

TOWNSHIP OF LITTLE EGG HARBOR

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2014**

TOWNSHIP OF LITTLE EGG HARBOR

COUNTY OF OCEAN

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**TOWNSHIP OF LITTLE EGG HARBOR
COUNTY OF OCEAN**

PART I

**INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of Little Egg Harbor
County of Ocean
Little Egg Harbor, New Jersey 08087

Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Little Egg Harbor, County of Ocean, State of New Jersey as of December 31, 2014 and 2013, and the related comparative statement of operations and changes in fund balance--regulatory basis for the years then ended, the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2014.

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township Little Egg Harbor, County of Ocean, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Little Egg Harbor, County of Ocean, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance --regulatory basis the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to financial statements, for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also 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 May 27, 2015, on our consideration of the Township of Little Egg Harbor'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 the Township of Little Egg Harbor's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR 435

May 27, 2015
Medford, New Jersey

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BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

ASSETS	REFERENCE	2014	2013
Operating Fund:			
Cash:			
Treasurer	A-4	\$ 7,265,900	\$ 5,481,935
Change Fund	A	<u>1,325</u>	<u>1,325</u>
Total Cash		<u>7,267,225</u>	<u>5,483,260</u>
Other Receivables:			
Due From/(To) State of New Jersey	A	<u>150,355</u>	<u>125,638</u>
Total Other Receivables		<u>150,355</u>	<u>125,638</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	27,002	36,322
Tax Title Liens Receivable	A-6	458,308	523,085
Property Acquired/Assessed Valuation	A-7	5,757,700	5,757,700
Revenue Accounts Receivable	A-8	12,474	12,585
Due from Trust Other	B	2,702	77,525
Due from Payroll	D	22,889	-
Due from Trust Assessment	B	<u>-</u>	<u>634</u>
Total Receivables		<u>6,281,075</u>	<u>6,407,851</u>
Special Emergency Appropriations:			
Superstorm Sandy	A-15	2,983,500	3,978,000
Reassessment	A	600,000	-
Community Disaster Loan	A	<u>3,270,539</u>	<u>1,755,805</u>
Total Deferred Charges		<u>6,854,039</u>	<u>5,733,805</u>
Total Operating Fund Assets		<u>20,552,694</u>	<u>17,750,554</u>
Federal & State Grant Fund:			
Cash - Treasurer	A-4	368,435	616,385
Grants Receivable	A-9	490,701	406,481
Due from Trust Other	B	-	4,675
Due from Current	A	<u>-</u>	<u>30,000</u>
Total Federal & State Grant Fund Assets		<u>859,136</u>	<u>1,057,541</u>
Total Assets		<u>\$ 21,411,830</u>	<u>\$ 18,808,095</u>

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2014	2013
Operating Fund:			
Appropriation Reserve:			
Encumbered	A-3/A-11	\$ 80,730	\$ 105,726
Unencumbered	A-3	1,965,247	1,451,552
Prepaid Taxes	A-4	209,552	102,953
Tax Overpayments	A	159,649	153,847
Due County for Added & Omitted Taxes	A	59,025	50,429
Due Municipal Open Space Tax Fund	B	69,189	358
Local School Taxes Payable	A-13	432,241	327,401
Regional School Taxes Payable	A-14	219,298	92,448
Special District Taxes Payable	A	10,470	5,235
Due Bass River - UCC Fees	A	902	1,686
Reserve for Tax Appeals	A-17	215,112	215,112
Due to State - DCA Training Fees	A	34,733	20,311
Due General Capital Fund	C	-	47,600
Due to Payroll	D	-	17,452
Reserve for Debt Service - Special Emergency Note Premium	A	6,800	12,212
Due Federal & State Grant Fund	A	-	30,000
Reserve for Hurricane Sandy Emergency	A-17	1,294,176	-
Reserve for Sandy Insurance Proceeds	A-17	431,630	-
Reserve for Reassessment	A-17	236,220	-
CDL - Loan Payable	A	3,250,000	1,750,000
CDL - Interest Payable	A	20,539	5,805
Special Emergency Notes Payable	A-16	<u>1,670,000</u>	<u>3,978,000</u>
Total Operating Liabilities		<u>10,365,513</u>	<u>8,368,127</u>
Reserve for Receivables	A	6,281,075	6,407,851
Fund Balance	A-1	<u>3,906,106</u>	<u>2,974,576</u>
Total Operating Fund		<u>20,552,694</u>	<u>17,750,554</u>
Federal & State Grant Fund:			
Reserve for State Grants:			
Appropriated Reserves	A-11	819,407	1,056,268
Unappropriated Reserves	A-12	33,650	-
Encumbrances Payable	A-11	<u>6,079</u>	<u>1,273</u>
Total Federal & State Grant Fund		<u>859,136</u>	<u>1,057,541</u>
Total Liabilities Reserve & Fund Balance		<u>\$ 21,411,830</u>	<u>\$ 18,808,095</u>

