397,910.80	397,910.80	-	-	-
Employee Group Health	5,403,125.00	5,403,125.00	5,260,796.44	1,258.80	141,069.76	-
Unemployment/Disability Insurance	55,000.00	55,000.00	55,000.00	-	-	-
PUBLIC SAFETY						
Police Department:						
Salaries and Wages	7,813,000.00	7,813,000.00	7,706,806.31	-	106,193.69	-
Other Expenses	498,725.00	498,725.00	445,585.02	39,644.48	13,495.50	-
Office of Emergency Management:						
Other Expenses	3,400.00	3,400.00	1,434.20	1,380.20	585.60	-
Aid To Volunteer Fire Companies	90,000.00	90,000.00	90,000.00	-	-	-
Aid To Volunteer Ambulance Companies	70,000.00	70,000.00	70,000.00	-	-	-
Uniform Fire Safety:						
Salaries and Wages	115,000.00	115,000.00	105,673.43	-	9,326.57	-
Other Expenses	7,500.00	7,500.00	4,635.58	2,810.28	54.14	-
Municipal Prosecutor's Office:						
Other Expenses	48,000.00	48,000.00	46,811.25	-	1,188.75	-
New Jersey Public Employees Safety and Health:						
	30,500.00	30,500.00	19,057.36	11,442.64	-	-

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS						
Operations - Within "CAPS"						
PUBLIC WORKS						
Streets and Road Maintenance:						
Salaries and Wages	1,120,000.00	1,120,000.00	1,009,357.20		110,642.80	-
Other Expenses	142,750.00	146,250.00	137,078.88	9,063.36	107.76	-
Solid Waste Collection:						
Salaries and Wages	1,611,000.00	1,537,500.00	1,447,429.23		90,070.77	-
Other Expenses	45,325.00	45,325.00	37,471.83	4,784.91	3,068.26	-
Buildings and Grounds:						
Salaries and Wages	1,238,000.00	1,238,000.00	1,211,700.94		26,299.06	-
Other Expenses	198,600.00	238,600.00	173,460.41	59,209.42	5,930.17	-
Vehicle Maintenance:						
Salaries and Wages	692,000.00	692,000.00	614,995.14		77,004.86	-
Other Expenses	598,100.00	633,100.00	603,687.69	15,826.83	13,585.48	-
Municipal Bus Service:						
Salaries and Wages	216,000.00	216,000.00	178,087.47		37,912.53	-
Other Expenses	4,850.00	4,850.00	4,192.50	251.20	406.30	-
HEALTH AND HUMAN SERVICES						
Environmental Health Services:						
Salaries and Wages	5,000.00	5,000.00	2,810.92		2,189.08	-
Other Expenses	1,820.00	1,820.00	981.07	78.24	760.69	-
Animal Control Services:						
Salaries and Wages	150,500.00	150,500.00	127,962.50		22,537.50	-
Other Expenses	29,715.00	29,715.00	27,679.39	1,317.66	717.95	-
PARKS AND RECREATION						
Recreation Services and Programs:						
Salaries and Wages	379,000.00	389,000.00	382,821.67		6,178.33	-
Other Expenses	39,555.00	39,555.00	23,905.46	12,257.29	3,392.25	-
Beach and Boardwalk Operations:						
Salaries and Wages	25,000.00	25,000.00	25,000.00		-	-
Other Expenses	1,050.00	1,050.00	818.72		231.28	-
Celebration of Public Events:						
Other Expenses	36,000.00	36,000.00	32,881.37	2,300.00	818.63	-
Municipal Court:						
Salaries and Wages	421,000.00	421,000.00	413,530.98		7,469.02	-
Other Expenses	17,950.00	17,950.00	16,793.18	103.87	1,052.95	-
Public Defender:						
Other Expenses	28,000.00	28,000.00	25,516.15		2,483.85	-

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS						
Operations - Within "CAPS"						
UNCLASSIFIED						
UTILITY EXPENSES AND BULK PURCHASES						
Electricity	310,000.00	310,000.00	269,407.88	-	40,592.12	-
Street Lighting	525,000.00	525,000.00	428,038.95	71.95	96,889.10	-
Telephone (excluding telephone acquisition)	150,000.00	156,250.00	148,031.43	182.56	8,036.01	-
Water	7,000.00	7,000.00	4,552.18	-	2,447.82	-
Gas (natural or propane)	62,000.00	62,000.00	52,440.36	-	9,559.64	-
Telecommunications Costs	500.00	500.00	201.84	-	298.16	-
Sewerage Processing and Disposal	15,000.00	15,000.00	9,784.37	-	5,215.63	-
Gasoline	575,000.00	575,000.00	262,406.80	-	312,593.20	-
Landfill/Solid Waste Disposal Costs	1,485,000.00	1,379,350.00	1,122,311.25	-	257,038.75	-
Accumulated Leave Compensation	10,000.00	10,000.00	10,000.00	-	-	-
Total Operations - Within "CAPS"	28,996,816.22	28,996,816.22	26,979,143.40	218,053.09	1,799,619.73	-
Detail:						
Salaries and Wages	16,901,250.00	16,852,450.00	16,116,373.49	-	736,076.51	-
Other Expenses	12,095,566.22	12,144,366.22	10,862,769.91	218,053.09	1,063,543.22	-
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"						
STATUTORY EXPENDITURES						
Contribution To:						
Public Employees Retirement System	867,274.50	867,274.50	867,274.50	-	-	-
Social Security System (O.A.S.I.)	1,255,000.00	1,255,000.00	1,148,583.17	-	106,416.83	-
Police and Firemen's Retirement System of NJ	1,355,729.00	1,355,729.00	1,355,729.00	-	-	-
Defined Contribution Retirement Program	5,000.00	5,000.00	-	-	5,000.00	-
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	3,483,003.50	3,483,003.50	3,371,586.67	-	111,416.83	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	32,479,819.72	32,479,819.72	30,350,730.07	218,053.09	1,911,036.56	-

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Original Budget	Balance After Modification	Paid or Charged	Encumbered	Reserved	Cancelled
GENERAL APPROPRIATIONS						
Operations - Within "CAPS"						
Length of Service Award Program	106,950.00	106,950.00	-	-	106,950.00	-
Recycling Tax	55,000.00	55,000.00	43,905.51	-	11,094.49	-
Reserve for Tax Appeals	84,340.00	84,340.00	84,340.00	-	-	-
Total Operations - Excluded From "CAPS"	246,290.00	246,290.00	128,245.51	-	118,044.49	-
Shared Service Agreements:						
Animal Control:						
Township of Long Beach:						
Salaries and Wages	16,800.00	16,800.00	16,800.00	-	-	-
Borough of Beach Haven:						
Salaries and Wages	5,000.00	5,000.00	5,000.00	-	-	-
Borough of Barnegat Light:						
Salaries and Wages	2,900.00	2,900.00	2,900.00	-	-	-
Borough of Harvey Cedars:						
Salaries and Wages	2,800.00	2,800.00	2,800.00	-	-	-
Construction:						
Township of Eagleswood						
Salaries and Wages	30,000.00	30,000.00	30,000.00	-	-	-
Borough of Beach Haven:						
Salaries and Wages	40,000.00	40,000.00	40,000.00	-	-	-
Borough of Surf City						
Salaries and Wages	30,000.00	30,000.00	30,000.00	-	-	-
Borough of Harvey Cedars:						
Salaries and Wages	15,000.00	15,000.00	15,000.00	-	-	-
Total Shared Service Agreements	142,500.00	142,500.00	142,500.00	-	-	-
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Ocean County Municipal Alliance	45,248.00	45,248.00	45,248.00	-	-	-
Municipal Alliance - Local Match	11,312.00	11,312.00	11,312.00	-	-	-
Clean Communities Program	-	78,571.86	78,571.86	-	-	-
Click It or Ticket	-	4,000.00	4,000.00	-	-	-
Alcohol Education/Rehabilitation Grant	-	3,830.66	3,830.66	-	-	-
Drive Sober or Get Pulled Over	-	5,000.00	5,000.00	-	-	-
Recycling Tonnage Grant	53,040.69	53,040.69	53,040.69	-	-	-
Local Match for Future Grants	5,000.00	5,000.00	-	-	5,000.00	-
2015 Body Armor Replacement Fund	-	4,709.71	4,709.71	-	-	-

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Original Budget	Balance After Modification	Paid or Charged	Encumbered	Reserved	Cancelled
GENERAL APPROPRIATIONS						
Operations - Within "CAPS"						
Total Public and Private Programs Offset						
By Revenues	114,600.69	210,712.92	205,712.92	-	5,000.00	-
Total Operations - Excluded From "CAPS"	503,390.69	599,502.92	476,458.43	-	123,044.49	-
Detail:						
Salaries and Wages	142,500.00	142,500.00	142,500.00	-	-	-
Other Expenses	360,890.69	457,002.92	333,958.43	-	123,044.49	-
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	-	-	-
Total Capital Improvements - Excluded From "CAPS"	100,000.00	100,000.00	100,000.00	-	-	-
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	4,825,000.00	4,825,000.00	4,825,000.00	-	-	-
Payment of Bond Anticipation Notes	638,190.00	638,190.00	638,190.00	-	-	-
Interest on Bonds	1,800,875.00	1,800,875.00	1,706,516.26	-	-	94,358.74
Interest on Notes	70,000.00	70,000.00	63,730.47	-	-	6,269.53
Green Acres Trust Loan Program:						
Loan Repayments for Principal and Interest	345,898.94	345,898.94	314,807.34	-	-	31,091.60
Total Municipal Debt Service - Excluded From "CAPS"	7,679,963.94	7,679,963.94	7,548,244.07	-	-	131,719.87
Deferred Charges - Municipal Excluded from "CAPS"						
Deferred Charges:						
Ordinance # 2012-18/2010-26	285,000.00	285,000.00	285,000.00	-	-	-
Total Deferred Charges - Municipal Excluded from "CAPS"	285,000.00	285,000.00	285,000.00	-	-	-

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS Operations - Within "CAPS"						
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	<u>8,568,354.63</u>	<u>8,664,466.86</u>	<u>8,409,702.50</u>	<u>-</u>	<u>123,044.49</u>	<u>131,719.87</u>
Subtotal General Appropriations	41,048,174.35	41,144,286.58	38,760,432.57	218,053.09	2,034,081.05	131,719.87
Reserve for Uncollected Taxes	<u>2,149,058.56</u>	<u>2,149,058.56</u>	<u>2,149,058.56</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$ 43,197,232.91</u>	<u>\$ 43,293,345.14</u>	<u>\$ 40,909,491.13</u>	<u>\$ 218,053.09</u>	<u>\$ 2,034,081.05</u>	<u>\$ 131,719.87</u>
Budget as Adopted						
Added By N.J.S. 40A:4-87	A-20	<u>\$ 43,197,232.91</u>				
		<u>96,112.23</u>				
		<u>\$ 43,293,345.14</u>				
Analysis of Paid or Charged						
Cash Disbursements			\$ 38,470,379.65			
Reserve for:						
Uncollected Taxes	A-4		2,149,058.56			
Tax Appeals	A-2		84,340.00			
Grant Expenditures - Appropriated	A		<u>205,712.92</u>			
	A-20		<u>\$ 40,909,491.13</u>			

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS
DECEMBER 31, 2015 AND 2014**

<u>Assets</u>	<u>Reference</u>	<u>2015</u>	<u>2014</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2015</u>	<u>2014</u>
Cash and Cash Equivalents	C-2	\$ 7,403,375.32	\$ 7,751,387.15	Serial Bonds	C-7	\$ 50,685,000.00	\$ 55,825,000.00
Due from Water/Sewer Utility Capital Fund	C-4	-	88,445.00	Bond Anticipation Notes	C-8	8,872,000.00	6,390,800.00
Grants Receivable - 2014 DOT		<u>190,000.00</u>	<u>-</u>	Encumbrances Payable	C-9	3,505,562.92	1,187,538.40
		<u>7,593,375.32</u>	<u>7,839,832.15</u>	Loans Payable	C-10	3,174,563.58	3,451,080.16
				Improvement Authorizations:			
				Funded	C-11	888,657.62	1,660,049.40
				Unfunded	C-11	26,799,504.78	7,275,053.66
				Capital Improvement Fund	C-12	87,185.00	62,750.00
				Reserve for:			
				Debt Service	C-13	219,810.93	431,252.98
Deferred Charges To Future Taxation:				Developer's Contributions	C-14	42,000.00	42,000.00
Funded	C-5	53,859,563.58	59,276,080.16	Grants Receivable		47,500.00	-
Unfunded	C-6	<u>33,697,000.00</u>	<u>10,145,805.00</u>	Fund Balance	C-1	<u>828,154.07</u>	<u>936,192.71</u>
		<u>87,556,563.58</u>	<u>69,421,885.16</u>				
Total Assets		<u>\$ 95,149,938.90</u>	<u>\$ 77,261,717.31</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 95,149,938.90</u>	<u>\$ 77,261,717.31</u>

There were bonds and notes authorized but not issued at December 31, 2015 of \$24,825,000 and of December 31, 2014 of \$3,755,005 (Exhibit C-15).

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS
DECEMBER 31, 2015 AND 2014**

Assets	2015	2014	Liabilities, Reserves and Fund Balances	Reference	2015	2014
Operating Fund:			Operating Fund:			
Cash and Cash Equivalents	\$ 6,114,412.66	\$ 3,780,384.91	Liabilities:			
Cash - Change Fund	<u>300.00</u>	<u>300.00</u>	Appropriation Reserves	D-4,D-13	\$ 412,338.57	\$ 454,309.79
			Encumbrances Payable	D-14	32,887.95	68,882.86
			Accrued Interest on Bonds, Notes and Loans	D-15	712,413.40	722,701.11
			Prepaid Revenue	D-16	141,312.68	213,272.88
			Accounts Payable	D-12	-	5,197.20
					<u>1,298,952.60</u>	<u>1,464,363.84</u>
Receivables With Full Reserves:			Reserve for Receivables	D	196,433.61	215,730.19
Consumer Accounts Receivable	175,882.36	195,178.94	Fund Balance	D-1	4,815,760.06	2,316,321.07
Water-Sewer Liens Receivable	<u>20,551.25</u>	<u>20,551.25</u>				
			Total Operating Fund		<u>6,311,146.27</u>	<u>3,996,415.10</u>
Total Operating Fund	<u>6,311,146.27</u>	<u>3,996,415.10</u>				
			Capital Fund:			
			Serial Bonds	D-17	32,841,000.00	35,036,000.00
			Loans Payable	D-18	21,251,790.49	23,246,258.30
			Bond Anticipation Notes	D-19	6,525,000.00	4,249,200.00
			Improvement Authorizations:			
			Funded	D-20	-	679,869.61
			Unfunded	D-20	4,498,060.31	1,382,768.24
			Contracts/Encumbrances Payable	D-21	109,586.11	635,768.52
			Capital Improvement Fund	D-22	12,625.00	12,625.00
			Due to General Capital Fund	D-7	-	88,445.00
			Reserve for:			
			Deferred Amortization	D-23	260,599.00	152,500.00
			Debt Service	D-24	64,221.25	1,010,513.44
			Amortization	D-25	93,564,762.64	88,431,722.83
			Fund Balance	D-2	448,530.58	317,120.82
			Total Capital Fund		<u>159,576,175.38</u>	<u>155,242,791.76</u>
Total Assets	<u>\$ 165,887,321.65</u>	<u>\$ 159,239,206.86</u>	Total Liabilities, Reserves and Fund Balances		<u>\$ 165,887,321.65</u>	<u>\$ 159,239,206.86</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN OPERATING FUND BALANCE
REGULATORY ACCOUNTING BASIS
YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>2014</u>
Revenue and Other Income Realized:		
Water/Sewer User Fees	\$ 14,768,858.00	\$ 14,511,615.41
Miscellaneous	964,023.09	993,639.05
Interlocal Agreement - Boro of Ship Bottom	96,844.08	101,102.91
Capital Surplus	4,486.56	132,135.70
Reserve to Pay Bonds	43,679.22	190,064.30
Reserve to Pay Notes	966,834.22	-
Miscellaneous Revenue Not Anticipated	7,811.24	3,218.84
Other Credits To Income:		
Appropriation Reserves Lapsed	<u>459,947.97</u>	<u>245,835.35</u>
Total Revenue	<u>17,312,484.38</u>	<u>16,177,611.56</u>
Expenditures:		
Operating	7,425,000.00	7,192,000.00
Debt Service	6,926,466.39	6,281,988.86
Statutory Expenditures	461,579.00	437,800.00
Refund of Prior Year Revenue	<u>-</u>	<u>433,476.15</u>
Total Expenditures	<u>14,813,045.39</u>	<u>14,345,265.01</u>
Excess in Revenue	2,499,438.99	1,832,346.55
Fund Balance, January 1	<u>2,316,321.07</u>	<u>483,974.52</u>
Fund Balance, December 31	<u><u>\$ 4,815,760.06</u></u>	<u><u>\$ 2,316,321.07</u></u>

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
STATEMENT OF CHANGES IN CAPITAL FUND BALANCE
REGULATORY ACCOUNTING BASIS
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 317,120.82
Increased By:		
Premium on Sale of Bonds and Notes	\$ 65,896.32	
Funded Improvement Authorizations Cancelled	70,000.00	
		135,896.32
		453,017.14
Decreased By:		
Anticipated in Budget		4,486.56
Balance, December 31, 2015		\$ 448,530.58

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS
YEAR ENDED DECEMBER 31, 2015**