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

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	2014	2013
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 1,423,476	\$ -
Miscellaneous Revenues Anticipated	6,908,377	8,002,927
Receipts From Delinquent Taxes	189,783	313,986
Receipts From Current Taxes	51,587,977	50,799,566
Nonbudget Revenues	198,669	156,568
Other Credits to Income:		
Tax Overpayment Adjustment	69,737	-
Unexpended Balance of Appropriation Reserves	1,042,797	1,227,052
	<u>61,420,816</u>	<u>60,500,099</u>
Total Revenue & Other Income		
Expenditures:		
Budget & Emergency Appropriations:		
Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	8,545,400	8,139,900
Other Expenses	7,563,400	7,085,165
Deferred Charges & Statutory Expenditures	1,939,408	1,967,302
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	435,000	460,000
Other Expenses	800,973	487,725
Capital Improvement Fund	100,000	-
Municipal Debt Service	1,342,863	1,325,103
Deferred Charges	1,594,500	1,954,173
County Taxes	9,410,070	9,377,948
Local District School Tax	12,234,233	11,772,562
Regional High School Tax	14,194,726	14,007,980
Special District Taxes	1,434,447	1,332,318
Municipal Open Space	69,189	70,336
Prior Year Refunds	1,601	-
Interfunds Created	-	160,372
	<u>59,665,810</u>	<u>58,140,884</u>
Total Expenditures		
Excess/(Deficit) in Revenue	1,755,006	2,359,215
Adjustments to Income before Fund Balance		
Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Years	600,000	-
	<u>2,355,006</u>	<u>2,359,215</u>
Statutory Excess to Fund Balance		
Fund Balance January 1,	2,974,576	615,361
	<u>2,974,576</u>	<u>615,361</u>
Total	5,329,582	2,974,576
Decreased by: Utilized as Anticipated Revenue	1,423,476	-
	<u>1,423,476</u>	<u>-</u>
Fund Balance December 31, 2014	<u>\$ 3,906,106</u>	<u>\$ 2,974,576</u>

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	ANTICIPATED BUDGET	ADDED BY N.J.S.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 1,423,476	\$ -	\$ 1,423,476	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,564	-	10,564	-
Other	65,000	-	106,201	41,201
Municipal Court	200,000	-	196,439	(3,561)
Interest & Cost on Taxes	90,000	-	110,635	20,635
Interest on Investments & Deposits	2,000	-	-	(2,000)
Payments in Lieu of Taxes	74,000	-	63,005	(10,995)
Energy Receipts Tax	1,299,939	-	1,299,939	-
Consolidated Municipal Property Tax Relief	-	-	-	-
Uniform Construction Code Fees	600,000	-	1,447,011	847,011
Garden State Trust	149,117	-	149,117	-
Tower Rental	120,000	-	23,971	(96,029)
SRO Reimbursement	198,821	-	224,579	25,758
CATV Franchise Fees	72,814	-	72,814	-
Reserve for Debt Service - General Capital Fund	17,783	-	17,783	-
Community Disaster Loan Proceeds	1,500,000	-	1,500,000	-
FEMA Aid Received - Hurricane Sandy	994,500	-	994,500	-
Additional Revenues Offset With Appropriations:				
Clean Communities Program	-	45,255	45,255	-
Ocean County Recycling Revenue Share	-	18,600	18,600	-
Body Armor Replacement	-	3,874	3,874	-
Recycling Tonnage Grant	-	15,875	15,875	-
Safe and Secure Communities	-	60,000	60,000	-
Post Sandy Planning Assist	-	267,000	267,000	-
Coastal Zone Management	-	15,000	15,000	-
NJDOT Grant	-	190,000	190,000	-
Ocean County Recycling Share	-	16,216	16,216	-
CDBG	-	60,000	60,000	-
Total Miscellaneous	5,394,538	691,820	6,908,377	822,019
Receipts from Delinquent Taxes	268,251	-	189,783	(78,468)
Subtotal General Revenues	7,086,265	691,820	8,521,636	743,551
Amount to be Raised by Taxes for Support to Municipal Budget - Local Tax for Municipal Purposes	15,294,083	-	15,595,274	301,191
Budget Totals	22,380,348	691,820	24,116,910	1,044,742
Nonbudget Revenues	-	-	198,669	198,669
Total	\$ 22,380,348	\$ 691,820	\$ 24,315,579	\$ 1,243,411

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:

Revenue From Collections	\$ 51,587,977
Allocated to - School, County & Special District Taxes	<u>37,342,665</u>
Balance for Support of Municipal Budget Revenues	14,245,312
Add: Appropriation - "Reserve for Uncollected Taxes"	<u>1,349,962</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 15,595,274</u></u>

Receipts From Delinquent Taxes:

Delinquent Tax Collections	\$ 12,408
Tax Title Lien Collections	<u>177,375</u>

Total Receipts From Delinquent Taxes \$ 189,783

Analysis of Nonbudget Revenue:

Treasurer:	
Insurance Reimbursements	\$ 57,910
Trash Cans	11,730
Restitution	2,393
Miscellaneous	67,246
Proceeds from BAN Sale	20
Government Deals	5,035
Police Reimbursements	20,934
Recycling Receipts	18,726
Other	<u>14,675</u>