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Water/Sewer User Fees	\$ 13,520,000.00	\$ 14,768,858.00	\$ 1,248,858.00
Miscellaneous	300,000.00	964,023.09	664,023.09
Interlocal Agreement - Ship Bottom	95,000.00	96,844.08	1,844.08
Capital Surplus	4,486.56	4,486.56	-
Reserve to Pay Bonds	43,679.22	43,679.22	-
Reserve to Pay Notes	966,834.22	966,834.22	-
Miscellaneous Revenue Not Anticipated		7,811.24	7,811.24
	<u>\$ 14,930,000.00</u>	<u>\$ 16,852,536.41</u>	<u>\$ 1,922,536.41</u>
Cash Receipts		\$ 16,639,263.53	
Prepaid Revenue Applied		<u>213,272.88</u>	
		<u>\$ 16,852,536.41</u>	

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS
YEAR ENDED DECEMBER 31, 2015**

	Appropriations		Expended		
	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
Operating:					
Salaries and Wages	\$ 2,085,000.00	\$ 2,085,000.00	\$ 2,012,527.48	\$ 72,472.52	
Other Expenses	5,255,000.00	5,255,000.00	4,924,383.52	330,616.48	
Accumulated Leave Compensation	85,000.00	85,000.00	85,000.00	-	
Total Operating	7,425,000.00	7,425,000.00	7,021,911.00	403,089.00	
Debt Service:					
Payment of Bond Principal	2,195,000.00	2,195,000.00	2,195,000.00	-	
Payment of Bond Anticipation Notes	971,671.00	971,671.00	971,671.00	-	
Interest on Bonds	1,282,350.00	1,282,350.00	1,237,341.26		\$ 45,008.74
Interest on Notes	80,000.00	80,000.00	78,004.23		1,995.77
Green Trust Loan Program:					
Loan Repayment for Principal and Interest	2,514,400.00	2,514,400.00	2,444,449.90		69,950.10
Total Debt Service	7,043,421.00	7,043,421.00	6,926,466.39		116,954.61
Statutory Expenditures:					
Public Employees' Retirement System	302,871.50	302,871.50	302,871.50		
Social Security System	156,207.50	156,207.50	146,957.93	9,249.57	
Unemployment Compensation Insurance	2,500.00	2,500.00	2,500.00		
Total Statutory Expenditures	461,579.00	461,579.00	452,329.43	9,249.57	
Total Appropriations	\$ 14,930,000.00	\$ 14,930,000.00	\$ 14,400,706.82	\$ 412,338.57	\$ 116,954.61
Cash Disbursements			\$ 12,602,491.29		
Encumbrances Payable			32,887.95		
Accrued Interest Payable			1,765,327.58		
			\$ 14,400,706.82		

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL FIXED ASSET GROUP
COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS
DECEMBER 31, 2015 AND 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>	<u>Liabilities</u>	<u>2015</u>	<u>2014</u>
General Fixed Assets:					
Land	\$ 20,152,797.61	\$ 20,152,797.61			
Buildings and Improvements	12,102,316.35	12,102,316.35			
Machinery and Equipment	<u>17,861,138.87</u>	<u>17,319,903.15</u>	Investment in Fixed Assets	<u>\$ 50,116,252.83</u>	<u>\$ 49,575,017.11</u>
Total Assets	<u>\$ 50,116,252.83</u>	<u>\$ 49,575,017.11</u>	Total Liabilities	<u>\$ 50,116,252.83</u>	<u>\$ 49,575,017.11</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Description of Funds

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

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

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

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

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

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 1. Summary of Significant Accounting Policies (continued)

B. Description of Funds (continued)

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

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

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

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

No depreciation is provided for in the financial statements.

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

Fixed assets acquired through grants or contributed capital is not accounted for separately.

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

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

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

Revenues

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 1. Summary of Significant Accounting Policies (continued)

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

Expenditures

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

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

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

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

D. Budgets and Budgetary Accounting

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 1. Summary of Significant Accounting Policies (continued)

E. Grants

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

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

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

F. Assessment and Collection of Property Taxes

New Jersey statutes require that taxable valuation of real property be prepared by the local unit tax assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Local Unit, Local School District, County and Special Districts, the tax rate is struck by the County Tax Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 20, with a completed duplicate of the tax rolls to be delivered to the Local Unit Tax Collector on or before June 3. New Jersey statutes require that each local unit provide for sufficient anticipated cash receipts equal to the "lawful yearly expenditure" which includes the total amount of property taxes to be raised by the local unit.

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

G. Foreclosed Property

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

H. Interfund Receivables

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

I. Deferred Charges to Future Taxation Funded and Unfunded

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 1. Summary of Significant Accounting Policies (continued)

J. Volunteer Length of Service Award Plan

The Township has established a Volunteer Length of Service Award Plan (“LOSAP”) (“Plan”) to ensure retention of the Township’s volunteer First Aid squad. 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 \$1,150.00 per year of active emergency service, commencing with the year 2005.

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 2005.

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Township for each active volunteer member shall not 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).

Estimated Cost - The estimated cost of the program to the Township has been calculated to be approximately \$78,200.00 per year. (This amount may vary annually, however, based upon the total number of eligible active volunteer members at the time the program was established).

K. Deposits and Investments

Deposits

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

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

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

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 1. Summary of Significant Accounting Policies (continued)

K. Deposits and Investments (continued)

Investments

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

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Government Money Market Mutual Funds.
- (c) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an Act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (d) Bonds or other obligations of the Township, or bonds or other obligations of school districts of which the Township is a part or within which the school district is located.
- (e) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase that are approved by the New Jersey Department of Treasury Division of Investments.
- (f) Local Government Investment Pools.
- (g) Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, C. 281 (C.52:18A:90.4).

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

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

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

- (a) It is managed in accordance with the SEC's government money market rules (2a-7).

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 1. Summary of Significant Accounting Policies (continued)

K. Deposits and Investments (continued)

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

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

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

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

L. Inventories of Supplies

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

M. Landfill Tax Escrow - Trust Fund

The Landfill Tax Escrow account was created in accordance with the provisions of the Sanitary Landfill Facility Closure and Contingency Fund Act P.L. 1981, C306. The account is overseen by the State of New Jersey, Department of Environmental Protection, Division of Solid and Hazardous Waste. The funds are to be used exclusively for the closure and post-closure care of the Township landfill in accordance with the approved Closure and Post-Closure Plan. Expenditures can only be made from the Fund upon the approval of the Department of Environmental Protection.

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 1. Summary of Significant Accounting Policies (continued)

N. Reserve for Recreation Assessment - Trust Fund

The Township charges developers a fee created by ordinance to fund current and future recreation facilities. The funds are held in the Trust Fund and may only be utilized through appropriation in the Current Fund budget or by creation of a capital ordinance.

O. Reserve for Storm Water Management Assessment - Trust Fund

The Township charges developers a fee created by ordinance for the maintenance of the underground storm water discharge system. These funds are held within the Township's Trust Fund and may only be utilized by a budget appropriation in the Current Fund or by capital ordinance.

P. Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

For the year ended December 31, 2015, the Township implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* – (Amendment to GASB Statement No. 27). The implementation of the Statements requires the Township to disclose its portion of the collective net pension's asset and liability of the New Jersey Public Employees' Retirement System (PERS) and the New Jersey Police Firemen's Retirement System (PFRS).

Q. Subsequent Events

The Township has evaluated subsequent events through June 1, 2016, the date the financial statements were available to be issued.

Note 2. Cash and Cash Equivalents

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2015, and reported at fair value are as follows:

Deposits:

Demand Deposits	\$37,907,937.93
Total Deposits	\$37,907,937.93

Reconciliation of Statements of Assets, Liabilities, Reserves and Fund Balance:

Current	\$12,039,459.38
Animal Control Trust	55,590.89
Trust - Other	7,136,776.43
General Capital	7,403,375.32
Water/Sewer Utility Operating	6,114,712.66
Water/Sewer Utility Capital	5,158,023.25
Total Reconciliation	\$37,907,937.93

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 2. Cash and Cash Equivalents (continued)

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New

Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA.

However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds or funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of December 31, 2015, the Township's bank balance of \$38,556,011.02 was insured or collateralized as follows:

<u>Depository Account</u>	<u>2015</u>
Insured - FDIC	\$ 1,500,000.00
Collateralized - GUDPA	30,020,120.89
Uninsured	<u>7,035,890.13</u>
	<u>\$ 38,556,011.02</u>

NJARM

All investments in the Fund are governed by the regulations of the Investment Council which prescribes standards designed to insure the quality of investments and to minimize the risks related to investments. To date, the Fund has never defaulted on principal or interest on any short term security held by its participants. Further, a reserve is being accumulated as additional protection for other than State participants. Finally, the Council monitors eligible securities on a regular basis. As of December 31, 2015, the Township had \$5,911,925.70 on deposit with the New Jersey Asset Management Program ("NJARM"). NJARM is a local investment pool which invests in repurchase agreements collateralized by U.S. Securities, U.S. Government Agency Discount Notes, and U.S. Government Agency Securities. The deposit with NJARM is available for withdrawal upon notice given by 11:00 am EST on each business day and is accordingly classified as a cash equivalent.

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 3. Investments

As of December 31, 2015 and 2014, the Township had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Book Value</u>
2015:		
LOSAP	<u>\$1,027,307.72</u>	<u>\$ 1,027,307.72</u>
2014:		
LOSAP	<u>\$1,010,596.35</u>	<u>\$ 1,010,596.35</u>

Interest Rate Risk

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

Credit Risk

State law limits investments as noted above.

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

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 4. Taxes, Water-Sewer Utility Receivables

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

<u>Comparison of Tax Rate Information</u>			
	2015	2014	2013
Total Tax Rate	<u>\$ 2.247</u>	<u>\$ 2.277</u>	<u>\$ 2.247</u>
Apportionment of Tax Rate:			
Municipal	0.860	0.874	0.874
Municipal Open Space	0.010	0.003	0.002
County	0.426	0.428	0.416
Local School	0.728	0.734	0.717
Regional School	0.223	0.238	0.238

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 4. Taxes, Water/Sewer Utility Receivables (continued)

Net Valuation Taxable

2015	<u>\$ 3,802,776,243.00</u>	
2014		<u>\$ 3,669,924,002.00</u>
2013		<u>\$ 3,601,114,121.00</u>

Comparison of Tax Levies and Collection Currently

Year	Tax Levy	Cash Collections	Percentage Of Collection
2015	\$ 86,552,131.16	\$ 85,762,956.26	99.09%
2014	84,224,610.34	83,415,651.39	99.04%
2013	81,195,429.48	80,583,706.42	99.25%

Delinquent Taxes and Tax Title Liens

Year Ended December 31	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2015	\$ 161,359.82	\$ 628,590.93	\$ 789,950.75	0.91%
2014	137,681.01	720,964.93	858,645.94	1.03%
2013	104,554.96	576,922.88	681,477.84	0.84%

The following is a three-year comparison of certain statistical information relative to water-sewer charges and water-sewer collections for the current and previous two years.

Comparison of Water-Sewer Charges Levies

Year	Levy	Prior Year Delinquent	Cash Collections
2015	\$ 14,749,561.42	\$ 195,178.94	\$ 14,768,858.00
2014	14,528,866.93	181,236.42	14,511,615.41
2013	14,199,192.17	297,188.20	14,311,872.20

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 5. Fixed Assets and Fixed Capital

The following is a summary of changes in the General Fixed Assets Account Group for the year 2015:

	Balance December 31, <u>2014</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2015</u>
Land	\$ 20,152,797.61	\$ -	\$ -	\$ 20,152,797.61
Buildings and Improvements	12,102,316.35	-	-	12,102,316.35
Machinery and Equipment	<u>17,319,903.15</u>	<u>577,767.72</u>	<u>36,532.00</u>	<u>17,861,138.87</u>
Total	<u>\$ 49,575,017.11</u>	<u>\$ 577,767.72</u>	<u>\$ 36,532.00</u>	<u>\$ 50,116,252.83</u>

The following is a summary of changes in the Water/Sewer Utility Fixed Capital for the year 2015:

	Balance December 31, <u>2014</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2015</u>
Land	\$ 3,222,734.82	\$ -	\$ -	\$ 3,222,734.82
Buildings and Improvements	3,201,100.59	-	-	3,201,100.59
Improvements Other Than Buildings	134,979,206.71	1,560,469.84	-	136,539,676.55
Machinery and Equipment	3,935,673.37	310,402.90	-	4,246,076.27
Furniture and Fixtures	240,006.00	-	-	240,006.00
Soft Costs	<u>366,886.90</u>	<u>-</u>	<u>-</u>	<u>366,886.90</u>
Total	<u>\$ 145,945,608.39</u>	<u>\$ 1,870,872.74</u>	<u>\$ -</u>	<u>\$ 147,816,481.13</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 6. Long-Term Debt

The Township's long-term debt consisted of the following at December 31, 2015:

General Capital Bonds

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2015</u>
2008 General Improvement Bonds	8/26/2008	\$ 19,200,000.00	4.000-5.000%	\$ 14,030,000.00
2011 General Improvement Refunding Bonds	1/27/2011	5,685,000.00	4.000%	1,655,000.00
2011 General Improvement Bonds	5/24/2011	8,850,000.00	3.000-4.500%	7,505,000.00
2012 General Improvement Bonds	5/22/2012	7,965,000.00	3.000-3.500%	6,915,000.00
2014 General Obligation Refunding Bonds	3/27/2014	6,111,500.00	2.500-5.000%	4,995,000.00
2014 Pension Refunding Bonds	3/27/2014	1,025,000.00	2.500-3.500%	1,020,000.00
2014 General Obligation Bonds	5/19/2014	6,500,000.00	2.000-4.000%	6,150,000.00
2014 General Obligation Refunding Bonds B	11/19/2014	8,480,000.00	2.000-5.000%	<u>8,415,000.00</u>
				<u><u>\$ 50,685,000.00</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 6. Long-Term Debt (continued):

The Township has received loans from the State of New Jersey, Department of Environmental Protection under the Green Acres Trust Program as follows:

		<u>Original Loan Amount</u>	<u>Annual Payment</u>	<u>Balance December 31, 2015</u>	<u>Final Payment</u>
2000	Green Acres Trust	\$ 840,000.00	\$ 52,233.88	\$ 175,719.84	4/30/2019
2001	Green Acres Trust	70,444.22	4,380.45	20,744.22	11/17/2020
2001	Green Acres Trust	380,000.00	23,629.62	122,491.51	1/20/2021
2001	Green Acres Trust	1,500,000.00	93,274.78	483,519.16	2/4/2021
2001	Green Acres Trust	500,000.00	31,091.59	161,173.04	7/20/2021
2001	Green Acres Trust	250,000.00	15,545.79	80,586.54	7/20/2021
2002	Green Acres Trust	500,000.00	32,468.04	168,308.34	6/25/2021
2002	Green Acres Trust	500,000.00	31,091.60	188,628.66	6/25/2022
2006	Green Acres Trust	500,000.00	31,091.60	305,636.27	8/27/2026
		<u>\$ 5,040,444.22</u>	<u>\$ 314,807.35</u>	<u>\$ 1,706,807.58</u>	

Debt service requirements for bonds as of December 31 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 5,160,000.00	\$ 1,811,815.00	\$ 6,971,815.00
2017	4,940,000.00	1,643,315.00	6,583,315.00
2018	4,265,000.00	1,479,340.00	5,744,340.00
2019	4,350,000.00	1,325,621.25	5,675,621.25
2020	4,440,000.00	1,166,865.00	5,606,865.00
2021-25	14,990,000.00	3,229,137.50	18,219,137.50
2026-30	11,640,000.00	1,469,420.00	13,109,420.00
2031-33	900,000.00	44,575.00	944,575.00
	<u>\$ 50,685,000.00</u>	<u>\$ 12,170,088.75</u>	<u>\$ 62,855,088.75</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 6. Long-Term Debt (continued):

General Capital Loans

	<u>Principal</u>		<u>Interest</u>		<u>Total</u>
2016	\$ 282,074.55		\$ 32,732.79		\$ 314,807.34
2017	287,744.27		27,063.11		314,807.38
2018	293,527.90		21,279.44		314,807.34
2019	273,310.89		15,379.51		288,690.40
2020	252,426.27		10,147.20		262,573.47
2021-25	287,092.35		13,007.94		300,100.29
2026	30,631.35		460.23		31,091.58
	<u>\$ 1,706,807.58</u>		<u>\$ 120,070.22</u>		<u>\$ 1,826,877.80</u>

In addition to the above capital loans, the Township has a Green Acres loan for \$250,000.00 for which the final amortization schedule has not been prepared. The Township also has two loans through NJEIT Barnegat Bay Funding that are eligible for 100% principal forgiveness totaling \$1,217,756.00 for which an amortization schedule has not been prepared.

Water and Sewer Utility Bonds

	<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2015</u>
2005	Water and Sewer Bonds	7/1/2005	\$ 3,156,000.00	3.000-5.000%	\$ 2,821,000.00
2008	Water and Sewer Bonds	8/26/2008	12,800,000.00	4.000-4.500%	9,410,000.00
2009	Water and Sewer Bonds	3/12/2009	9,345,000.00	3.125-5.000%	3,840,000.00
2011	Water and Sewer Bonds	1/27/2011	1,440,000.00	4.000%	510,000.00
2011	Water and Sewer Bonds	5/24/2011	5,900,000.00	3.000-3.125%	5,135,000.00
2012	Water and Sewer Bonds	5/22/2012	4,035,000.00	2.000-3.500%	3,615,000.00
2014	Water and Sewer Bonds	3/27/2014	4,218,500.00	2.500-4.000%	4,160,000.00
2014	Water and Sewer Bonds	5/19/2014	3,500,000.00	2.000-4.000%	3,350,000.00
					<u>\$ 32,841,000.00</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 6. Long-Term Debt (continued)

The Township has Water and Sewer Loans outstanding for the following programs:

<u>Program</u>	<u>Original Issue</u>	<u>Balance December 31, 2015</u>	<u>Final Payment</u>
NJ Environmental Infrastructure Trust Loan	\$ 2,185,000.00	\$ 785,000.00	6/1/2020
NJ Environmental Infrastructure Fund Loan	2,183,651.00	514,160.09	6/1/2020
NJ Environmental Infrastructure Trust Loan	5,295,000.00	2,915,000.00	8/1/2025
NJ Environmental Infrastructure Fund Loan	4,895,597.00	2,234,412.54	8/1/2024
NJ Environmental Infrastructure Trust Loan	3,075,000.00	1,765,000.00	8/1/2026
NJ Environmental Infrastructure Fund Loan	3,026,741.00	1,386,313.22	8/1/2024
NJ Environmental Infrastructure Trust Loan	4,425,000.00	2,460,000.00	8/1/2027
NJ Environmental Infrastructure Fund Loan	4,361,085.00	1,895,144.17	8/1/2024
NJ Environmental Infrastructure Trust Loan	2,295,000.00	1,790,000.00	8/1/2028
NJ Environmental Infrastructure Fund Loan	2,263,923.00	1,423,707.34	8/1/2028
NJ Environmental Infrastructure Trust Loan	100,180.18	54,731.79	8/1/2029
NJ Environmental Infrastructure Fund Loan	288,693.00	68,503.49	8/1/2029
NJ Environmental Infrastructure Trust Loan	1,405,000.00	1,140,000.00	8/1/2029
NJ Environmental Infrastructure Fund Loan	4,221,645.00	2,819,817.85	8/1/2029
	<u>\$ 40,021,515.18</u>	<u>\$ 21,251,790.49</u>	

Debt service requirements for bonds as of December 31 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 2,260,000.00	\$ 1,188,891.26	\$ 3,448,891.26
2017	2,315,000.00	1,115,710.00	3,430,710.00
2018	2,185,000.00	1,040,735.00	3,225,735.00
2019	2,250,000.00	962,485.00	3,212,485.00
2020	2,340,000.00	877,435.00	3,217,435.00
2021-25	11,325,000.00	2,978,985.04	14,303,985.04
2026-30	9,396,000.00	966,500.00	10,362,500.00
2031-33	770,000.00	21,175.00	791,175.00
	<u>\$ 32,841,000.00</u>	<u>\$ 9,151,916.30</u>	<u>\$ 41,992,916.30</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 6. Long-Term Debt (continued)

Water and Sewer Loans

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 2,035,009.59	\$ 492,732.40	\$ 2,527,741.99
2017	2,079,070.41	448,103.90	2,527,174.31
2018	2,109,938.46	402,929.69	2,512,868.15
2019	2,176,873.55	355,261.67	2,532,135.22
2020	2,186,767.04	307,579.31	2,494,346.35
2021-25	8,860,685.14	834,855.36	9,695,540.50
2026-29	<u>1,803,446.30</u>	<u>93,332.86</u>	<u>1,896,779.16</u>
	<u>\$ 21,251,790.49</u>	<u>\$ 2,934,795.19</u>	<u>\$ 24,186,585.68</u>

Changes in Outstanding Long-Term Debt

Transactions for the year ended December 31, 2015 are summarized as follows:

	Balance December 31, <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2015</u>
<u>General Capital Fund</u>				
Bonds Payable	\$ 55,825,000.00	\$ -	\$ 5,140,000.00	\$ 50,685,000.00
Loans Payable	<u>3,451,080.16</u>	-	<u>276,516.58</u>	<u>3,174,563.58</u>
	<u>\$ 59,276,080.16</u>	<u>\$ -</u>	<u>\$ 5,416,516.58</u>	<u>\$ 53,859,563.58</u>

	Balance December 31, <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2015</u>
<u>Water/Sewer Utility Capital Fund</u>				
Bonds Payable	\$ 35,036,000.00	\$ -	\$ 2,195,000.00	\$ 32,841,000.00
Loans Payable	<u>23,246,258.30</u>	-	<u>1,994,467.81</u>	<u>21,251,790.49</u>
	<u>\$ 58,282,258.30</u>	<u>\$ -</u>	<u>\$ 4,189,467.81</u>	<u>\$ 54,092,790.49</u>
Totals	<u>\$ 117,558,338.46</u>	<u>\$ -</u>	<u>\$ 9,605,984.39</u>	<u>\$ 107,952,354.07</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 6. Long-Term Debt (continued)

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

<u>Issued</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General:			
Bonds, Notes and Loans	\$ 62,731,563.58	\$ 65,666,880.16	\$ 66,690,417.72
Water/Sewer Utility Fund	<u>60,617,790.49</u>	<u>62,531,458.30</u>	<u>62,637,090.21</u>
	123,349,354.07	128,198,338.46	129,327,507.93
Less: Funds to Pay Bonds, Notes and Loans	<u>20,377,310.93</u>	<u>1,367,807.98</u>	<u>21,383,320.00</u>
Net Debt Issued	<u>102,972,043.14</u>	<u>126,830,530.48</u>	<u>107,944,187.93</u>
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	24,825,000.00	3,755,005.00	26,110,750.00
Water/Sewer Utility Fund	<u>0.00</u>	<u>400,279.00</u>	<u>1,710,000.00</u>
Total Authorized But Not Issued	<u>24,825,000.00</u>	<u>4,155,284.00</u>	<u>27,820,750.00</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 127,797,043.14</u>	<u>\$ 130,985,814.48</u>	<u>\$ 135,764,937.93</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 6. Long-Term Debt (continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.685%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional District School Debt	\$ 311,749.03	\$ 311,749.03	\$ -
Local District School Debt	10,399,000.00	10,399,000.00	-
Water/Sewer Utility	60,617,790.49	60,617,790.49	-
General Debt	<u>87,556,563.58</u>	<u>20,377,310.93</u>	<u>67,179,252.65</u>
	<u>\$ 158,885,103.10</u>	<u>\$ 91,705,850.45</u>	<u>\$ 67,179,252.65</u>

Net Debt \$ 67,179,252.65 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$3,986,102,323.00 = 1.685%.

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

3.5% of Equalized Valuation Basis (Municipal)	\$ 139,513,381.31
Less: Net Debt	<u>67,179,252.65</u>
Remaining Borrowing Power	<u>\$ 72,334,128.66</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	\$ 16,844,725.17
Deductions:	
Operating and Maintenance Costs	\$ 7,886,579.00
Debt Service per Water/Sewer Account	<u>6,926,466.39</u>
	<u>14,813,045.39</u>
Excess in Revenue	<u>\$ 2,031,679.78</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 7. Bond Anticipation Notes

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

On December 31, 2015, the Township's outstanding bond anticipation notes were as follows:

<u>General Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Various Capital Improvements/Acquisition of Capital Equipment	5/5/2015	5/13/2016	\$ 1,419,100.00	1.000%
Various Capital Improvements/Acquisition of Capital Equipment	5/5/2015	5/13/2016	2,684,205.00	1.000%
Construction of Community Center & Pavilion	5/5/2015	5/13/2016	1,651,310.00	1.000%
Various Capital Improvements/Acquisition of Capital Equipment	5/5/2015	5/13/2016	<u>3,117,385.00</u>	1.000%
			<u>\$ 8,872,000.00</u>	

<u>Water/Sewer Utility Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Emergency Retrofit/Replacement of Grinder Pump Stations	5/5/2015	5/13/2016	\$ 183,928.00	1.000%
Various Water/Sewer Improvements	5/5/2015	5/13/2016	518,800.00	1.000%
Various Water/Sewer Improvements/ Acquisition of Equipment	5/5/2015	5/13/2016	2,425,080.00	1.000%
Improvements to Ocean Acres Water treatment Plant	5/5/2015	5/13/2016	400,000.00	1.000%
Various Water/Sewer Improvements/ Acquisition of Equipment	5/5/2015	5/13/2016	<u>2,997,192.00</u>	1.000%
			<u>\$ 6,525,000.00</u>	

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 7. Bond Anticipation Notes (continued)

Changes in Outstanding Short-Term Debt

Transactions for the year ended December 31, 2015 are summarized as follows:

	Balance December 31, <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2015</u>
General Capital Fund	\$ 6,390,800.00	\$ 8,872,000.00	\$ 6,390,800.00	\$ 8,872,000.00
Water/Sewer Utility Fund	4,249,200.00	6,525,000.00	4,249,200.00	6,525,000.00
	<u>\$ 10,640,000.00</u>	<u>\$ 15,397,000.00</u>	<u>\$ 10,640,000.00</u>	<u>\$ 15,397,000.00</u>

Note 8. Bonds and Notes Authorized But Not Issued

At December 31, 2015, the Township had authorized but not issued bonds and notes in the General Capital Fund in the amount of \$24,825,000.00 and in the Water/Sewer Utility Capital Fund in the amount of \$0.

Note 9. Local District School and Regional High School Taxes

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

The Township has elected to defer school taxes as follows:

	Local District School Tax		Regional District School Tax	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Balance of Tax	\$ 12,580,345.98	\$ 12,244,101.00	\$ 4,248,073.50	\$ 4,331,215.50
Deferred	<u>11,292,290.00</u>	<u>11,292,290.00</u>	<u>4,138,088.13</u>	<u>4,138,088.13</u>
Tax Payable	<u>\$ 1,288,055.98</u>	<u>\$ 951,811.00</u>	<u>\$ 109,985.37</u>	<u>\$ 193,127.37</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 10. Fund Balance Appropriated

Current Fund

The fund balance at December 31, 2015 was \$6,732,338.15 of which \$4,000,000.00 was appropriated and included as anticipated revenue for the year ended December 31, 2016.

Water/Sewer Utility Operating Fund

The fund balance at December 31, 2015 was \$4,815,760.06 of which \$800,000.00 was appropriated and included as anticipated revenue for the year ended December 31, 2016.

Note 11. Deferred Charges to be Raised in Succeeding Years' Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015, the current fund balance sheet included a deferred charge for Future Taxation Unfunded- Community Disaster Loan in the amount of \$3,285,358.91.

Note 12. Accrued Sick and Vacation Benefits

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation and sick pay. The Township permits its employees 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. Effective for financial statements dated December 31, 1987, the state has required all municipalities to disclose the estimated current cost of unused sick and vacation benefits at year-end. The Township estimated the current cost of such unpaid compensation would be \$3,039,912.83 at December 31, 2015. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. The Township has a trust reserve for accumulated absence liabilities in the amount of \$633,828.14 at December 31, 2015.

Note 13. Pension Obligations

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2015, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$1,196,473.00 for 2015.

The employee contribution rate was 6.92% effective July 1, 2014 and increased to 7.06% effective July 1, 2015. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

Net Pension Liability and Pension Expense - At December 31, 2015, the Township's proportionate share of the PERS net pension liability is valued to be \$31,943,724.00. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The Township's proportion measured as of June 30, 2015, was .14230%, which was a decrease of .00283% from its proportion measured as of June 30, 2014.

Collective Balances at December 31, 2015 & December 31, 2014		
	12/31/2015	12/31/2014
Actuarial Valuation Date	July 1, 2015	July 1, 2014
Net Pension Liability	31,943,724.00	27,173,264.00
Township's Portion of the Plan's Total		
Net Pension Liability	0.14230%	0.14514%

For the year ended December 31, 2015, the Township had an allocated pension expense of \$2,103,551.00.

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

	<u>PERS</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Investment rate of return	7.90%
Salary scale	2012-2021 - 2.15-4.40% Based on Age Thereafter - 3.15-5.40% Based on Age
Inflation rate	3.04%

Mortality rates were based on the RP-2000 Combined Health Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
Total	100.00%	

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

Discount Rate - The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90%) or 1-percentage-point higher (5.90%) than the current rate:

	<u>Decrease</u>	<u>Discount</u>	<u>Increase</u>
	<u>(3.90%)</u>	<u>(4.90%)</u>	<u>(5.90%)</u>
Township's proportionate share of the net pension liability	\$ 39,702,140.43	\$ 31,943,724.00	\$ 25,439,123.72

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Police and Firemen's Retirement System (PFRS)

Plan Description – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

The following represents the membership tiers for PFRS:

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

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

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2015, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PFRS amounted to \$1,355,729.00 for 2015.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

Net Pension Liability and Pension Expense - At December 31, 2015, the Township's proportionate share of the PFRS net pension liability is valued to be \$28,263,669.00. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The Township's proportion measured as of June 30, 2015, was .16969%, which was a decrease of .00683% from its proportion measured as of June 30, 2014.

Collective Balances at December 31, 2015 & December 31, 2014		
	<u>12/31/15</u>	<u>12/31/14</u>
Actuarial Valuation Date	July 1, 2015	July 1, 2014
Net Pension Liability	28,263,669.00	22,203,489.00
Township's Portion of the Plan's Total Net Pension Liability	0.16969%	0.17651%

For the year ended December 31, 2015, the Township had an allocated pension expense of \$2,259,316.00.

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$2,478,629.00 as of December 31, 2015. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2015 was .16969%, which was a decrease of .00683% from its proportion measured as of June 30, 2014, which is the same proportion as the Township's.

Township's Proportionate Share of the Net Pension Liability	\$ 28,263,669.00
State's Proportionate Share of the Net Pension Liability Associated with the Township	2,478,629.00
Total Net Pension Liability	\$ 30,742,298.00

For the year ended December 31, 2015, the Township's total allocated pension expense was \$2,568,489.00.

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

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

	<u>PFRS</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Investment rate of return	7.90%
Salary scale	2012-2021 - 2.60-9.48% Based on Age Thereafter - 3.60-10.48% Based on Age
Inflation rate	3.04%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Health Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

B. Police and Firemen’s Retirement System (PFRS) (continued):

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 5.79% as of June 30, 2015. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made on the average of the last five years of contributions. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.79%) or 1-percentage-point higher (6.79%) than the current rate:

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 13. Pension Obligations (continued):

B. Police and Firemen’s Retirement System (PFRS) (continued):

	Decrease (4.79%)	Discount Rate (5.79%)	Increase (6.79%)
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Township's proportionate share of the			
Net Pension Liability and the State's			
Proportionate Share of the Net Pension			
Liability associated with the Township	\$ 40,528,107.36	\$ 30,742,297.00	\$ 22,762,843.00

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERS financial statements.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

C. Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which 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 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. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts 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.

As of December 31, 2015, the Township did not have any employees participating in the Defined Contribution Retirement Program.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 14. Post-Employment Healthcare Benefits

Plan Description

In addition to the pension benefits as described in Note 1, the Township provides for health benefits as follows:

Effective January 1, 2009, the Township is a member of the State Health Benefits Program (SHBP). The SHBP is 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.

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 SHBP. All employees of the Township who have completed twenty-five (25) years of active service or are eligible for disability retirement under the Public Employees' Retirement System or the Police and Firemen's Retirement System will be provided hospitalization and medical coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of SHBP, as well as the actuarial valuation of the plan in accordance with Governmental Accounting Standards Board Statement 45. These financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295. They are also available on the state's web site 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-employment health benefits under the plan have been funded on a pay-as-you go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

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

<u>Year</u>	<u>Contribution</u>	<u>Number of Employees</u>
2015	\$ 1,631,220.89	99
2014	1,788,232.68	98
2013	1,680,277.46	97

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 15. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The Reserve for Unemployment Compensation Insurance at December 31, 2015 totaled \$68,675.70.

Note 16. Contingent Liabilities

State and Federal Grants

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 grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2015, the Township estimates that no material liabilities will result from such audits.

Note 17. Risk Management

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Township is a member of the Ocean County Municipal Joint Insurance Fund ("JIF"). The joint insurance pool is both an insured and self-administered group of 30 municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The JIF will be self-sustaining through member premiums. The JIF participates in the Municipal Excess Liability Insurance program which has a contract for excess liability insurance for property. The fund also purchased an excess Faithful Performance and Employee Dishonesty Bond. There were no settlements in excess of insurance coverage in 2015 and 2014.

Note 18. Deferred Compensation Program

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

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

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

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 19. 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 volunteer Fire Department and also their First Aid Squad. 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 \$1,150.00 per year of active emergency service, commencing with the year 2005.

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 2005.

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Township for each active volunteer member shall not 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 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.

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 of each January 1 thereafter. The Plan Administrator shall forward said certified list to the Township Council for approval, in accordance with the provisions of N.J.A.C. 5:30-14.10. The decision of the Township Council 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.

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 19. Length of Service Award Program (“LOSAP”) – Unaudited (continued)

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 20. Interfund Balances

The composition of interfund balances as of December 31, 2015 is as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ 6,382.89	\$ 142,325.93
State & Federal Grant Fund	142,325.93	-
Animal Control Fund	-	6,382.89
	<u>\$ 148,708.82</u>	<u>\$ 148,708.82</u>

All balances resulted from the time lag between the dates that (1) reimbursable expenditures occur, (2) revenues/receipts are collected, and (3) payments between funds are made.

Note 21. Community Disaster Loan

The Community Disaster Loan Program is administered by the United States Department of Homeland Security, Federal Emergency Management Agency. Loans are made to local governments in designated major disaster areas which experience significant revenue losses. As a result of Superstorm Sandy the Township was designated a major disaster area.