Total Analysis of Nonbudget Revenue \$ 198,669

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

OPERATIONS	APPROPRIATIONS		EXPENDED			CANCEL
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	
General Government:						
General Administration:						
Salaries and Wages	\$ 107,000	\$ 107,000	\$ 99,191	\$ -	\$ 7,809	\$ -
Other Expenses	25,000	25,000	2,545	-	22,455	-
Mayor and Committee:						
Salaries and Wages	83,000	83,000	82,407	-	593	-
Other Expenses	4,000	4,000	2,182	683	1,135	-
Municipal Clerk:						
Salaries and Wages	215,000	215,000	214,134	-	866	-
Other Expenses	63,000	63,000	57,404	2,032	3,564	-
Financial Administration (Treasury):						
Salaries and Wages	240,000	240,000	229,837	-	10,163	-
Other Expenses	85,000	85,000	66,513	1,439	17,048	-
Audit Services:						
Other Expenses	67,500	67,500	56,500	-	11,000	-
Revenue Administration (Tax Collection):						
Salaries and Wages	175,000	175,000	161,771	-	13,229	-
Other Expenses:						
Tax Sale Costs	20,000	20,000	7,400	397	12,203	-
Miscellaneous Other Expenses	25,000	25,000	18,834	1,228	4,938	-
Tax Assessment Administration:						
Salaries and Wages	228,000	228,000	226,333	-	1,667	-
Other Expenses	7,500	7,500	1,678	260	5,562	-
Liquidation of Tax Title Liens & Foreclosed Property - Other Expenses						
	10,000	10,000	2,092	-	7,908	-
Legal Services (Legal Department):						
Other Expenses	285,000	285,000	220,061	-	64,939	-
Engineering Services:						
Other Expenses	170,000	170,000	144,917	-	25,083	-
Economic Development Agencies:						
Salaries and Wages	1,200	1,200	300	-	900	-
Other Expenses	3,500	3,500	1,693	-	1,807	-
Land Use Administration:						
Planning Board:						
Salaries and Wages	26,000	26,000	25,000	-	1,000	-
Other Expenses	15,000	15,000	734	-	14,266	-
Zoning Board of Adjustment:						
Salaries and Wages	13,000	13,000	10,000	-	3,000	-
Other Expenses	15,000	15,000	6,302	-	8,698	-
Zoning Officer:						
Salaries and Wages	55,000	55,000	54,902	-	98	-
Other Expenses	5,000	5,000	1,833	1,071	2,096	-
Insurance:						
Liability Insurance	490,000	490,000	472,775	-	17,225	-
Unemployment Insurance	35,000	35,000	34,039	-	961	-
Group Insurance for Employees	2,350,000	2,350,000	1,945,946	-	404,054	-
Health Benefit Waiver	160,000	160,000	156,959	-	3,041	-

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

OPERATIONS	APPROPRIATIONS		EXPENDED			CANCEL
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	
Public Safety Functions:						
Police Department:						
Salaries and Wages	4,916,000	4,916,000	4,622,847	-	293,153	-
Other Expenses	145,000	145,000	124,675	19,066	1,259	-
Office of Emergency Management:						
Salaries and Wages	37,500	37,500	30,000	-	7,500	-
Other Expenses	10,000	10,000	7,246	-	2,754	-
Aid to Volunteer Fire Company in						
Adjoining Municipality	2,400	2,400	2,400	-	-	-
First Aid Squad Contribution	70,000	70,000	70,000	-	-	-
Municipal Prosecutor:						
Other Expenses	50,000	50,000	32,500	-	17,500	-
Supplemental Safe Neighborhood:						
State Share	16,000	16,000	-	-	16,000	-
Local Share	46,000	46,000	-	-	46,000	-
Public Works Functions:						
Streets & Roads Maintenance:						
Salaries and Wages	240,000	240,000	232,480	-	7,520	-
Other Expenses	168,000	168,000	93,913	5,616	68,471	-
Solid Waste Sanitation:						
Salaries and Wages	190,000	190,000	173,135	-	16,865	-
Other Expenses	173,500	173,500	152,410	6,275	14,815	-
Solid Waste Recycling:						
Salaries and Wages	390,000	390,000	386,353	-	3,647	-
Other Expenses	36,000	36,000	25,227	5,999	4,774	-
Buildings & Grounds:						
Salaries and Wages	300,000	300,000	299,372	-	628	-
Other Expenses	89,500	89,500	76,377	12,475	648	-
Vehicle Maintenance:						
Salaries and Wages	192,000	192,000	191,412	-	588	-
Other Expenses	108,500	108,500	94,524	7,430	6,546	-
Condo Services Act:						
Other Expenses	40,000	40,000	39,455	-	545	-
County Mosquito Control Agency:						
Salaries and Wages	12,000	12,000	12,000	-	-	-
Other Expenses	60,000	60,000	15,023	2,475	42,502	-
Health & Human Services:						
Public Health Services (Board of Health):						
Salaries and Wages	35,000	35,000	2,700	-	32,300	-
Other Expenses	10,000	10,000	2,540	-	7,460	-
Environmental Health Services:						
Salaries and Wages	1,200	1,200	900	-	300	-
Other Expenses	2,000	2,000	-	290	1,710	-
Animal Control Services:						
Other Expenses	60,000	60,000	48,382	-	11,618	-
Contributions to Social Service Agencies - Statutory:						
Long Beach Island Community Center	1,500	1,500	-	-	1,500	-
Providence House	5,000	5,000	1,330	-	3,670	-