The Township has been approved for a total of \$5,000,000 from the Community Disaster Loan Program. In accordance with federal guidelines, the loans may be fully or partially forgiven if certain revenue criteria are met over the three years following the disaster. This closeout procedure will occur in 2016. If the criteria are not met, the loan will have to be repaid at an interest rate of 0.75%. As of December 31, 2015, \$45,358.91 of interest accrued on the loan.

During the year ending December 31, 2013, the Township realized \$2,000,000 as revenue in the Current Fund from the Community Disaster Loan received from the United States Department of Homeland Security, Federal Emergency Management Agency. On July, 2, 2014, the Township drew down an additional \$1,240,000. In accordance with directives from the Division of Local Government Services, State of New Jersey, the drawdown was realized as revenue in 2014.

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2015

Note 22. Subsequent Events

Refunding Bond Issue

On January 28, 2016, The Township issued \$18,520,000 General Obligation Refunding Bonds, Series 2016, the proceeds of the Bonds were used to currently refund the Township's General Obligation Bonds, Series 2008 maturing on August 1, 2028. The bonds were dated February 24, 2016, with interest rates of 2.25% to 5.00%, maturing in the years 2019 through 2028. Interest on the bonds is payable initially on April 15th and October 15th in each year, commencing October 15, 2014. The Refunding Bonds maturing prior to August 1, 2016 are not subject to redemption prior to maturity. The Refunding Bonds maturing on or after August 1, 2016 are subject to redemption prior to their stated maturity dates at the option of the Township.

Capital Ordinances

On February 23, 2016 the Township approved Ordinance 2016-03 to appropriate funds for improvements and acquisition of equipment. The purchase will be funded through Bonds and Notes in the amount of \$4,065,000, DOT Grant, and Capital Improvement Fund. On March 22, 2016 the Township approved Ordinance 2016-04 to appropriate funds for purchase of 25 Pine Street. The purchase will be funded through Bonds and Notes in the amount of \$225,000 and Capital Improvement Fund.

On February 23, 2016 the Township approved Ordinance 2016-05 to appropriate funds for water-sewer improvements and acquisition of equipment. The purchase will be funded through Bonds and Notes in the amount of \$1,135,600. On February 23, 2016 the Township approved Ordinance 2016-06 to appropriate funds for water main extension. The purchase will be funded through Bonds and Notes in the amount of \$2,500,000. On February 23, 2016 the Township approved Ordinance 2016-07 to appropriate funds for water main extension. The purchase will be funded through Bonds and Notes in the amount of \$210,000.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 10,730,928.05
Increased By Receipts:		
Miscellaneous Revenue Not Anticipated	\$ 764,087.46	
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	406,396.70	
Taxes Receivable	85,521,066.07	
Tax Title Liens Receivable	11,872.50	
Revenue Accounts Receivable	6,164,340.27	
Appropriated Grants Received	162,270.23	
Payroll Deductions Payable	12,009,029.37	
Prepaid Taxes	683,468.58	
Tax Overpayments	35,023.08	
Due to County - Share of PILOT Revenue	30,007.22	
Due to State Agencies: State Training Fees	<u>68,261.80</u>	
		<u>105,855,823.28</u>
		116,586,751.33
Decreased By Disbursements:		
Current Appropriations	38,470,379.65	
Appropriation Reserves	941,841.69	
Accounts Payable	44,826.33	
Payroll Deductions Payable	12,069,763.37	
County Taxes Payable	16,317,624.82	
Local District School Tax Payable	27,336,598.02	
Regional High School Tax Payable	8,579,289.00	
Tax Overpayments	48,106.68	
Tax Appeals	28,525.63	
Municipal Open Space Tax	384,970.19	
Due to County - Share of PILOT Revenue	30,007.22	
Due to State Agencies: State Training Fees	68,261.80	
Reserve for Grant Expenditures - Appropriated	<u>227,397.56</u>	
		<u>104,547,591.96</u>
Balance, December 31, 2015		<u><u>\$ 12,039,159.38</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO (FROM) STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ (4,483.02)
Increased By:		
Cash Receipts	\$ 406,396.70	
Deductions Disallowed By Collector:		
2014 Taxes	9,750.00	
2015 Taxes	10,867.75	
	<u>10,867.75</u>	<u>427,014.45</u>
		422,531.43
Decreased By:		
Senior Citizens'/Veterans' Deductions per Tax Billing	411,000.00	
Deductions Allowed By Collector:		
2015 Taxes	9,000.00	
	<u>9,000.00</u>	<u>420,000.00</u>
Balance, December 31, 2014		<u><u>\$ 2,531.43</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF LEVY
FOR THE YEAR ENDED DECEMBER 31, 2015**

Year	Balance December 31, 2014	2015 Levy	Added/ Omitted 2015	Collections 2014	Collections 2015	Senior Citizens' and Veterans' Deductions Allowed/ (Disallowed)	Transferred To Tax Title Liens	Cancelled	Balance December 31, 2015
2011	\$ 28.43	\$ -	\$ -	\$ -	\$ 28.43	\$ -	\$ -	\$ -	\$ -
2012	6,314.08	-	-	-	6,314.08	-	-	-	-
2013	6,674.20	-	-	-	6,672.01	(1,250.00)	2.19	-	1,250.00
2014	707,948.22	-	-	-	699,047.84	(8,500.00)	2,810.07	9,859.06	4,731.25
2015	-	85,448,388.73	1,103,742.43	544,820.30	84,809,003.71	409,132.25	29,534.67	137,030.55	622,609.68
	<u>\$ 720,964.93</u>	<u>\$ 85,448,388.73</u>	<u>\$ 1,103,742.43</u>	<u>\$ 544,820.30</u>	<u>\$ 85,521,066.07</u>	<u>\$ 399,382.25</u>	<u>\$ 32,346.93</u>	<u>\$ 146,889.61</u>	<u>\$ 628,590.93</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF LEVY
FOR THE YEAR ENDED DECEMBER 31, 2015**

Analysis of 2015 Property Tax Levy

Tax Yield:	
Senior Citizens' Deductions per Tax Billing	\$ 74,500.00
Veterans' Deductions per Tax Billing	336,500.00
General Purpose Tax	85,037,388.73
Added Taxes (54:4-63.1 et seq.)	<u>1,103,742.43</u>
	<u>\$ 86,552,131.16</u>
Tax Levy:	
County Tax (Abstract)	13,694,151.76
County Library Tax (Abstract)	1,482,932.58
County Health Tax (Abstract)	533,677.98
County Open Space Preservation	468,870.36
Due County for Added Tax	209,152.60
Local District School Tax (Abstract)	27,672,843.00
Regional School Tax (Abstract)	8,496,147.00
Municipal Open Space Tax	380,277.63
Due Open Space Trust for Added Tax	<u>4,692.56</u>
	52,942,745.47
Local Tax for Municipal Purposes (Abstract)	32,718,424.95
Add: Additional Tax Levied	<u>890,960.74</u>
	<u>\$ 86,552,131.16</u>

<u>Analysis of Current Revenue From Taxes</u>	<u>2015 Property Taxes</u>	<u>Delinquent Taxes</u>
Prepaid Taxes Applied	\$ 544,820.30	\$ -
Taxes Collected in 2015	84,809,003.71	712,062.36
Senior Citizens' and Veterans' Deductions (Net)	409,132.25	-
Tax Title Liens Collected in 2015	<u>-</u>	<u>11,872.50</u>
	<u>\$ 85,762,956.26</u>	<u>\$ 723,934.86</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 137,681.01
Increased By:		
Transfer From Taxes Receivable	\$ 32,346.93	
Interest and Costs of Tax Sale	<u>3,204.38</u>	
		<u>35,551.31</u>
		173,232.32
Decreased By:		
Collections		<u>11,872.50</u>
Balance, December 31, 2015		<u><u>\$ 161,359.82</u></u>

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2015 and 2014		<u><u>\$ 186,650.00</u></u>
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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance December 31, <u>2014</u>	Accrued <u>2015</u>	Realized Revenue <u>2015</u>	Balance December 31, <u>2015</u>
Licenses:				
Alcoholic Beverages	\$ -	\$ 30,450.00	\$ 30,450.00	\$ -
Fees and Permits:				
Other	-	42,495.00	42,495.00	-
Fines and Costs:				
Municipal Court	28,915.75	439,832.41	438,877.32	29,870.84
Interest and Cost on Taxes	-	200,191.42	200,191.42	-
Fire Prevention Bureau Fees	-	95,711.63	95,711.63	-
Mobile Home Park Fees	-	142,757.99	142,757.99	-
Payments in Lieu of Taxes - Federal	-	12,071.00	12,071.00	-
Cable TV Fees and Lease	-	112,817.83	112,817.83	-
PILOT - Target, Costco, etc.	-	244,765.04	244,765.04	-
Energy Receipts Tax	-	2,465,920.00	2,465,920.00	-
Supplemental Energy Receipts Tax	-	104,286.00	104,286.00	-
Reserve for Garden State Preservation Trust Fund	-	36,666.00	36,666.00	-
Uniform Construction Code Fees	-	957,354.20	957,354.20	-
Interlocal Government Services Agreement - Animal Control:				
Long Beach Township	-	18,110.00	18,110.00	-
Borough of Beach Haven	-	5,190.00	5,190.00	-
Borough of Barnegat Light	-	3,515.00	3,515.00	-
Borough of Harvey Cedars	-	4,015.00	4,015.00	-
Interlocal Government Services Agreement - Construction:				
Township of Eagleswood	-	35,571.00	35,571.00	-
Borough of Beach Haven	-	52,926.30	52,926.30	-
Borough of Surf City	-	41,854.00	41,854.00	-
Borough of Harvey Cedars	-	16,504.00	16,504.00	-
Ocean County Cooperative Pricing System	-	16,500.00	16,500.00	-
Reserve To Pay Bonds	-	94,347.00	94,347.00	-
Capital Surplus	-	215,000.00	215,000.00	-
Reserve To Pay Notes	-	336,905.98	336,905.98	-
FEMA Reimbursements/ Insurance Proceeds - Superstorm Sandy	-	301,087.46	301,087.46	-
Pilot - Stafford Reserve	-	439,538.56	439,538.56	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 28,915.75</u>	<u>\$ 6,466,382.82</u>	<u>\$ 6,465,427.73</u>	<u>\$ 29,870.84</u>
Analysis of Collected:				
Cash - Treasurer			\$ 6,164,340.27	
FEMA Reimbursements - Superstorm Sandy			<u>301,087.46</u>	
			<u>\$ 6,465,427.73</u>	

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations					
	Balance December 31, 2014	Prior Year Encumbrances	Balance After Modification	Paid or Charged	Accounts Payable	Lapsed
GENERAL GOVERNMENT						
General Administration:						
Salaries and Wages	\$ 16,429.47	\$ -	\$ 16,429.47	\$ 4,954.85	\$ -	\$ 11,474.62
Other Expenses	41.33	544.19	585.52	553.45	-	32.07
Purchasing:						
Salaries and Wages	13,519.71	-	13,519.71	2,554.35	-	10,965.36
Other Expenses	17.63	261.23	278.86	261.23	-	17.63
Human Resources:						
Other Expenses	261.14	-	261.14	261.14	-	-
Mayor and Council:						
Salaries and Wages	784.20	-	784.20	-	-	784.20
Other Expenses	0.13	245.85	245.98	245.85	-	0.13
Municipal Clerk:						
Salaries and Wages	3,840.21	-	4,540.21	4,536.39	-	3.82
Other Expenses	9,205.47	469.28	9,674.75	2,657.98	-	7,016.77
Elections	-	-	-	-	-	-
Financial Administration (Treasury):						
Salaries and Wages	15,867.03	-	15,867.03	7,847.03	-	8,020.00
Other Expenses	150.96	2,147.71	2,298.67	2,147.71	-	150.96
Audit Services						
Other Expenses	1,300.00	-	1,300.00	322.00	-	978.00
Banking and Arbitrage Rebate Services:						
Other Expenses	5,277.69	-	5,277.69	-	-	5,277.69
Computerized Data Processing:						
Salaries and Wages	24,168.22	-	24,168.22	4,932.53	19,235.69	0.00
Other Expenses	11,632.96	9,043.38	20,676.34	15,493.57	-	5,182.77
Revenue Administration (Tax Collection):						
Salaries and Wages	31,367.86	-	31,367.86	5,469.64	-	25,898.22
Other Expenses	5,124.84	1,342.98	6,467.82	1,342.98	-	5,124.84
Tax Assessment Administration:						
Salaries and Wages	15,384.01	-	15,384.01	6,547.76	-	8,836.26
Other Expenses	20,115.60	15,978.18	36,093.78	10,168.66	-	25,925.12
Legal Services (Legal Department):						
Other Expenses	9,577.91	-	34,577.91	34,577.91	-	-
Engineering Services:						
Other Expenses	41,347.45	-	41,347.45	19,185.01	-	22,162.44
Municipal Alliance:						
Salaries and Wages	4,365.85	-	4,365.85	2,089.74	-	2,276.11
Community Development and Zoning:						
Salaries and Wages	7,735.36	-	7,735.36	3,129.53	-	4,605.83
Other Expenses	921.07	-	921.07	-	-	921.07
Historic Sites Office:						
Salaries and Wages	500.00	-	500.00	-	-	500.00
Other Expenses	116.85	992.77	1,109.62	191.15	-	918.47
LAND USE ADMINISTRATION						
Planning Board:						
Salaries and Wages	1,985.33	-	1,985.33	-	-	1,985.33
Other Expenses	739.00	110.68	849.68	744.35	-	105.33
Zoning Board of Adjustment:						
Salaries and Wages	1,252.80	-	1,252.80	-	-	1,252.80
Other Expenses	2,472.35	241.88	2,714.23	954.38	-	1,759.85
CODE ENFORCEMENT AND ADMINISTRATION						
Uniform Construction Code Enforcement:						
Salaries and Wages	2,901.37	-	6,601.37	6,516.59	-	84.78
Other Expenses	473.15	1,198.16	1,671.31	1,200.63	-	470.68
Other Code Enforcement Functions:						
Salaries and Wages	8,570.34	-	8,570.34	3,881.20	-	4,689.14
Other Expenses	430.75	-	430.75	-	-	430.75

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations			Paid or Charged	Accounts Payable	Lapsed
	Balance December 31, 2014	Prior Year Encumbrances	Balance After Modification			
INSURANCE						
Employee Group Health Insurance	235,596.72	2,727.40	238,324.12	1,468.60	1,258.80	235,596.72
PUBLIC SAFETY						
Police Department:						
Salaries and Wages	370,169.33	-	210,169.33	7,899.30	-	202,270.03
Other Expenses	10,895.49	124,170.29	135,065.78	131,049.55	-	4,016.23
Office of Emergency Management:						
Other Expenses	1,810.54	500.00	2,310.54	65.00	-	2,245.54
Uniform Fire Safety:						
Salaries and Wages	9,907.99	-	9,907.99	4,115.78	-	5,792.21
Other Expenses	4,621.66	344.44	4,966.10	344.44	-	4,621.66
Municipal Prosecutor's Office:						
Other Expenses	8,560.00	-	8,560.00	-	-	8,560.00
New Jersey Public Employees Safety and Health	3,273.90	16,036.00	19,309.90	17,665.98	-	1,643.92
PUBLIC WORKS						
Streets and Road Maintenance:						
Salaries and Wages	69,280.03	3,464.36	72,744.39	72,191.53	-	552.86
Other Expenses	1,542.23	6,626.72	8,168.95	6,769.85	-	1,399.10
Solid Waste Collection:						
Salaries and Wages	51,084.36	-	51,084.36	51,000.00	-	84.36
Other Expenses	3,553.09	2,492.58	6,045.67	1,836.42	-	4,209.25
Buildings and Grounds:						
Salaries and Wages	26,080.45	-	26,080.45	26,000.00	-	80.45
Other Expenses	4,540.28	13,704.49	18,244.77	8,188.43	-	10,056.34
Vehicle Maintenance:						
Salaries and Wages	34,094.17	-	34,094.17	34,000.00	-	94.17
Other Expenses	21,137.25	53,387.90	74,525.15	57,936.29	-	16,588.86
Municipal Bus Service:						
Salaries and Wages	7,747.45	-	7,747.45	7,700.00	-	47.45
Other Expenses	2,267.70	100.00	2,367.70	100.00	-	2,267.70
HEALTH AND HUMAN SERVICES						
Environmental Health Services:						
Salaries and Wages	2,884.45	-	2,884.45	-	-	2,884.45
Other Expenses	1,015.22	-	1,015.22	34.67	-	980.55
Animal Control Services:						
Salaries and Wages	1,903.98	-	1,903.98	-	-	1,903.98
Other Expenses	6,823.65	1,427.00	8,250.65	1,485.00	-	6,765.65
PARKS AND RECREATION						
Recreation Services and Programs:						
Salaries and Wages	4,592.40	-	7,192.40	7,108.08	-	84.32
Other Expenses	6,072.09	5,803.90	9,275.99	2,604.68	-	6,671.31
Beach and Boardwalk Operations:						
Salaries and Wages	6,295.25	-	1,895.25	-	-	1,895.25
Other Expenses	975.00	-	975.00	-	-	975.00
Celebration of Public Events:						
Other Expenses	2,320.92	1,600.00	3,920.92	535.46	-	3,385.46
Municipal Court:						
Salaries and Wages	9,227.22	-	9,227.22	7,534.70	-	1,692.52
Other Expenses	1,334.75	569.65	1,904.40	685.40	-	1,219.00
Public Defender:						
Other Expenses	10,449.91	-	10,449.91	3,094.88	-	7,355.03

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations			Paid or Charged	Accounts Payable	Lapsed
	Balance December 31, 2014	Prior Year Encumbrances	Balance After Modification			
UNCLASSIFIED						
UTILITY EXPENSES AND BULK PURCHASES						
Electricity	24,262.52	8,355.12	32,617.64	12,168.75	-	20,448.89
Street Lighting	44,671.89	40,305.00	109,976.89	42,603.96	-	67,372.93
Telephone (excluding telephone acquisition)	41,899.98	592.83	42,492.81	1,374.94	-	41,117.87
Water	2,217.08	1,528.00	3,745.08	1,528.00	-	2,217.08
Gas (natural or propane)	7,763.73	-	7,763.73	6,989.22	-	774.51
Telecommunications Costs	369.80	-	369.80	-	-	369.80
Sewerage Processing and Disposal	2,784.85	3,233.00	6,017.85	3,233.00	-	2,784.85
Gasoline	80,519.65	7,277.40	87,797.05	15,894.98	-	71,902.07
Landfill/Solid Waste Disposal Costs	251,746.53	-	201,746.53	6,149.88	-	195,596.65
Accumulated Leave Compensation	-	-	160,000.00	160,000.00	-	-
STATUTORY EXPENDITURES						
Contribution To:						
Social Security System (O.A.S.I.)	117,578.36	-	117,578.36	9,990.49	-	107,587.87
DCRP Appropriation	15,000.00	-	15,000.00	-	-	15,000.00
Employee Group Health	52,250.00	-	52,250.00	-	-	52,250.00
Length of Service Award Program	108,100.00	-	108,100.00	83,950.00	-	24,150.00
Recycling Tax	7,339.93	-	7,339.93	3,776.82	-	3,563.11
Total General Appropriations	<u>\$ 1,934,439.84</u>	<u>\$ 326,822.37</u>	<u>\$ 2,261,262.21</u>	<u>\$ 941,841.69</u>	<u>\$ 20,494.49</u>	<u>\$ 1,298,926.04</u>
2015 Accounts Payable					\$ 20,494.49	
2014 Accounts Payable					\$ 1,258.80	
2013 Accounts Payable					599.40	
					<u>\$ 22,352.69</u>	

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance December 31, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2015</u>
Budget Appropriations	\$ 326,822.37	\$ 218,053.09	\$ 326,822.37	\$ 218,053.09
Grant Fund	<u>-</u>	<u>12,098.80</u>	<u>-</u>	<u>12,098.80</u>
	<u>\$ 326,822.37</u>	<u>\$ 230,151.89</u>	<u>\$ 326,822.37</u>	<u>\$ 230,151.89</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 196,141.26
Increased By:		
Cash Receipts	\$ 162,270.23	
Budget Appropriations	<u>205,712.92</u>	
		<u>367,983.15</u>
		564,124.41
Decreased By:		
Revenue Anticipated	194,400.92	
Cash Disbursements	<u>227,397.56</u>	
		<u>421,798.48</u>
Balance, December 31, 2015		<u><u>\$ 142,325.93</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 242,396.78
Increased By:	
Cash Receipts:	
Payroll Deductions	<u>12,009,029.37</u>
	12,251,426.15
Decreased By:	
Cash Disbursements	<u>12,069,763.37</u>
Balance, December 31, 2015	<u><u>\$ 181,662.78</u></u>

**SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 544,820.30
Increased By:	
Collection of 2016 Taxes	<u>683,468.58</u>
	1,228,288.88
Decreased By:	
Applied To Taxes Receivable	<u>544,820.30</u>
Balance, December 31, 2015	<u><u>\$ 683,468.58</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 137,992.14
Increased By:		
2015 Levy:		
General County	\$ 13,694,151.76	
County Library	1,482,932.58	
County Health	533,677.98	
County Open Space Preservation	468,870.36	
Due County for Added Assessments	209,152.60	
		16,388,785.28
		16,526,777.42
Decreased By:		
Cash Disbursements		16,317,624.82
Balance, December 31, 2015		\$ 209,152.60

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Local District School Tax</u>	<u>Regional High School Tax</u>
Balance, December 31, 2014		
School Tax Payable	\$ 951,811.00	\$ 193,127.37
School Tax Deferred	<u>11,292,290.00</u>	<u>4,138,088.13</u>
	12,244,101.00	4,331,215.50
Increased By:		
Levy - School Year, July 1, 2015 to June 30, 2016	<u>27,672,843.00</u>	<u>8,496,147.00</u>
	39,916,944.00	12,827,362.50
Decreased By:		
Cash Disbursements	<u>27,336,598.02</u>	<u>8,579,289.00</u>
Balance, December 31, 2015	<u><u>\$ 12,580,345.98</u></u>	<u><u>\$ 4,248,073.50</u></u>
Analysis of Balance:		
School Tax Payable	\$ 1,288,055.98	\$ 109,985.37
School Tax Deferred	<u>11,292,290.00</u>	<u>4,138,088.13</u>
	<u>12,580,345.98</u>	<u>4,248,073.50</u>
2015 Liability for School Taxes:		
Tax Paid	27,336,598.02	8,579,289.00
Taxes Payable, December 31, 2015	<u>1,288,055.98</u>	<u>109,985.37</u>
	28,624,654.00	8,689,274.37
Taxes Payable, December 31, 2014	<u>951,811.00</u>	<u>193,127.37</u>
Amount Charged To Operations	<u><u>\$ 27,672,843.00</u></u>	<u><u>\$ 8,496,147.00</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 48,106.68
Increased By:		
Cash Receipts		<u>35,023.08</u>
		83,129.76
Decreased By:		
Cash Disbursements		<u>48,106.68</u>
Balance, December 31, 2015		<u><u>\$ 35,023.08</u></u>

**SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ -
Increased By:		
2015 Levy	\$ 380,277.63	
Added and Omitted Taxes	<u>4,692.56</u>	
		<u>384,970.19</u>
		384,970.19
Decreased By:		
Cash Disbursements		<u>384,970.19</u>
Balance, December 31, 2015		<u><u>\$ -</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance December 31, <u>2014</u>	Increased By Revenue Anticipated <u>2015</u>	Receipts <u>Realized</u>	Grants <u>Unappropriated</u>	<u>Cancelled</u>	Balance December 31, <u>2015</u>
<u>County of Ocean:</u>						
Municipal Alliance on Alcoholism and Drug Abuse - 2016	\$ -	\$ 28,249.00	\$ 6,714.62	\$ -	\$ -	\$ 21,534.38
Municipal Alliance on Alcoholism and Drug Abuse - 2015	-	16,999.00	16,651.00	-	348.00	-
Municipal Alliance on Alcoholism and Drug Abuse - 2014	13,217.38	-	13,217.38	-	-	-
<u>Federal:</u>						
Click it or Ticket Grant	-	4,000.00	3,925.00	-	75.00	-
Drive Sober or Get Pulled Over	-	5,000.00	3,650.00	-	1,350.00	-
Drive Sober or Get Pulled Over 2014 Crackdown	7,500.00	-	6,000.00	-	1,500.00	-
<u>State:</u>						
Clean Communities Program	-	78,571.86	78,571.86	-	-	-
Alcohol Education and Rehabilitation Fund	-	3,830.66	3,830.66	-	-	-
Body Armor Replacement Fund	-	4,709.71	4,709.71	-	-	-
Community Development Block Grant	25,000.00	-	25,000.00	-	-	-
Code Enforcement Grant	58,240.00	-	-	-	58,240.00	-
Recycling Tonnage Grant	-	53,040.69	-	53,040.69	-	-
	<u>\$ 103,957.38</u>	<u>\$ 194,400.92</u>	<u>\$ 162,270.23</u>	<u>\$ 53,040.69</u>	<u>\$ 61,513.00</u>	<u>\$ 21,534.38</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR GRANT EXPENDITURES - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance December 31, 2014	Transferred From 2015 Budget Appropriations	Cash Disbursed	Cancelled	Encumbrances Payable	Balance December 31, 2015
<u>County of Ocean:</u>						
Municipal Alliance on Alcoholism - 2016	\$ -	\$ 28,249.00	\$ 12,879.24	\$ -	\$ -	\$ 15,369.76
Municipal Alliance on Alcoholism - 2015	2,270.02	16,999.00	18,921.02	348.00	-	-
Municipal Alliance on Alcoholism - Match	-	11,312.00	11,312.00	-	-	-
<u>Federal:</u>						
Click it or Ticket	-	4,000.00	3,925.00	75.00	-	-
Drive Sober of Get Pulled Over	-	5,000.00	3,650.00	1,350.00	-	-
Drive Sober of Get Pulled Over - Holiday Crackdown	6,131.88	-	4,631.88	1,500.00	-	-
<u>State:</u>						
Clean Communities Program - 2015	-	78,571.86	10,831.04	-	-	67,740.82
Clean Communities Program - 2014	34,932.35	-	34,932.35	-	-	-
Drunk Driving Enforcement Fund	3,387.39	-	169.00	-	-	3,218.39
Alcohol Education and Rehabilitation Fund - 2015	-	3,830.66	1,185.51	-	-	2,645.15
Alcohol Education and Rehabilitation Fund - 2014	414.49	-	414.49	-	-	-
Emergency Management Exercise Grant	12,098.80	-	-	-	12,098.80	-
Body Armor Replacement Fund - 2015	-	4,709.71	-	-	-	4,709.71
Body Armor Replacement Fund - 2014	4,717.57	-	-	-	-	4,717.57
Body Armor Replacement Fund - 2013	319.42	-	-	-	-	319.42
Recycling Tonnage Grant - 2012	-	53,040.69	-	-	-	53,040.69
Recycling Tonnage Grant - 2011	51,871.38	-	51,871.38	-	-	-
Recycling Tonnage Grant - 2010	47,674.65	-	47,674.65	-	-	-
Zoning Code Enforcement Grant	58,240.00	-	-	58,240.00	-	-
Community Development Block Grant	25,000.00	-	25,000.00	-	-	-
	<u>\$ 247,057.95</u>	<u>\$ 205,712.92</u>	<u>\$ 227,397.56</u>	<u>\$ 61,513.00</u>	<u>\$ 12,098.80</u>	<u>\$ 151,761.51</u>

**TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 GRANT FUND
 SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED
 FOR THE YEAR ENDED DECEMBER 31, 2015**

Program	Balance December 31, <u>2014</u>	Realized as Revenue in <u>2015 Budget</u>	Balance December 31, <u>2015</u>
<u>State:</u>			
2012 Recycling Tonnage Grant	\$ 53,040.69	\$ 53,040.69	\$ -
	<u>\$ 53,040.69</u>	<u>\$ 53,040.69</u>	<u>\$ -</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
SCHEDULE OF DEFERRED CHARGE - COMMUNITY DISASTER LOAN
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 3,261,075.62
Increased By:		
Accrued Interest	<u>\$ 24,283.29</u>	<u>24,283.29</u>
Balance, December 31, 2015		<u><u>\$ 3,285,358.91</u></u>

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TRUST FUND

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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2015
SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER**

	Animal Control Fund	Trust - Other Fund	Open Space Trust Fund
Balance, December 31, 2014	\$ 44,140.06	\$ 7,377,862.48	\$ 747,311.55
Increased By Receipts:			
Dog License Fees	26,243.00	-	-
Due To State of New Jersey Department of Health	5,938.80	-	-
Reserve for Landfill Tax Escrow Escrow Funds	-	4,470.00	-
Municipal Alliance	-	526,909.51	-
Various Reserves	-	29,678.50	-
Open Space Fund Receipts	-	2,864,718.39	-
	<u>32,181.80</u>	<u>3,425,776.40</u>	<u>385,140.02</u>
	\$ 76,321.86	\$ 10,803,638.88	\$ 1,132,451.57
Animal Control Fund Expenditures	14,737.57	-	-
Department of Health	5,993.40	-	-
Reserve for Landfill Tax Escrow Escrow Funds	-	3,899.39	-
Municipal Alliance	-	1,007,726.92	-
Various Reserves	-	27,075.15	-
Open Space Fund Expenditures	-	3,250,087.56	-
	<u>20,730.97</u>	<u>4,288,789.02</u>	<u>510,525.00</u>
Balance, December 31, 2015	\$ 55,590.89	\$ 6,514,849.86	\$ 621,926.57

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP") (UNAUDITED)
SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 1,010,596.35
Increased By:		
Township Contributions	\$ 82,800.00	
Appreciation	<u>8,396.64</u>	
		<u>91,196.64</u>
		1,101,792.99
Decreased By:		
Withdrawals	71,475.95	
Accounting Charges	<u>3,009.32</u>	
		<u>74,485.27</u>
Balance, December 31, 2015		<u><u>\$ 1,027,307.72</u></u>

**TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 FOR THE YEAR ENDED DECEMBER 31, 2015
 SCHEDULE OR RESERVE FOR ANIMAL CONTROL FUND EXPENDITURE**

Balance, December 31, 2014		\$ 44,068.06
Increased By:		
Dog License Fees Collected		26,243.00
		70,311.06
Decreased By:		
Statutory Excess Due Current Fund	\$ 6,382.89	
Expenditures for Animal Control Fund	14,737.57	
		21,120.46
Balance, December 31, 2015		\$ 49,190.60

Fees Collected

2014	\$	25,242.00
2013		23,948.60
		\$ 49,190.60

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2015
SCHEDULE OF DUE TO STATE OF NEW JERSEY DEPARTMENT OF HEALTH**

Balance, December 31, 2014	\$ 72.00
Increased By:	
Cash Receipts	<u>5,938.80</u>
	6,010.80
Decreased By:	
Cash Disbursements	<u>5,993.40</u>
Balance, December 31, 2015	<u><u>\$ 17.40</u></u>

**TRUST - OTHER FUND
SCHEDULE OF RESERVE FOR LANDFILL TAX ESCROW
FOR THE YEAR ENDED DECEMBER, 2015**

Balance, December 31, 2014	\$ 414,522.06
Increased By:	
Interest Earned	<u>4,470.00</u>
	418,992.06
Decreased By:	
Bank Fees	<u>3,899.39</u>
Balance, December 31, 2015	<u><u>\$ 415,092.67</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2015
SCHEDULE OF SURETY BONDS AND ESCROW DEPOSITS**

<u>Trust Funds</u>	December 31, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	December 31, <u>2015</u>
Cash Surety Bonds	\$ 1,475,241.20	\$ 61,486.28	\$ 496,296.80	\$ 1,040,430.68
Reserve for Developers' Escrow Deposits	<u>1,350,635.79</u>	<u>465,423.23</u>	<u>511,430.12</u>	<u>1,304,628.90</u>
	<u><u>\$ 2,825,876.99</u></u>	<u><u>\$ 526,909.51</u></u>	<u><u>\$ 1,007,726.92</u></u>	<u><u>\$ 2,345,059.58</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2015
SCHEDULE OF RESERVE FOR MUNICIPAL ALLIANCE PROGRAM INCOME**

Balance, December 31, 2014	\$ 27,686.91
Increased By:	
Cash Receipts	<u>29,678.50</u>
	57,365.41
Decreased By:	
Cash Disbursements	<u>27,075.15</u>
Balance, December 31, 2015	<u><u>\$ 30,290.26</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2015
SCHEDULE OF VARIOUS RESERVES**

	December 31, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	December 31, <u>2015</u>
Unemployment Compensation				
Insurance	\$ 71,445.09	\$ 110,621.98	\$ 113,391.37	\$ 68,675.70
Reserve for:				
Adopt-A-Park Program	1,101.75	-	225.00	876.75
Community Outreach Donations	1,679.10	2,400.00	500.00	3,579.10
P.O.A.A.	165.00	30.00	-	195.00
Disposal of Forfeited Property	38,367.00	10,057.56	6,740.00	41,684.56
Public Defender	2,939.13	14,200.00	14,270.87	2,868.26
Outside Employment	25,991.49	209,107.06	198,665.37	36,433.18
Utility Developers Escrow	544,064.14	16,559.06	302,331.98	258,291.22
Adopt A Tree Program	8,779.20	7,173.00	7,854.58	8,097.62
Recreation Trust Fund	13,813.71	127,559.72	131,292.24	10,081.19
Accumulated Leave Time	592,835.81	255,000.00	214,007.67	633,828.14
Affordable Housing Trust	2,109,918.45	202,494.93	482,601.70	1,829,811.68
Snow Removal Trust	331,782.22	195,000.00	106,206.18	420,576.04
Tax Title Liens	66,594.43	994,654.16	974,834.62	86,413.97
Tax Sale Premiums	300,300.00	719,860.92	697,165.98	322,994.94
	<u>\$ 4,109,776.52</u>	<u>\$ 2,864,718.39</u>	<u>\$ 3,250,087.56</u>	<u>\$ 3,724,407.35</u>

**TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 FOR THE YEAR ENDED DECEMBER 31, 2015
 SCHEDULE OF RESERVE FOR OPEN SPACE FUND EXPENDITURES**

Balance, December 31, 2014		\$ 747,311.55
Increased By:		
Open Space Tax Levy	\$ 380,277.63	
Interest Earned	169.83	
Open Space Tax - Added/Omitted	4,692.56	
		385,140.02
		1,132,451.57
Decreased By:		
Cash Disbursed:		
Debt Service		510,525.00
Balance, December 31, 2015		\$ 621,926.57

**ANIMAL CONTROL FUND
 SCHEDULE OF DUE TO CURRENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ -
Increased By:		
Statutory Excess Due Current Fund		6,382.89
		6,382.89
Decreased By:		
Cash Disbursements		-
Balance, December 31, 2015		\$ 6,382.89