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

OPERATIONS	APPROPRIATIONS		EXPENDED			CANCEL
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	
Park & Recreation Functions:						
Recreation Services & Programs:						
Salaries and Wages	176,000	176,000	146,737	-	29,263	-
Other Expenses	41,000	41,000	37,689	2,523	788	-
Senior Center/Community Activities:						
Salaries and Wages	2,500	2,500	-	-	2,500	-
Other Expenses	7,500	7,500	1,263	306	5,931	-
Utility Expenses & Bulk Purchases:						
Electricity	175,000	175,000	149,154	-	25,846	-
Street Lighting	355,000	355,000	323,467	-	31,533	-
Telephone	185,000	185,000	120,532	7,047	57,421	-
Fuel Oil/Natural Gas	35,000	35,000	19,338	-	15,662	-
Gasoline	425,000	425,000	320,765	1,552	102,683	-
Landfill/Solid Waste Disposal Costs:						
Sanitary Landfill	850,000	850,000	733,181	-	116,819	-
Uniform Construction Code Enforcement Functions:						
Construction Code Official:						
Salaries and Wages	600,000	600,000	494,033	-	105,967	-
Other Expenses	15,000	15,000	10,761	521	3,718	-
Municipal Court:						
Salaries and Wages	310,000	310,000	299,144	-	10,856	-
Other Expenses	17,500	17,500	12,921	2,045	2,534	-
Public Defender:						
Other Expenses	40,000	40,000	37,150	-	2,850	-
Other Common Operating Functions (Unclassified):						
Purchase of Fleet Vehicles	150,000	150,000	150,015	-	(15)	-
Municipal Alliance Council	30,000	30,000	16,724	-	13,276	-
Celebration of Public Events:						
Other Expenses	8,000	8,000	6,000	-	2,000	-
Relocation Assistance:						
Other Expenses	500	500	-	-	500	-
Schedule "C":						
Other Expenses	200,000	200,000	168,900	-	31,100	-
Accumulated Sick & Vacation Fund	100,000	100,000	100,000	-	-	-
Total Operations Within "CAPS"	16,108,800	16,108,800	14,189,257	80,730	1,838,813	-
Detail:						
Salaries and Wages	8,607,400	8,545,400	8,151,947	-	550,412	-
Other Expenses	7,501,400	7,563,400	6,037,310	80,730	1,288,401	-
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	655,000	655,000	655,000	-	-	-
Defined Contribution Retirement Program	3,000	3,000	1,773	-	1,227	-
Consolidated Police & Firemen's Pension	896,785	896,785	858,253	-	38,532	-
Public Employees Retirement System	384,623	384,623	345,843	-	38,780	-
Total Deferred Charges & Statutory Expenditures Within "CAPS"	1,939,408	1,939,408	1,860,869	-	78,539	-
Total General Appropriations for Municipal Purposes Within "CAPS"	18,048,208	18,048,208	16,050,126	80,730	1,917,352	-

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

OPERATIONS	APPROPRIATIONS		PAID	EXPENDED		CANCEL
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
Operations Excluded From "CAPS":						
Public & Private Programs Offset by Revenues:						
Clean Communities Program Grant	-	45,255	45,255	-	-	-
Ocean County Recycling Revenue Share	-	18,600	18,600	-	-	-
Body Armor Replacement	-	3,874	3,874	-	-	-
Recycling Tonnage Grant	-	15,875	15,875	-	-	-
Safe & Secure Communities	-	60,000	60,000	-	-	-
Post Sandy Planning Assist	-	267,000	267,000	-	-	-
Coastal Zone Management	-	15,000	15,000	-	-	-
NJDOT Grant	-	190,000	190,000	-	-	-
Ocean County Recycling Share	-	16,216	16,216	-	-	-
CDBG	-	60,000	60,000	-	-	-
Snow Emergencies Costs for Declared Events	99,418	99,418	99,418	-	-	-
Police Dispatch/911:						
Salaries and Wages	435,000	435,000	390,105	-	44,895	-
Other Expenses	4,500	4,500	1,500	-	3,000	-
Supplemental Aid to Fire Districts	5,235	5,235	5,235	-	-	-
Total Operations Excluded from "CAPS"	544,153	1,235,973	1,188,078	-	47,895	-
Detail:						
Salaries and Wages	435,000	435,000	390,105	-	44,895	-
Other Expenses	109,153	800,973	797,973	-	3,000	-
Capital Improvements - Excluded from "CAPS":						
Capital Improvement Fund	100,000	100,000	100,000	-	-	-
Total Capital Improvements - Excluded from CAPS	100,000	100,000	100,000	-	-	-
Municipal Debt Service - Excluded From "CAPS":						
Payment of Bond Principal	775,000	775,000	775,000	-	-	-
Payment of Bond Anticipation Notes & Capital Notes	144,000	144,000	143,370	-	-	630
Interest on Bonds	230,575	230,575	230,575	-	-	-
Interest on Notes	82,404	82,404	82,404	-	-	-
Interest on Special Emergency Notes	27,600	27,600	27,568	-	-	32
Green Acres Trust Loan Program: Principal & Interest	83,946	83,946	83,946	-	-	-
Total Municipal Debt Service Excluded From "CAPS"	1,343,525	1,343,525	1,342,863	-	-	662
Deferred Charges - Excluded from "CAPS":						
Reassessment Special Emergency - Appropriations - 5 Years	-	600,000	600,000	-	-	-
Special Emergency Authorizations - 5 Years	994,500	994,500	994,500	-	-	-
Total Deferred Charges - Municipal - Excluded from CAPS:	994,500	1,594,500	1,594,500	-	-	-
Total General Appropriations Excluded From "CAPS"	2,982,178	4,273,998	4,225,441	-	47,895	662
Subtotal General Appropriations	21,030,386	22,322,206	20,275,567	80,730	1,965,247	662
Reserve For Uncollected Taxes	1,349,962	1,349,962	1,349,962	-	-	-
Total General Appropriations	\$ 22,380,348	\$ 23,672,168	\$ 21,625,529	\$ 80,730	\$ 1,965,247	\$ 662