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP") (UNAUDITED)
SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 1,010,596.35
Increased By:		
Budget Appropriation	\$ 82,800.00	
Appreciation	<u>8,396.64</u>	
		<u>91,196.64</u>
		1,101,792.99
Decreased By:		
Withdrawals	71,475.95	
Accounting Charges	<u>3,009.32</u>	
		<u>74,485.27</u>
Balance, December 31, 2015		<u><u>\$ 1,027,307.72</u></u>

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GENERAL CAPITAL FUND

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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENT OF CHANGES IN FUND BALANCE -
REGULATORY ACCOUNTING BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 936,192.71
Increased By:		
Cancelled Funded Improvement Authorizations	\$ 15,961.68	
Premium on Note Sale	<u>90,999.68</u>	
		<u>106,961.36</u>
		1,043,154.07
Decreased By:		
Anticipated Revenue in Current Fund		<u>215,000.00</u>
Balance, December 31, 2015		<u><u>\$ 828,154.07</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 7,751,387.15
Increased By Cash Receipts:		
Bond Anticipation Notes	\$ 3,262,390.00	
Capital Improvement Fund	100,000.00	
Premium on Note Sale	90,999.68	
Interfund: Water-Sewer Utility Capital	88,445.00	
Interfund: Current Fund	923,190.00	
Insurance Proceeds	143,000.00	
Reserve for:		
Debt Service	219,810.93	
		4,827,835.61
		12,579,222.76
Decreased By Cash Disbursements:		
Bond Anticipation Notes	781,190.00	
Improvement Authorizations	3,748,404.46	
Reserve for Debt Service	431,252.98	
Interfund: Current Fund	215,000.00	
		5,175,847.44
Balance, December 31, 2015		\$ 7,403,375.32

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance December 31, <u>2015</u>																																																			
Fund Balance	\$ 828,154.07																																																			
Capital Improvement Fund	87,185.00																																																			
Encumbrances Payable	3,505,562.92																																																			
Grants Receivable - 2014 DOT	(190,000.00)																																																			
Reserve for:																																																				
Debt Service	219,810.93																																																			
Grants Receivable	47,500.00																																																			
Developer's Contributions	42,000.00																																																			
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 15%;"><u>Ordinance Number</u></th> <th style="text-align: left; width: 65%;"><u>Improvement Description</u></th> <th style="text-align: right; width: 20%;"></th> </tr> </thead> <tbody> <tr> <td>08-103</td> <td>Closure of Landfill</td> <td style="text-align: right;">37,328.88</td> </tr> <tr> <td>09-12/04-57</td> <td>Construction of Bulkhead and Other Improvements To Mill Creek Park</td> <td style="text-align: right;">116,598.20</td> </tr> <tr> <td>10-25</td> <td>Various 2010 Roadway Improvements</td> <td style="text-align: right;">177,523.98</td> </tr> <tr> <td>11-25</td> <td>Improvements to Municipal Building</td> <td style="text-align: right;">15,541.00</td> </tr> <tr> <td>11-27</td> <td>Various Roadway Improvements</td> <td style="text-align: right;">4,677.20</td> </tr> <tr> <td>12-02</td> <td>Acquisition of Various Vehicles/Equipment for DPW</td> <td style="text-align: right;">143,773.32</td> </tr> <tr> <td>12-03</td> <td>Various Roadway Improvements</td> <td style="text-align: right;">221,967.12</td> </tr> <tr> <td>12-05</td> <td>Radio System Upgrade Project</td> <td style="text-align: right;">49,053.35</td> </tr> <tr> <td>12-06</td> <td>Purchase of Computer Equipment</td> <td style="text-align: right;">5,046.82</td> </tr> <tr> <td>13-13</td> <td>Various Capital Improvements/Acquisition of Capital Equipment</td> <td style="text-align: right;">526,542.33</td> </tr> <tr> <td>13-18</td> <td>Neptune Basin Project</td> <td style="text-align: right;">117,147.75</td> </tr> <tr> <td>14-03</td> <td>Various Capital Improvements/Acquisition of Capital Equipment</td> <td style="text-align: right;">301,418.58</td> </tr> <tr> <td>14-05</td> <td>Construction of Community Center & Pavilion</td> <td style="text-align: right;">216,554.18</td> </tr> <tr> <td>15-02</td> <td>Various Capital Improvements/Acquisition of Capital Equipment</td> <td style="text-align: right;">946,925.49</td> </tr> <tr> <td>15-04</td> <td>Refunding All or a Portion of the Series 2008 Bonds</td> <td style="text-align: right;">(16,935.80)</td> </tr> <tr> <td colspan="2"></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 7,403,375.32</td> </tr> </tbody> </table>		<u>Ordinance Number</u>	<u>Improvement Description</u>		08-103	Closure of Landfill	37,328.88	09-12/04-57	Construction of Bulkhead and Other Improvements To Mill Creek Park	116,598.20	10-25	Various 2010 Roadway Improvements	177,523.98	11-25	Improvements to Municipal Building	15,541.00	11-27	Various Roadway Improvements	4,677.20	12-02	Acquisition of Various Vehicles/Equipment for DPW	143,773.32	12-03	Various Roadway Improvements	221,967.12	12-05	Radio System Upgrade Project	49,053.35	12-06	Purchase of Computer Equipment	5,046.82	13-13	Various Capital Improvements/Acquisition of Capital Equipment	526,542.33	13-18	Neptune Basin Project	117,147.75	14-03	Various Capital Improvements/Acquisition of Capital Equipment	301,418.58	14-05	Construction of Community Center & Pavilion	216,554.18	15-02	Various Capital Improvements/Acquisition of Capital Equipment	946,925.49	15-04	Refunding All or a Portion of the Series 2008 Bonds	(16,935.80)			\$ 7,403,375.32
<u>Ordinance Number</u>	<u>Improvement Description</u>																																																			
08-103	Closure of Landfill	37,328.88																																																		
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		\$ 7,403,375.32																																																		

**TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 GENERAL CAPITAL FUND
 SCHEDULE OF DUE FROM WATER/SEWER UTILITY CAPITAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	88,445.00
Decreased By:		
Cash Receipts		88,445.00
Balance, December 31, 2015	\$	-

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
 FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	59,276,080.16
Decreased By:		
Payments By Budget Appropriation:		
Bonds Payable	\$ 5,140,000.00	
Loans Payable	276,516.58	
		5,416,516.58
Balance, December 31, 2015	\$	53,859,563.58

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2015**

Ordinance Number	Improvement Description	Balance December 31, 2014	2015 Authorizations	Raised in Budget	Cash Received	Balance December 31, 2015	Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
12-18/10-26	General Improvements:								
13-13	Various 2010 Drainage Improvements	\$ 285,000.00	\$ -	\$ 285,000.00	\$ -	-	\$ -	\$ -	\$ -
13-18	Various Capital Improvements/Acquisition of Capital Equipment	1,606,600.00	-	187,500.00	-	1,419,100.00	1,419,100.00	-	-
14-03	Neptune Basin Project	3,325,000.00	-	-	-	3,325,000.00	-	-	3,325,000.00
14-05	Various Capital Improvements/Acquisition of Capital Equipment	2,684,205.00	-	-	-	2,684,205.00	2,684,205.00	-	-
15-02	Construction of Community Center & Pavilion	2,245,000.00	-	450,690.00	143,000.00	1,651,310.00	1,651,310.00	-	-
15-04	Various Capital Improvements/Acquisition of Capital Equipment	-	3,117,385.00	-	-	3,117,385.00	3,117,385.00	-	-
	Refunding All or a Portion of the Series 2008 Bonds	-	21,500,000.00	-	-	21,500,000.00	-	16,935.80	21,483,064.20
		<u>\$ 10,145,805.00</u>	<u>\$ 24,617,385.00</u>	<u>\$ 923,190.00</u>	<u>\$ 143,000.00</u>	<u>\$ 33,697,000.00</u>	<u>\$ 8,872,000.00</u>	<u>\$ 16,935.80</u>	<u>\$ 24,808,064.20</u>

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

Ordinance Number	Unexpended Proceeds of Bond Anticipation Notes Issued
13-13	\$ 526,542.33
14-03	301,418.58
14-05	216,554.18
15-02	946,925.49
	<u>1,991,440.58</u>
	<u>\$ 24,808,064.20</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Year	Purpose	Date of Issue	Issue Amount	Maturity Date	Maturity Schedule	Interest Rate	December 31, 2014	December 31, 2015
2005	General Improvement Bonds, 2005A	07/01/05	11,646,000.00				\$ 820,000.00	\$ -
2005	General Obligation Refunding Bonds:	09/01/05	14,225,000.00				905,000.00	-
2008	General Improvement Bonds	08/26/08	\$ 19,200,000.00	08/01/16	\$ 835,000.00	4.000%		
				08/01/17	865,000.00	4.000%		
				08/01/18	900,000.00	4.000%		
				08/01/19	940,000.00	4.000%		
				08/01/20	980,000.00	4.000%		
				08/01/21	1,020,000.00	4.125%		
				08/01/22	1,065,000.00	4.200%		
				08/01/23	1,110,000.00	4.250%		
				08/01/24	1,155,000.00	4.250%		
				08/01/25	1,210,000.00	4.375%		
				08/01/26	1,260,000.00	4.500%		
				08/01/27	1,315,000.00	4.500%		
				08/01/28	1,375,000.00	4.500%	14,830,000.00	14,030,000.00
2011	General Obligation Refunding Bonds:	01/27/11	5,685,000.00	07/01/16	815,000.00	4.000%		
				07/01/17	840,000.00	4.000%	2,445,000.00	1,655,000.00
2011	General Improvement Bonds	05/24/11	8,850,000.00	01/15/16	455,000.00	3.000%		
				01/15/17	470,000.00	3.000%		
				01/15/18	470,000.00	3.000%		
				01/15/19	470,000.00	3.000%		
				01/15/20	470,000.00	3.000%		
				01/15/21	470,000.00	4.000%		
				01/15/22	470,000.00	4.000%		
				01/15/23	470,000.00	4.000%		
				01/15/24	470,000.00	4.000%		
				01/15/25	470,000.00	4.000%		
				01/15/26	470,000.00	4.000%		
				01/15/27	470,000.00	4.000%		
				01/15/28	470,000.00	4.000%		
				01/15/29	470,000.00	4.250%		
				01/15/30	470,000.00	4.250%		
				01/15/31	470,000.00	4.500%	7,950,000.00	7,505,000.00
2012	General Improvement Bonds	05/22/12	7,965,000.00	01/15/16	415,000.00	3.000%		
				01/15/17	500,000.00	3.000%		
				01/15/18	500,000.00	3.000%		
				01/15/19	500,000.00	3.000%		
				01/15/20	500,000.00	3.000%		
				01/15/21	500,000.00	3.500%		
				01/15/22	500,000.00	3.000%		
				01/15/23	500,000.00	3.000%		
				01/15/24	500,000.00	2.500%		
				01/15/25	500,000.00	3.000%		
				01/15/26	500,000.00	3.000%		
				01/15/27	500,000.00	3.000%		
				01/15/28	500,000.00	3.000%	7,320,000.00	6,915,000.00
				01/15/29	500,000.00	3.000%		
							405,000.00	

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Ordinance Number	Improvement Description	Original Issue Date	Date of Issue	Maturity Date	Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
13-13	Various Capital Improvements/Acquisition of Capital Equipment	12/12/13	05/19/14	05/18/15	1.000%	1,606,600.00	-	1,606,600.00	-
13-13	Various Capital Improvements/Acquisition of Capital Equipment	12/12/13	05/15/15	05/13/16	1.500%	-	1,419,100.00	-	1,419,100.00
14-03	Various Capital Improvements/Acquisition of Capital Equipment	05/19/14	05/19/14	05/18/15	1.000%	2,684,200.00	-	2,684,200.00	-
		05/19/14	05/15/15	05/13/16	1.500%	-	2,684,200.00	-	2,684,200.00
		05/15/15	05/15/15	05/13/16	1.500%	-	5.00	-	5.00
14-05	Construction of Community Center & Pavilion	05/19/14	05/19/14	05/18/15	1.000%	2,100,000.00	-	2,100,000.00	-
		05/19/14	05/15/15	05/13/16	1.500%	-	1,506,310.00	-	1,506,310.00
		05/15/15	05/15/15	05/13/16	1.500%	-	145,000.00	-	145,000.00
15-02	Various Capital Improvements/Acquisition of Capital Equipment	05/15/15	05/15/15	05/13/16	1.500%	-	3,117,385.00	-	3,117,385.00
						<u>\$ 6,390,800.00</u>	<u>\$ 8,872,000.00</u>	<u>\$ 6,390,800.00</u>	<u>\$ 8,872,000.00</u>
	Cash						\$ 3,262,390.00	\$ 781,190.00	
	Non-Cash Rollover						5,609,610.00	5,609,610.00	
							<u>\$ 8,872,000.00</u>	<u>\$ 6,390,800.00</u>	<u>\$ 8,872,000.00</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 1,187,538.40
Increased By:	
Encumbered in 2015	<u>3,505,562.92</u>
	4,693,101.32
Decreased By:	
Transferred To Improvement Authorizations	<u>1,187,538.40</u>
Balance, December 31, 2015	<u><u>\$ 3,505,562.92</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 3,451,080.16
Decreased By:	
Budget Appropriation	<u>276,516.58</u>
Balance, December 31, 2015	<u><u>\$ 3,174,563.58</u></u>

Analysis of Balance

Manahawkin Lake Development	\$ 175,719.84
Acquisition of Nautilus Park	483,519.16
Acquisition of Ocean Acres Park	20,744.22
Rudder Park Development - Phase I	168,308.34
Ocean Acres Park Development	122,491.51
Rudder Park Acquisition	80,586.54
Rudder Park Development - Phase II	188,628.66
Manahawkin Lake - Phase I	161,173.04
Manahawkin Lake - Phase II	305,636.27
Nautilus Park - Phase II	250,000.00
NJEIT Barnaget Bay Funding - Forecastle Basin	1,035,864.00
NJEIT Barnaget Bay Funding - Neptune Basin	<u>181,892.00</u>
	<u><u>\$ 3,174,563.58</u></u>

TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 GENERAL CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2015

Ordinance Number	Improvement Description	Ordinance Amount	Balance December 31, 2014		Transferred From Encumbrances	2015 Authorizations	Expended	Cancelled	Encumbered	Balance December 31, 2015	
			Funded	Unfunded						Funded	Unfunded
09-12/04-57	Construction of Bulkhead and Other Improvements To Mill Creek Pa	\$ 270,000.00	\$ 121,380.00	\$ -	\$ 3,620.00	\$ -	\$ 8,401.80	\$ -	\$ -	\$ 116,598.20	\$ -
09-30/08-20/07-09/06-07/04-59	Design of Bulkhead and Other Improvements for Intersection of Mill Creek Road/Route 7	165,000.00	115,588.20	-	-	-	115,588.20	-	-	-	-
08-10/03	Clearing of Landfill	100,000.00	37,328.88	-	-	-	-	-	-	37,328.88	-
10-25	Various 2010 Roadway Improvement	1,968,750.00	248,517.69	679.91	143,453.08	-	214,446.79	-	-	177,523.98	-
12-18/10-26	Various 2010 Drainage Improvement	531,300.00	-	-	-	-	679.91	-	-	-	-
10-31	Acquisition of Various Police Vehicle	105,000.00	4,494.62	-	-	-	4,494.62	-	-	-	-
10-32	Acquisition/Installation of Various Vehicles/Equipment for DPV	604,800.00	21,335.37	-	-	-	21,335.37	-	-	-	-
12-10/11-24	Improvements to Ambulance	150,000.00	1,087.80	-	-	-	-	1,087.80	-	-	-
11-25	Improvements to Municipal Building	33,000.00	18,251.00	-	-	-	2,710.00	-	-	15,541.00	-
11-27	Various Roadway Improvement	1,500,000.00	361,060.30	-	-	-	13,069.97	-	343,313.13	4,677.20	-
12-02	Acquisition of Various Vehicles/Equipment for DPV	945,000.00	214,392.52	-	-	-	30,865.20	-	39,754.00	143,773.32	-
12-03	Various Roadway Improvement	1,100,000.00	221,967.12	-	-	-	-	-	-	221,967.12	-
12-04	Acquisition of Police Equipment	100,000.00	4,321.62	-	-	-	4,321.62	-	-	-	-
12-05	Radio System Upgrade Project	775,000.00	49,053.35	-	-	-	-	-	-	49,053.35	-
12-06	Purchase of Computer Equipment	100,000.00	5,046.82	-	-	-	-	-	-	5,046.82	-
12-24/12-07	Improvements to Various Park	125,000.00	35,515.73	-	-	-	-	-	-	-	-
13-13	Various Capital Improvements/Acquisition of Capital Equipme	2,445,000.00	-	-	4,210.40	-	39,726.13	-	-	-	-
13-18	Neptune Basin Project	3,500,000.00	164,334.50	-	91,408.94	-	627,599.73	-	164,186.40	117,147.75	-
14-03	Various Capital Improvements/Acquisition of Capital Equipme	2,825,479.00	3,325,000.00	-	-	-	47,186.75	-	-	-	-
14-05	Construction of Community Center/Pavilio	9,000,000.00	-	-	929,470.98	-	919,236.62	-	254,539.83	-	-
14-16	Refunding All or a Portion of the Series 2005 Bond	3,335,450.00	-	-	15,575.00	-	417,716.00	-	1,557,835.00	-	-
15-02	Various Capital Improvements/Acquisition of Capital Equipme	21,500,000.00	-	-	-	-	21,500.00	-	-	-	-
15-04	Refunding All or a Portion of the Series 2008 Bond	21,500,000.00	-	-	-	-	1,242,589.95	-	1,145,934.56	-	-
			\$ 1,660,049.40	\$ 7,275,053.66	\$ 1,187,538.40	\$ 24,835,450.00	\$ 3,748,404.46	\$ 15,961.68	\$ 3,505,562.92	\$ 888,657.62	\$ 26,799,504.78

Deferred Charges - Unfunded
 Capital Improvement Fund
 Fund Balance

	\$ -
	75,565.00
	\$ 75,565.00

	\$ 24,759,885.00
	75,565.00
	\$ 24,835,450.00

	\$ -
	15,961.68
	\$ 15,961.68

	\$ 3,748,404.46
	16,935.80
	\$ 3,765,340.26

	\$ 24,835,450.00
	15,961.68
	\$ 24,851,411.68

	\$ 1,187,538.40
	16,935.80
	\$ 1,204,474.20

	\$ 24,759,885.00
	75,565.00
	\$ 24,835,450.00

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 62,750.00
Increased By:	
Budget Appropriation	<u>100,000.00</u>
	162,750.00
Decreased By:	
Appropriated To Finance Improvement Authorizations	<u>75,565.00</u>
Balance, December 31, 2015	<u><u>\$ 87,185.00</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 431,252.98
Increased By:		
Cash Receipts		<u>219,810.93</u>
		651,063.91
Decreased By:		
Anticipated as Revenue in Current Fund		<u>431,252.98</u>
Balance, December 31, 2015		<u><u>\$ 219,810.93</u></u>
Reserve to Pay Bonds		\$ 80,704.55
Reserve to Pay Notes (2014-05)		11,597.38
Reserve to Pay Notes (2013-13)		<u>127,509.00</u>
		<u><u>\$ 219,810.93</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEVELOPER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2015 and 2014

\$ 42,000.00

TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 GENERAL CAPITAL FUND
 SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
 FOR THE YEAR ENDED DECEMBER 31, 2015

Ordinance Number	Improvement Description	Balance December 31, 2014	2015 Authorizations	Raised in Budget	BANs Maturated	BANs Issued	Cash Received	Balance December 31, 2015
	General Improvements:							
12-18/10-26	Various 2010 Drainage Improvements	\$ 285,000.00	\$ -	\$ 285,000.00	\$ -	\$ -	\$ -	\$ -
13-13	Various Capital Improvements/Acquisition of Capital Equipment	-	-	187,500.00	1,606,600.00	1,419,100.00	-	-
13-18	Neptune Basin Project	3,325,000.00	-	-	-	-	-	3,325,000.00
14-03	Various Capital Improvements/Acquisition of Capital Equipment	5,000	-	-	2,684,200.00	2,684,205.00	-	-
14-05	Construction of Community Center/Pavilion	145,000.00	-	450,690.00	2,100,000.00	1,651,310.00	143,000.00	-
15-02	Various Capital Improvements/Acquisition of Capital Equipment	-	3,117,385.00	-	-	3,117,385.00	-	-
15-04	Refunding All or a Portion of the Series 2008 Bonds	-	21,500,000.00	-	-	-	-	21,500,000.00
		<u>\$ 3,755,005.00</u>	<u>\$ 24,617,385.00</u>	<u>\$ 923,190.00</u>	<u>\$ 6,390,800.00</u>	<u>\$ 8,872,000.00</u>	<u>\$ 143,000.00</u>	<u>\$ 24,825,000.00</u>

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WATER/SEWER UTILITY FUND

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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER
YEAR ENDED DECEMBER 31, 2015**

	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2014	\$ 3,780,384.91	\$ 3,726,831.63
Increased By Receipts:		
Water/Sewer Utility Revenue	16,639,263.53	-
Premium on Sale of Bonds and Notes	-	65,896.32
Prepaid Revenue	141,312.68	-
Bond Anticipation Notes	-	3,397,471.00
Reserve for Debt Service	-	214,221.25
	<u>16,780,576.21</u>	<u>3,677,588.57</u>
	<u>20,560,961.12</u>	<u>7,404,420.20</u>
Decreased By Disbursements:		
Capital Fund Balance	-	4,486.56
Reserve for Debt Service	-	1,010,513.44
Due To General Capital Fund	-	88,445.00
Accounts Payable	5,197.20	-
2015 Appropriations	12,602,491.29	-
Appropriation Reserves	63,244.68	-
Accrued Interest on Bonds and Notes	1,775,615.29	-
Bond Anticipation Notes	-	150,000.00
Improvement Authorizations	-	992,951.95
	<u>14,446,548.46</u>	<u>2,246,396.95</u>
Balance, December 31, 2015	<u>\$ 6,114,412.66</u>	<u>\$ 5,158,023.25</u>

**TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 WATER/SEWER UTILITY CAPITAL FUND
 SCHEDULE OF ANALYSIS OF WATER/SEWER UTILITY CAPITAL FUND CASH AND CASH EQUIVALENTS
 YEAR ENDED DECEMBER 31, 2015**

		Balance December 31, <u>2015</u>
Fund Balance	\$	448,530.58
Excess Financing - Ordinance 2013-06		25,000.00
Capital Improvement Fund		12,625.00
Contracts/Encumbrances Payable		109,586.11
Reserve for:		
Debt Service		64,221.25
 <u>Improvement Authorizations</u>		
<u>Ordinance Number</u>	<u>Improvement Description</u>	
13-14	Various Water/Sewer Improvements	198,002.55
14-04	Various Water/Sewer Improvements/Acquisition of Equipmen	1,263,621.86
14-12	Improvements to Ocean Acres Water Treatment Plan	161,296.09
15-03	Various Water/Sewer Improvements/Acquisition of Equipmen	<u>2,875,139.81</u>
		<u>\$ 5,158,023.25</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE TO GENERAL CAPITAL FUND
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 88,445.00
Increased By:	
Cash Disbursed	<u>88,445.00</u>
Balance, December 31, 2015	<u><u>\$ -</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 195,178.94
Increased By:		
Water/Sewer Charges Levied in 2015		<u>14,749,561.42</u>
		14,944,740.36
Decreased By:		
Collections - Rents, Surcharges, Connection Fees	\$ 14,555,585.12	
Prepaid Revenue Applied	<u>213,272.88</u>	
		<u>14,768,858.00</u>
Balance, December 31, 2015		<u><u>\$ 175,882.36</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER-SEWER LIENS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2015 and 2014

\$ 20,551.25

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2015**

	Balance December 31, <u>2014</u>	<u>Increased</u>	Balance December 31, <u>2015</u>
Land	\$ 3,222,734.82	\$ -	\$ 3,222,734.82
Buildings and Improvements	3,201,100.59	-	3,201,100.59
Improvements Other Than Buildings	134,979,206.71	1,560,469.84	136,539,676.55
Machinery and Equipment	3,935,673.37	310,402.90	4,246,076.27
Furniture and Fixtures	240,006.00	-	240,006.00
Soft Costs	366,886.90	-	366,886.90
	<u>\$ 145,945,608.39</u>	<u>\$ 1,870,872.74</u>	<u>\$ 147,816,481.13</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2015**

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2014	2015 Authorizations	Decreases	Balance December 31, 2015
		Date	Amount				
06-10	Purchase Equipment for Water and Sewer Department	02/21/06	\$ 193,000.00	\$ 7,649.64	\$ -	7,649.64	-
06-26	Water/Sewer Line Oversizing	05/02/06	400,000.00	70,000.00	-	70,000.00	-
10-28/07-84/03-47	Purchase of Water and Sewer Equipment	09/04/07	395,000.00	40,211.35	-	40,211.35	-
10-33	Acquisition and Installation of Grinder Pumps	09/07/10	75,000.00	8,831.17	-	8,831.17	-
11-22	Various Water Main Improvements	07/12/11	799,100.00	109,656.65	-	109,656.65	-
12-08	Various Water/Sewer Improvements	02/21/12	795,000.00	210,331.65	-	210,331.65	-
12-09	Purchase of Various Water/Sewer Equipment	02/21/12	455,000.00	253,710.74	-	253,710.74	-
12-23/08-61	Beach Haven West Phases 2 - 5 Sewer Rehabilitation	08/14/12	1,000,000.00	49,281.54	-	49,281.54	-
13-06	Emergency Retrofit/Replacement of Grinder Pump Stations	04/16/13	1,135,000.00	25,000.00	-	25,000.00	-
13-14	Various Water/Sewer Improvements	08/16/13	1,800,000.00	1,800,000.00	-	1,191,200.00	\$ 608,800.00
14-04	Various Water/Sewer Improvements/Acquisition of Equipment	03/18/14	2,595,679.00	2,595,679.00	-	-	2,595,679.00
14-12	Improvements to Ocean Acres Water Treatment Plant	08/12/14	400,000.00	400,000.00	-	-	400,000.00
15-03	Various Water/Sewer Improvements/Acquisition of Equipment	03/17/15	2,997,192.00	-	2,997,192.00	-	2,997,192.00
				<u>\$ 5,570,351.74</u>	<u>\$ 2,997,192.00</u>	<u>\$ 1,965,872.74</u>	<u>\$ 6,601,671.00</u>

Cancelled by Resolution
Transfer to Fixed Capital

**TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 WATER/SEWER UTILITY OPERATING FUND
 SCHEDULE OF ACCOUNTS PAYABLE
 YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	5,197.20
Decreased By:		
Cash Disbursed		5,197.20
Balance, December 31, 2015	\$	-

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015**

	Balance December 31, 2014	Transfer From Encumbrances Payable	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:					
Salaries and Wages	\$ 33,982.53	-	\$ 33,982.53	8,682.50	\$ 25,300.03
Other Expenses	406,986.51	68,882.86	475,869.37	53,910.01	421,959.36
Statutory Expenditures:					
Social Security System	<u>13,340.75</u>	-	<u>13,340.75</u>	652.17	<u>12,688.58</u>
	<u>\$ 454,309.79</u>	<u>\$ 68,882.86</u>	<u>\$ 523,192.65</u>	<u>\$ 63,244.68</u>	<u>\$ 459,947.97</u>

**TOWNSHIP OF STAFFORD
 COUNTY OF OCEAN, NEW JERSEY
 WATER/SEWER UTILITY OPERATING FUND
 SCHEDULE OF ENCUMBRANCES PAYABLE
 YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$	68,882.86
Increased By:		
Encumbered in 2015		<u>32,887.95</u>
		101,770.81
Decreased By:		
Transferred To Appropriation Reserves		<u>68,882.86</u>
Balance, December 31, 2015	\$	<u><u>32,887.95</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 722,701.11
Increased By:	
Budget Appropriation	<u>1,765,327.58</u>
	2,488,028.69
Decreased By:	
Interest Paid	<u>1,775,615.29</u>
Balance, December 31, 2015	<u>\$ 712,413.40</u>

Analysis of Accrued Interest - December 31, 2015

Principal Outstanding December 31, 2015	Interest Rate	From	To	Period	Amount
Bond Anticipation Note:					
\$ 6,525,000.00	1.50%	05/13/15	12/31/15	227 Days	\$ 61,715.63
<u>\$ 6,525,000.00</u>					<u>\$ 61,715.63</u>
Loans:					
\$ 140,000.00	5.125%	12/01/15	12/31/15	1 Month	\$ 597.92
645,000.00	5.250%	12/01/15	12/31/15	1 Month	2,821.88
514,160.09	0.000%	12/01/15	12/31/15	1 Month	-
560,000.00	4.000%	08/01/15	12/31/15	5 Months	9,333.33
605,000.00	4.250%	08/01/15	12/31/15	5 Months	10,713.54
1,425,000.00	4.375%	08/01/15	12/31/15	5 Months	25,976.56
325,000.00	4.500%	08/01/15	12/31/15	5 Months	6,093.75
2,234,412.54	0.000%	08/01/15	12/31/15	5 Months	-
680,000.00	4.000%	08/01/15	12/31/15	5 Months	11,333.33
385,000.00	4.125%	08/01/15	12/31/15	5 Months	6,617.19
335,000.00	4.250%	08/01/15	12/31/15	5 Months	5,932.29
365,000.00	5.000%	08/01/15	12/31/15	5 Months	7,604.17
1,386,313.22	0.000%	08/01/15	12/31/15	5 Months	-
1,170,000.00	5.000%	08/01/15	12/31/15	5 Months	24,375.00
485,000.00	4.000%	08/01/15	12/31/15	5 Months	8,083.33
285,000.00	4.250%	08/01/15	12/31/15	5 Months	5,046.88
520,000.00	4.500%	08/01/15	12/31/15	5 Months	9,750.00
1,895,144.17	0.000%	08/01/15	12/31/15	5 Months	-
1,150,000.00	5.000%	08/01/15	12/31/15	5 Months	23,958.33
115,000.00	5.250%	08/01/15	12/31/15	5 Months	2,515.63
525,000.00	5.500%	08/01/15	12/31/15	5 Months	12,031.25
1,423,707.34	0.000%	08/01/15	12/31/15	5 Months	-
54,731.79	Various	08/01/15	12/31/15	5 Months	742.66
68,503.49	0.000%	08/01/15	12/31/15	5 Months	-
75,000.00	3.000%	08/01/15	12/31/15	5 Months	937.50
95,000.00	3.500%	08/01/15	12/31/15	5 Months	1,385.42
705,000.00	4.000%	08/01/15	12/31/15	5 Months	11,750.00
265,000.00	5.000%	08/01/15	12/31/15	5 Months	5,520.83
<u>2,819,817.85</u>	0.000%	08/01/15	12/31/15	5 Months	<u>-</u>
<u>\$ 21,251,790.49</u>					<u>\$ 193,120.79</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
YEAR ENDED DECEMBER 31, 2015**

Analysis of Accrued Interest - December 31, 2015 (continued)

Principal Outstanding December 31, 2015	Interest Rate	From	To	Period	Amount
Serial Bonds:					
\$ 445,000.00	3.125%	12/01/15	12/31/15	1 Month	1,158.85
465,000.00	3.250%	12/01/15	12/31/15	1 Month	1,259.38
560,000.00	3.500%	12/01/15	12/31/15	1 Month	1,633.33
1,170,000.00	4.000%	12/01/15	12/31/15	1 Month	3,900.00
1,200,000.00	5.000%	12/01/15	12/31/15	1 Month	5,000.00
3,045,000.00	4.000%	08/01/15	12/31/15	5 Months	50,750.00
685,000.00	4.125%	08/01/15	12/31/15	5 Months	11,773.44
715,000.00	4.200%	08/01/15	12/31/15	5 Months	12,512.50
1,525,000.00	4.250%	08/01/15	12/31/15	5 Months	27,005.21
815,000.00	4.375%	08/01/15	12/31/15	5 Months	14,856.77
2,625,000.00	4.500%	08/01/15	12/31/15	5 Months	49,218.75
510,000.00	4.000%	07/01/15	12/31/15	6 Months	10,200.00
1,505,000.00	3.000%	07/15/15	12/31/15	165 Days	20,693.75
2,640,000.00	4.000%	07/15/15	12/31/15	165 Days	48,400.00
660,000.00	4.250%	07/15/15	12/31/15	165 Days	12,856.25
330,000.00	4.500%	07/15/15	12/31/15	165 Days	6,806.25
2,821,000.00	3.000%	07/01/15	12/31/15	6 Months	42,315.00
220,000.00	2.500%	07/15/15	12/31/15	165 Days	2,520.84
2,745,000.00	3.000%	07/15/15	12/31/15	165 Days	37,743.75
440,000.00	3.125%	07/15/15	12/31/15	165 Days	6,302.08
210,000.00	3.500%	07/15/15	12/31/15	165 Days	3,368.75
365,000.00	2.250%	07/01/15	12/31/15	6 Months	4,106.25
435,000.00	2.500%	07/01/15	12/31/15	6 Months	5,437.50
1,405,000.00	3.000%	07/01/15	12/31/15	6 Months	21,075.00
1,505,000.00	4.000%	07/01/15	12/31/15	6 Months	30,100.00
450,000.00	5.000%	07/01/15	12/31/15	6 Months	11,250.00
750,000.00	2.000%	11/01/15	12/31/15	2 Months	2,500.00
600,000.00	2.250%	11/01/15	12/31/15	2 Months	2,250.00
300,000.00	2.500%	11/01/15	12/31/15	2 Months	1,250.00
1,200,000.00	3.000%	11/01/15	12/31/15	2 Months	6,000.00
500,000.00	4.000%	11/01/15	12/31/15	2 Months	3,333.33
\$ 32,841,000.00					457,576.98
					\$ 712,413.40