Adopted Budget	\$ 22,380,348
Reassessment - Emergency Appropriations	600,000
Added by N.J.S.40A:4-87	691,820
Total	\$ 23,672,168
Federal & State Grants	\$ 691,820
Reserve for Uncollected Taxes	1,349,962
Refunds	(307,258)
Deferred Charges	1,594,500
Disbursed	18,296,505
Total	\$ 21,625,529

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

**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

ASSETS	REFERENCE	2014	2013
Assessment Fund:			
Cash	B-1	<u>\$ 54,087</u>	<u>\$ 54,721</u>
Total Assessment Fund		<u>54,087</u>	<u>54,721</u>
Other Funds:			
Cash - Treasurer	B-1	4,174,135	3,156,581
Cash - Collector	B-2	2,233,771	1,635,685
CDBG Receivable	B	3,600	3,600
Due from Current Fund	A	69,189	-
Due from General Capital Fund	C	-	817,500
Due from Grant Fund	A	<u>-</u>	<u>-</u>
Total Other Funds		<u>6,480,695</u>	<u>5,613,366</u>
Total Assets		<u><u>\$ 6,534,782</u></u>	<u><u>\$ 5,668,087</u></u>
LIABILITIES, RESERVES & FUND BALANCE			
Assessment Fund:			
Due Current Fund	A	\$ -	\$ 634
Fund Balance	B	<u>54,087</u>	<u>54,087</u>
Total Assessment Fund		<u>54,087</u>	<u>54,721</u>
Other Funds:			
Reserves for:			
Deposits for Tax Title Redemptions	B-5	2,233,771	1,638,964
Escrow Deposits	B-6	1,739,309	1,629,456
Forfeited Property	B-7	14,246	11,712
Planning Board	B-8	28,821	37,813
Recreation Trust	B-9	1,954	1,954
COAH Funds	B-16	245,833	209,605
Open Space	B-10	2,099,897	1,731,708
Community Center	B-11	3,580	3,525
Federal Forfeiture Law Enforcement Funds	B-12	20,720	9,211
Sick/Vacation Funds	B-13	89,276	250,277
POAA Funds	B	586	586
Storm Relief	B-14	-	5,355
Police Equipment	B-15	-	1,000
Due to Current Fund	A	2,702	77,525
Due to Grant Fund	A	<u>-</u>	<u>4,675</u>
Total Other Funds		<u>6,480,695</u>	<u>5,613,366</u>
Total Liabilities, Reserves & Fund Balance		<u><u>\$ 6,534,782</u></u>	<u><u>\$ 5,668,087</u></u>

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

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

ASSETS	REFERENCE	2014	2013
Cash & Cash Equivalents	C-2	\$ 3,092,385	\$ 1,624,247
State Road Aid Allotments Receivable	C-12	170,498	195,868
Interfund Receivable - Current	A	-	47,600
Deferred Charges to Future Taxation:			
Funded	C-4	7,489,832	8,334,731
Unfunded	C-5	13,251,550	11,548,790
		<u> </u>	<u> </u>
Total Assets		<u>\$ 24,004,265</u>	<u>\$ 21,751,236</u>
LIABILITIES, RESERVES & FUND BALANCE			
Bond Anticipation Notes Payable	C-8	\$ 9,919,921	6,610,700
General Serial Bond	C-9	6,840,000	7,615,000
Green Trust Loan Payable	C-10	649,832	719,731
Capital Improvement Fund	C-6	92,394	90,894
Encumbrances Payable	C-7	200,502	175,956
Due To Ocean County - CDBG	C	3,722	3,722
Improvement Authorizations:			
Funded	C-7	254,615	198,139
Unfunded	C-7	5,394,233	5,305,414
Reserve for Receivable-State Road Aid Receivable	C	170,498	195,868
Interfund Payable - Open Space Trust Fund	B	-	750,000
Due To Affordable Housing Trust	B	-	67,500
Reserve for Debt Service	C	478,020	17,784
Fund Balance	C-1	528	528
		<u> </u>	<u> </u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 24,004,265</u>	<u>\$ 21,751,236</u>

There were bonds and notes authorized but not issued on December 31, 2014 of \$3,161,131 and on December 31, 2013 of \$4,742,222.

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

**TOWNSHIP OF LITTLE EGG HARBOR
PAYROLL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

ASSETS	2014	2013
Cash - Treasurer	\$ 129,443	\$ 263,287
Due from Current Fund	<u>-</u>	<u>17,452</u>
Total	<u><u>\$ 129,443</u></u>	<u><u>\$ 280,739</u></u>
 LIABILITIES		
Payroll Taxes Payable	\$ 106,554	\$ 280,739
Due to Current Fund	<u>22,889</u>	<u>-</u>
Total	<u><u>\$ 129,443</u></u>	<u><u>\$ 280,739</u></u>

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

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF FIXED ASSETS AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

ASSETS	2014	2013
Land and Improvements	\$ 7,789,600	\$ 7,789,600
Building	10,443,257	10,425,808
Equipment	<u>10,609,775</u>	<u>9,649,489</u>
Total	<u>\$ 28,842,632</u>	<u>\$ 27,864,897</u>
FUND BALANCE		
Investment in Fixed Assets	<u>\$ 28,842,632</u>	<u>\$ 27,864,897</u>

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

**TOWNSHIP OF LITTLE EGG HARBOR
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Township of Little Egg Harbor was incorporated in 1798 and is located in the Ocean County, New Jersey. The population according to the 2010 census was 20,065.