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID REVENUE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 213,272.88
Increased By:	
Cash Receipts	<u>141,312.68</u>
	354,585.56
Decreased By:	
Prepaid Revenue Applied	<u>213,272.88</u>
Balance, December 31, 2015	<u><u>\$ 141,312.68</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
YEAR ENDED DECEMBER 31, 2015**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2014	Decreased	Balance December 31, 2015
			Date	Amount				
Water and Sewer Improvements	07/01/05	10,151,000.00	07/01/26	525,000.00	3.000%			
			07/01/27	545,000.00	3.000%			
			07/01/28	570,000.00	3.000%			
			07/01/29	585,000.00	3.000%			
			07/01/30	596,000.00	3.000%	\$ 3,156,000.00	\$ 335,000.00	\$ 2,821,000.00
Water and Sewer Improvements	08/26/08	12,800,000.00	08/01/16	560,000.00	4.000%			
			08/01/17	585,000.00	4.000%			
			08/01/18	605,000.00	4.000%			
			08/01/19	635,000.00	4.000%			
			08/01/20	660,000.00	4.000%			
			08/01/21	685,000.00	4.125%			
			08/01/22	715,000.00	4.200%			
			08/01/23	745,000.00	4.250%			
			08/01/24	780,000.00	4.250%			
			08/01/25	815,000.00	4.375%			
			08/01/26	850,000.00	4.500%			
			08/01/27	885,000.00	4.500%			
			08/01/28	890,000.00	4.500%	9,950,000.00	540,000.00	9,410,000.00
Refunding Bonds	03/12/09	9,345,000.00	12/01/16	445,000.00	3.125%			
			12/01/17	465,000.00	3.250%			
			12/01/18	560,000.00	3.500%			
			12/01/19	565,000.00	4.000%			
			12/01/20	605,000.00	4.000%			
			12/01/21	590,000.00	5.000%			
			12/01/22	610,000.00	5.000%	4,275,000.00	435,000.00	3,840,000.00
Refunding Bonds	01/27/11	1,440,000.00	07/01/16	250,000.00	4.000%			
			07/01/17	260,000.00	4.000%	755,000.00	245,000.00	510,000.00

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
YEAR ENDED DECEMBER 31, 2015**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance December 31, 2014</u>	<u>Decreased</u>	<u>Balance December 31, 2015</u>
			<u>Date</u>	<u>Amount</u>				
Water and Sewer Improvements	05/24/11	5,900,000.00	01/15/16	285,000.00	3.000%			
			01/15/17	290,000.00	3.000%			
			01/15/18	300,000.00	3.000%			
			01/15/19	310,000.00	3.000%			
			01/15/20	320,000.00	3.000%			
			01/15/21	330,000.00	4.000%			
			01/15/22	330,000.00	4.000%			
			01/15/23	330,000.00	4.000%			
			01/15/24	330,000.00	4.000%			
			01/15/25	330,000.00	4.000%			
			01/15/26	330,000.00	4.000%			
			01/15/27	330,000.00	4.000%			
			01/15/28	330,000.00	4.000%			
			01/15/29	330,000.00	4.250%			
			01/15/30	330,000.00	4.250%			
		01/15/31	330,000.00	4.500%				
						5,405,000.00	270,000.00	5,135,000.00
Water and Sewer Improvements	05/22/12	4,035,000.00	01/15/16	200,000.00	3.000%			
			01/15/17	200,000.00	3.000%			
			01/15/18	200,000.00	3.000%			
			01/15/19	200,000.00	3.000%			
			01/15/20	200,000.00	3.000%			
			01/15/21	210,000.00	3.500%			
			01/15/22	210,000.00	3.000%			
			01/15/23	215,000.00	3.000%			
			01/15/24	220,000.00	2.500%			
			01/15/25	220,000.00	3.000%			
			01/15/26	220,000.00	3.000%			
			01/15/27	220,000.00	3.000%			
			01/15/28	220,000.00	3.000%			
			01/15/29	220,000.00	3.000%			
			01/15/30	220,000.00	3.000%			
		01/15/31	220,000.00	3.125%				
		01/15/32	220,000.00	3.125%				
						3,815,000.00	200,000.00	3,615,000.00

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
YEAR ENDED DECEMBER 31, 2015**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2014	Decreased	Balance December 31, 2015
			Date	Amount				
Refunding Bonds	03/27/14	4,218,500.00	07/01/16	370,000.00	2.500%			
			07/01/17	365,000.00	2.250%			
			07/01/18	370,000.00	4.000%			
			07/01/19	390,000.00	4.000%			
			07/01/20	305,000.00	4.000%			
			07/01/20	100,000.00	5.000%			
			07/01/21	65,000.00	2.500%			
			07/01/21	350,000.00	5.000%			
			07/01/22	440,000.00	4.000%			
			07/01/23	455,000.00	3.000%			
		07/01/24	465,000.00	3.000%				
		07/01/25	485,000.00	3.000%		20,000.00	4,160,000.00	
Water and Sewer Improvements	05/19/14	3,500,000.00	05/01/16	150,000.00	2.000%			
			05/01/17	150,000.00	2.000%			
			05/01/18	150,000.00	2.000%			
			05/01/19	150,000.00	4.000%			
			05/01/20	150,000.00	4.000%			
			05/01/21	200,000.00	4.000%			
			05/01/22	300,000.00	2.000%			
			05/01/23	300,000.00	2.250%			
			05/01/24	300,000.00	2.250%			
			05/01/25	300,000.00	2.500%			
		05/01/26	300,000.00	3.000%				
		05/01/27	300,000.00	3.000%				
		05/01/28	300,000.00	3.000%				
		05/01/29	300,000.00	3.000%				
						4,180,000.00		
							150,000.00	
								3,350,000.00
								<u>\$ 32,841,000.00</u>
								<u>\$ 2,195,000.00</u>
								<u>\$ 35,036,000.00</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

<u>Improvement Description</u>	<u>Original Issue</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2014</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2015</u>
N.J. Environmental Infrastructure Trust Loan	\$ 2,185,000.00	11/08/96	5.00 - 5.25%	\$ 920,000.00	-	\$ 135,000.00	\$ 785,000.00
N.J. Environmental Infrastructure Fund Loan	2,183,651.00	11/08/96	0.00%	624,054.68	-	109,894.59	514,160.09
N.J. Environmental Infrastructure Trust Loan	5,295,000.00	11/10/05	4.00 - 5.00%	3,180,000.00	-	265,000.00	2,915,000.00
N.J. Environmental Infrastructure Fund Loan	4,895,597.00	11/10/05	0.00%	2,496,949.67	-	262,537.13	2,234,412.54
N.J. Environmental Infrastructure Trust Loan	3,075,000.00	11/09/06	4.00 - 5.00%	1,910,000.00	-	145,000.00	1,765,000.00
N.J. Environmental Infrastructure Fund Loan	3,026,741.00	11/09/06	0.00%	1,541,813.46	-	155,500.24	1,386,313.22
N.J. Environmental Infrastructure Trust Loan	4,425,000.00	11/08/07	4.25 - 5.00%	2,655,000.00	-	195,000.00	2,460,000.00
N.J. Environmental Infrastructure Fund Loan	4,361,085.00	11/08/07	0.00%	2,119,014.35	-	223,870.18	1,895,144.17
N.J. Environmental Infrastructure Trust Loan	2,295,000.00	11/06/08	5.00 - 5.50%	1,885,000.00	-	95,000.00	1,790,000.00
N.J. Environmental Infrastructure Fund Loan	2,263,923.00	11/06/08	0.00%	1,539,818.37	-	116,111.03	1,423,707.34
N.J. Environmental Infrastructure Trust Loan	100,180.18	12/02/09	0.65 - 4.15%	59,201.51	-	4,469.72	54,731.79
N.J. Environmental Infrastructure Fund Loan	288,693.00	12/02/09	0.00%	73,396.58	-	4,893.09	68,503.49
N.J. Environmental Infrastructure Trust Loan	1,405,000.00	03/10/10	3.00 - 5.00%	1,200,000.00	-	60,000.00	1,140,000.00
N.J. Environmental Infrastructure Fund Loan	4,221,645.00	03/10/10	0.00%	3,042,009.68	-	222,191.83	2,819,817.85
				<u>\$ 23,246,258.30</u>	<u>-</u>	<u>\$ 1,994,467.81</u>	<u>\$ 21,251,790.49</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2015**

Ordinance Number	Improvement Description	Original Issue Date	Date of Issue	Maturity Date	Interest Rate	Balance December 31, 2014	Change		Balance December 31, 2015
							Increased	Decreased	
13-06	Emergency Retrofit/Replacement of Grinder Pump Stations	12/12/13	05/19/14	05/18/15	1.000%	\$ 1,135,000.00	\$ -	\$ 1,135,000.00	\$ -
13-06	Emergency Retrofit/Replacement of Grinder Pump Stations	12/12/13	05/15/15	05/13/16	1.500%	-	183,928.00	-	183,928.00
13-14	Various Water/Sewer Improvements	05/19/14	05/19/14	05/18/15	1.000%	518,800.00	-	518,800.00	-
13-14	Various Water/Sewer Improvements	05/19/14	05/15/15	05/13/16	1.500%	-	518,800.00	-	518,800.00
14-04	Various Water/Sewer Improvements/Acquisition of Equipment	05/19/14	05/19/14	05/18/15	1.000%	2,595,400.00	-	2,595,400.00	-
14-04	Various Water/Sewer Improvements/Acquisition of Equipment	05/19/14	05/15/15	05/13/16	1.500%	-	2,425,080.00	-	2,425,080.00
14-12	Improvements to Ocean Acres Water Treatment Plant	05/15/15	05/15/15	05/13/16	1.500%	-	400,000.00	-	400,000.00
15-03	Various Water/Sewer Improvements/Acquisition of Equipment	05/15/15	05/15/15	05/13/16	1.500%	-	2,997,192.00	-	2,997,192.00
						<u>\$ 4,249,200.00</u>	<u>\$ 6,525,000.00</u>	<u>\$ 4,249,200.00</u>	<u>\$ 6,525,000.00</u>
	Cash								
	Raised in Budget					\$ 3,397,471.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
	Non-Cash Rollover					-	971,671.00	971,671.00	971,671.00
						<u>3,127,529.00</u>	<u>3,127,529.00</u>	<u>3,127,529.00</u>	<u>3,127,529.00</u>
						<u>\$ 6,525,000.00</u>	<u>\$ 4,249,200.00</u>	<u>\$ 4,249,200.00</u>	<u>\$ 6,525,000.00</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2015**

Ordinance Number	Improvement Description	Date	Amount	Balance December 31, 2014		Transferred From Contracts/ Encumbrances Payable	2015 Authorizations	Expended	Cancelled	Contracts/ Encumbrances Payable	Balance December 31, 2015		
				Funded	Unfunded						Funded	Unfunded	
06-10	Purchase Equipment for Water and Sewer Department	02/21/06	193,000.00	\$	7,649.64	\$	-	\$	70,000.00	\$	-	-	
06-26	Water/Sewer Line Oversizing	05/02/06	400,000.00	-	70,000.00	-	-	-	-	-	-	-	
10-28/07-84/03-47	Purchase of Water and Sewer Equipment	09/07/10	395,000.00	-	40,211.35	-	-	40,211.35	-	-	-	-	
10-33	Acquisition and Installation of Grinder Pumps	09/07/10	75,000.00	-	8,831.17	-	-	8,831.17	-	-	-	-	
11-22	Various Water Main Improvements	07/12/11	799,100.00	-	109,656.65	-	-	109,656.65	-	-	-	-	
12-08	Various Water/Sewer Improvements	02/21/12	795,000.00	-	140,528.52	-	-	210,331.65	-	-	-	-	
12-09	Purchase of Various Water/Sewer Equipment	02/21/12	455,000.00	-	253,710.74	-	-	253,710.74	-	-	-	-	
12-23/08-61	Beach Haven West Phases 2 - 5 Sewer Rehabilitation	08/14/12	1,000,000.00	-	49,281.54	-	-	49,281.54	-	-	-	-	
13-06	Emergency Retrofit/Replacement of Grinder Pump Stations	04/16/13	1,135,000.00	-	25,000.00	-	-	25,000.00	-	-	-	-	
13-14	Various Water/Sewer Improvements	08/16/13	1,800,000.00	-	193,756.79	-	-	19,309.86	-	-	-	198,002.55	
14-04	Various Water/Sewer Improvements/Acquisition of Equipment	03/18/14	2,595,679.00	-	909,143.31	-	-	108,853.77	-	82,077.45	-	1,263,621.86	
14-12	Improvements to Ocean Acres Water Treatment Plant	08/12/14	400,000.00	-	254,868.14	-	-	98,572.05	-	-	-	161,296.09	
15-03	Various Water/Sewer Improvements/Acquisition of Equipment	03/17/15	2,997,192.00	-	-	-	\$ 2,997,192.00	94,543.53	-	27,508.66	-	2,875,139.81	
				\$	679,869.61	\$	1,382,768.24	\$	635,768.52	\$	109,586.11	\$	4,498,060.31

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF CONTRACTS/ENCUMBRANCES PAYABLE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 635,768.52
Increased By:	
Charges To Improvement Authorizations	<u>109,586.11</u>
	745,354.63
Decreased By:	
Transferred To Improvement Authorizations	<u>635,768.52</u>
Balance, December 31, 2015	<u><u>\$ 109,586.11</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2015**

	<u>Reference</u>	
Balance, December 31, 2015 and 2014	D	<u>\$ 12,625.00</u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014	\$ 152,500.00
Increased By:	
Note Paydown Funded in Budget	<u>170,599.00</u>
	323,099.00
Decreased By:	
Transferred to Reserve for Amortization	<u>62,500.00</u>
Balance, December 31, 2015	<u><u>\$ 260,599.00</u></u>

Analysis:

Ordinance Number:	
13-14	\$ 90,000.00
14-04	<u>170,599.00</u>
	<u><u>\$ 260,599.00</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 1,010,513.44
Increased By:		
Cash Receipts		214,221.25
		1,224,734.69
Decreased By:		
Anticipated as Revenue	\$ 1,010,513.44	
Note Paydown Funded by FEMA Proceeds	150,000.00	
		1,160,513.44
Balance, December 31, 2015		\$ 64,221.25
Reserve to Pay Notes (13-06)		\$ 64,221.25

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$ 88,431,722.83
Increased By:		
Serial Bonds Paid By Operating Budget	\$ 2,195,000.00	
Transferred from Reserve for Deferred Amortization	62,500.00	
Note Paydown Funded in Budget	801,072.00	
Note Paydown Funded by FEMA Proceeds	150,000.00	
Loan Paid By Operating Budget	<u>1,994,467.81</u>	
		<u>5,203,039.81</u>
		93,634,762.64
Decreased By:		
Funded Improvement Authorizations Cancelled		<u>70,000.00</u>
Balance, December 31, 2015		<u><u>\$ 93,564,762.64</u></u>

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2015**

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, 2014	2015 Authorizations	BANS Issued	Balance December 31, 2015
14-04	Various Water/Sewer Improvements/Acquisition of Equipment	\$ 279,00	\$ -	\$ 279,00	\$ -
14-12	Improvements to Ocean Acres Water Treatment Plant	400,000.00	-	400,000.00	-
15-03	Various Water/Sewer Improvements/Acquisition of Equipment	-	2,997,192.00	2,997,192.00	-
		<u>\$ 400,279.00</u>	<u>\$ 2,997,192.00</u>	<u>\$ 3,397,471.00</u>	<u>\$ -</u>

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**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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To the Honorable Mayor and
Members of the Township Committee
Township of Stafford
County of Ocean
Stafford, New Jersey

We have audited the financial statements and transactions of the Township of Stafford in the County of Ocean for the year ended December 31, 2015. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$36,000 for the period of January 1, 2015 to June 30, 2015, and \$40,000 for the period of July 1, 2015 to December 31, 2015, except by contract or agreement.

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

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per *N.J.S.A.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.

The compliance review of expenditures did not reveal any individual payments of 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 and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$5,400 (\$6,000) thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes

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

The governing body on January 6, 2015 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“NOW, THEREFORE BE IT RESOLVED by the Mayor and Township Council of the Township of Stafford, County of Ocean, State of New Jersey, as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of any amount of taxes, assessments or other municipal liens or charges becoming delinquent after due date and 18% per annum on any amount of taxes, assessments or other municipal liens or charges in excess of \$1,500.00 becoming delinquent after due date, subject to any abatement or discount for the late payment of taxes, assessments or other municipal liens or charges provided by law; and, if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st of the tax year, an additional penalty of 6% shall be charged against the delinquency.
2. Effective January 1, 2015 there will be a ten-day grace period for payment of quarterly taxes, assessments or other municipal liens or charges.
3. Any payments not made in accordance with paragraph one two of this resolution shall be charged interest from the due date, as set forth in paragraph one of this resolution.”

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2015 included 2015, 2014 and 2013 real estate taxes.

The last tax sale was held on February 19, 2015 and was complete except for those properties in bankruptcy.

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

YEAR	NUMBER OF LIENS
2015	78
2014	73
2013	58

Deductions From Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

Payroll Fund

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of Township employees.

Follow-up of Prior Year Findings

There were no prior year findings.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2015:

NAME	TITLE	AMOUNT OF BOND
John Spodafora	Mayor	
Robert Kuznikow	Council President	
Stephen Fessler	Councilman	
Paul Krier	Councilman	
Henry Mancini	Councilman	
Sharon McKenna	Councilwoman	
Lori Wyrsh	Councilwoman	
Jim Moran	Business Administrator	
Bernadette Park	Clerk	
Douglas R. Gannon	Chief Financial Officer	1,000,000*
Ruth E. Hendricks	Assistant CFO	1,000,000*
Margaret Favorito	Collector	1,000,000*
Nichole Erdin	Deputy Tax Collector	1,000,000*
Damian Murray	Municipal Court Judge	1,000,000*
Christopher J. Connors	Municipal Attorney	

* All employees are covered by a Blanket Bond of \$1,000,000 of which \$950,000 is provided as part of the Ocean County Joint Insurance Fund and \$50,000 through the Municipal Excess Liability Joint Insurance Fund.

All of the bonds were examined and were properly executed.

Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

There were no problems and weaknesses noted in our review that would affect our ability to express an opinion on the financial statements taken as a whole.

Should you have any questions concerning our comments or recommendations, please call me.

Respectfully submitted,

HOLMAN FRENIA ALLISON, PC

Rodney R. Haines
Certified Public Accountant
Registered Municipal Accountant
RMA #498

June 1, 2016
Toms River, New Jersey