The form of Government is known as a Township pursuant to N.J.S.A.40A:63-1 et seq. The government consists of five (5) Committee Members who are elected at large to three (3) year staggered terms. The Mayor is elected from and by the Members of the Committee and serves a one (1) year term. Under the statutes the Mayor is the head of the government and acts as the executive branch. The Committee acts as the legislative branch of government and has executive powers not assigned to the Mayor.

Component Units

The Township of Little Egg Harbor has one component unit as defined by Governmental Accounting Standards Board Statement No. 14 (The Municipal Utility Authority). The Township MUA has not been presented discretely in the Township's financial statements.

The financial statements of the Township of Little Egg Harbor include every board, body, officer or commission supported and maintained wholly or in part of funds appropriated by the Township of Little Egg Harbor, as required by *N.J.S.40A:5-5*.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township of Little Egg Harbor contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United State of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Township of Little Egg Harbor accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Fund – The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

TOWNSHIP OF LITTLE EGG HARBOR

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies (continued):

General Capital Fund – the General Capital Fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Payroll Fund – is used for the receipt and disbursements of funds used to meet obligations to employees and payroll tax liability.

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

Budgets and Budgetary Accounting - The Township of Little Egg Harbor must adopt an annual budget for its Current Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories and Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets of assets, liabilities, reserves and fund balance.

General Fixed Assets – Property and equipment purchased by the Current and General Capital Fund are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 85-2 as issued by the Division of Local Government Services, differs in certain respects from accounting principles generally accepted in the United States of America. The following is a brief description of the provisions of the Directive:

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 1. Summary of Significant Accounting Policies (continued):

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for land, which is valued at estimated market value. No depreciation has been provided for in the financial statements. Donated general fixed assets are valued at their estimated fair market value on the date received.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital has not been accounted for separately.

	Balance December 31, <u>2013</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
General Fixed Assets				
Land & Improvements	\$ 7,789,600	\$ -	\$ -	\$ 7,789,600
Buildings	10,425,808	17,449	-	10,443,257
Vehicles & Equipment	9,649,489	1,370,635	(410,349)	10,609,775
	<u>\$ 27,864,897</u>	<u>\$ 1,388,084</u>	<u>\$ (410,349)</u>	<u>\$ 28,842,632</u>
Total General Fixed Assets	<u>\$ 27,864,897</u>	<u>\$ 1,388,084</u>	<u>\$ (410,349)</u>	<u>\$ 28,842,632</u>

Foreclosed property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

Deferred Charges – The recognition of certain expenditures is deferred to future periods. These expenditures or deferred charges are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with *N.J.S.A.40A:4-46* et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Fund Balance – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future year’s budgets, with certain restrictions.

Revenues – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the

TOWNSHIP OF LITTLE EGG HARBOR

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies (continued):

Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Ocean, Township of Little Egg Harbor School District and the Pineland's Regional School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Township of Little Egg Harbor School District and its share of the Pinelands Regional School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district and the Township's share of the Regional High School District for the period from July 1 to June 30, increased by the amount deferred at December 31, 2013 and decreased by the amount deferred at December 31, 2014.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Ocean. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

Reserve for Uncollected Taxes – The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures – are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 1. Summary of Significant Accounting Policies (continued):

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Long-Term Debt - Long-Term Debt relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund. Where an improvement is a “local improvement”, i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Compensated Absences and Post-Employment Benefits – Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for post-employment benefits, if any, which are also funded on a pay-as-you-go basis.

Subsequent Events – The Township has evaluated subsequent events occurring after December 31, 2014 through the date of May 27, 2015, which is the date the financial statements were available to be issued.

Note 2. Cash

The Township is governed by the deposit limitations of New Jersey state law. The Deposits held at December 31, 2014, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$17,318,156</u>
Total Deposits	<u>\$17,318,156</u>

Reconciliation of Statement of Comparative Assets, Liabilities, Reserves and Fund Balance:

Current:	
Treasurer	\$ 7,265,900
Payroll	129,443
Other Trust	6,407,906
General Capital	3,092,385
State & Federal Grants	368,435
Trust Assessment	<u>54,087</u>
Total	<u>\$17,318,156</u>

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 2. Cash (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 recovered. 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 funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA.

However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of December 31, 2014, the Township’s bank balance of \$17,814,785 was exposed to custodial credit risk as follows:

Insured	\$ 250,000
Uninsured and uncollateralized	6,393,147
Collateralized in the District’s Name Under GUDPA	<u>11,171,638</u>
Total	<u>\$17,814,785</u>

Note: 3: Property Taxes

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.

Comparison of Tax Rate Information

	2014	2013	2012
Total Tax Rate	<u>\$1.862</u>	<u>\$1.804</u>	<u>\$1.738</u>
Apportionment of Tax Rate:			
Municipal	0.560	0.548	0.532
County	0.340	0.336	0.327
Local School	0.446	0.420	0.406
Regional School	0.516	0.500	0.473

Net Valuation Taxable:

2014	<u>\$ 2,746,713,463</u>
2013	<u>\$ 2,799,195,510</u>
2012	<u>\$ 2,914,852,816</u>

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 3: Property Taxes (continued):

Comparison of Tax Levies and Collection Currently

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2014	\$ 52,918,979	\$ 51,587,978	97.48%
2013	52,130,022	50,799,566	97.45%
2012	52,166,609	50,574,473	96.95%

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
2014	\$ 458,308	\$ 27,002	\$ 485,310	0.92%
2013	523,085	36,322	559,407	1.07%
2012	567,052	18,512	585,564	1.12%

Note 4. District School Taxes

Regulations provided for the 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:

	BALANCE DECEMBER	
	<u>2014</u>	<u>2013</u>
Local School Taxes:		
Balance of Tax	\$5,668,538	\$5,563,698
Deferred	<u>5,236,297</u>	<u>5,236,297</u>
Tax Payable	<u>\$ 432,241</u>	<u>\$ 327,401</u>
Regional School Taxes:		
Balance of Tax	\$ 219,298	\$ 92,448
Deferred	<u>-0-</u>	<u>-0-</u>
Tax Payable	<u>\$ 219,298</u>	<u>\$ 92,448</u>

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 5. Property Acquired By Tax Title Lien Liquidation

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous two years was as follows:

YEAR	AMOUNT
2014	\$ 5,757,700
2013	5,757,700
2012	5,757,700

Note 6. Pension

A. Plan Description

The Township of Little Egg Harbor contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. The Public Employees' Retirement System (P.E.R.S.) was established in January 1955 under the provisions of *N.J.S.A.43:15A* and the Public Fireman's Retirement System (P.F.R.S.) was established as of July 1, 1944 under the provisions of *N.J.S.A.43:16A*. Both plans were set up to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

The State of New Jersey P.F.R.S. program as established as of July 1, 1944. The program was established under the provisions of *N.J.S.A.43:16A*, which assigns authority to establish and amend, benefit provisions to the plans' board of trustees. P.F.R.S. issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625, or calling (609) 984-1684.

B. Vesting and Benefit Provisions

The vesting and benefit provisions of P.E.R.S. are set by *N.J.S.A.43:15A* and *43.3B*. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The P.E.R.S. provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

TOWNSHIP OF LITTLE EGG HARBOR

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2014

Note 6. Pension (continued):

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Note 5C below.

C. Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for P.E.R.S. were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the P.F.R.S. and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in P.E.R.S. will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 P.E.R.S. members will be age 65 and 30 years of service. Tier 3 was added to P.F.R.S. for enrollees after June 28, 2011. Tier 3 retirees will have a maximum retirement benefit of 65% of final compensation after 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

D. Contribution Requirements

The contribution policy is set by N.J.S.A.43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A.18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provide for employee contributions of 6.5%, effective October 1, 2011, of employees' annual compensation as defined. The rate will increase over the next seven years to 7.5%. Employers are required to contribute at an actuarially determined rate in both PFRS and PERS. The actuarially determined contribution includes

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 6. Pension (continued):

funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums.

Plan members are required to contribute 10%, effective October 1, 2011, of their annual covered salary for P.F.R.S. and Little Egg Harbor Township is required to contribute at an actuarially determined rate. The contribution requirements of plan members and are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2014, 2013 and 2012 were \$384,623, \$362,918, and \$405,753, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2014, 2013 and 2012 were \$896,785, \$749,904 and \$911,598, respectively, equal to the required contributions for each year.

Note 7: Fund Balance Appropriated

The following schedule details the amount of fund balance available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

YEAR	BALANCE DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR	PERCENTAGE OF FUND BALANCE USED
CURRENT FUND:			
2014	\$ 3,906,106	\$ 1,719,000	44.01%
2013	2,974,576	1,423,476	47.85%
2012	615,361	-	0.00%
2011	819,361	204,000	24.90%
2010	1,015,493	920,000	90.60%

Note 8. Accrued Sick and Vacation Benefits

The Township has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The monetary value of these earned and unused employee benefits has not been accrued by either charges to operations or to budgets of prior years, although in some cases they might be material. At December 31, 2014, the Township has estimated this liability to be approximately \$1,852,913. The realization of this liability may be affected by conditions, which could preclude an employee from receiving full payment of the accrual.

Note 9. Deferred Compensation

The Township has contracted with Valic Annuity Life Insurance Company for a deferred compensation program. The Division of Local Government Services has approved the plan and contract. The investment fund balance of the program as of December 31, 2014 is \$2,169,220. The assets of this program have not been included in the financial statements.

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 10. Interfund Receivables and Payables

The following interfund balances were recorded on the various balance sheets as of December 31, 2014:

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 25,591	\$ 69,189
Trust Fund	69,189	2,702
Payroll Fund	-	22,889
Total	<u>\$ 94,780</u>	<u>\$ 94,780</u>

The purpose of these interfunds is short-term borrowings.

Note 11. Capital Debt

During the fiscal year ended December 31, 2014 the following changes occurred in capital debt:

	December 31, 2013	Accrued/ Increases	Retired/ Decreases	December 31, 2014	Due Within One Year
Bond Anticipation Notes	\$ 6,610,700	\$ 9,919,921	\$ (6,610,700)	\$ 9,919,921	\$ -
General Capital Serial Bonds	7,615,000	-	(775,000)	6,840,000	800,000
Compensated Absences	2,014,442	-	(161,529)	1,852,913	-
Community Disaster Loan	1,750,000	1,500,000	-	3,250,000	-
Special Emergency Notes	3,978,000	-	(2,308,000)	1,670,000	-
Green Trust Loan Payable	719,731	-	(69,899)	649,832	71,304
Total	<u>\$ 22,687,873</u>	<u>\$ 11,419,921</u>	<u>\$ (9,925,128)</u>	<u>\$ 24,182,666</u>	<u>\$ 871,304</u>

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

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 11. Capital Debt (continued):

Summary of Municipal Debt	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>
Issued & Outstanding			
General:			
Bonds, Loans & Notes	\$ 17,409,753	\$ 14,945,431	\$ 14,253,954
Authorized But Not Issued			
General - Bonds & Notes	<u>3,161,131</u>	<u>4,742,222</u>	<u>4,314,862</u>
Total Issued & Authorized but Not Issued	20,570,884	19,687,653	18,568,816
Less: Deduction to Pay Bonds & Notes	<u>28,020</u>	<u>17,784</u>	<u>56,217</u>
Total	<u><u>\$ 20,542,864</u></u>	<u><u>\$ 19,669,869</u></u>	<u><u>\$ 18,512,599</u></u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.846%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	\$ 23,670,000	\$ 23,670,000	\$ -
Regional School District Debt	6,866,534	6,866,534	-
General Debt	<u>20,570,884</u>	<u>28,020</u>	<u>20,542,864</u>
Total	<u><u>\$ 51,107,418</u></u>	<u><u>\$ 30,564,554</u></u>	<u><u>\$ 20,542,864</u></u>

Net Debt, \$20,542,864 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$2,427,331,494 equals 0.846%.

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	\$ 84,956,602
Net Debt	<u>20,542,864</u>
Remaining Borrowing Power	<u><u>\$ 64,413,738</u></u>

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 11. Capital Debt (continued):

As of December 31, 2014, the Township's Capital Debt is as follows:

During 2012, the Township of Little Egg Harbor issued \$5,260,000 of General Obligation Refunding Bonds dated November 2, 2012. Bonds were issued to refund the 2003 General Improvement Bonds. Payments are due each November 15th with various interest rates (2.00% to 4.00%). Net present value savings of this issue is \$200,228.97.

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 800,000	\$ 212,075	\$ 1,012,075
2016	830,000	183,888	1,013,888
2017	840,000	162,638	1,002,638
2018	845,000	140,237	985,237
2019	845,000	107,188	952,188
2020 to 2023	2,680,000	185,437	2,865,437
Total	<u>\$ 6,840,000</u>	<u>\$ 991,463</u>	<u>\$ 7,831,463</u>

Green Acres Assistance Loan

Schedule of loan repayment as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 71,304	\$ 12,643	\$ 83,947
2016	66,815	11,239	78,054
2017	68,158	9,896	78,054
2018	69,528	8,526	78,054
2019	70,925	7,128	78,053
2020 to 2024	265,076	15,722	280,798
2025 to 2026	38,026	838	38,864
Total	<u>\$ 649,832</u>	<u>\$ 65,992</u>	<u>\$ 715,824</u>

Bond Anticipation Notes (See Exhibit C-8) – Notes mature February 3, 2015 @ 1.25%-1.00%.

<u>December 31, 2013</u>	<u>Issued</u>	<u>Retired</u>	<u>December 31, 2014</u>
\$ 6,610,700	\$ 9,919,921	\$ 6,610,700	\$ 9,919,921

TOWNSHIP OF LITTLE EGG HARBOR

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED DECEMBER 31, 2014**

Note 12. 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. It is the policy of the Township to purchase commercial insurance for the risks of loss to which it is exposed.

Note 13. Pending Litigation

The Township is a defendant in several legal proceedings that are in various stages of litigation. No liability has been recorded in these financial statements to cover any potential liability associated with this litigation.

Note 14. Post-Retirement Health Benefits – GASB 45

The Township of Little Egg Harbor provides post-employment medical, prescription drug, dental, and vision benefits to eligible retired employees and their spouses until Medicare age is attained by either the retired employee or the spouse in the case of spousal coverage. The Township of Little Egg Harbor pays 100% of the insurance cost for the retiree.

The Township of Little Egg Harbor’s annual Other Post-Employment Benefit cost is calculated based on the Annual Required Contribution. The actuarial cost method used to determine the Plan’s funding requirements is the “Unit Credit” method. Under this method, an actuarial accrued liability is determined as the present value of the earned benefits, which is allocated to service before the current plan year. The Plan is currently unfunded. The unfunded actuarial liability is amortized over thirty years. The following table shows the changes in the Township of Little Egg Harbor’s annual Other Post-Employment Benefit cost for the year, the amount actually contributed to the Plan and changes in their net Other Post-Employment Benefit obligation to the plan:

Annual Required Contribution	\$ 1,340,000
Interest on Net Other Post-Employment Benefit	290,000
Adjustment to Annual Required Contribution	<u>(380,000)</u>
Annual Other Post-Employment Benefit	1,250,000
Contributions Made	<u>(610,000)</u>
Increase in Net OPEB Obligation	640,000
Net OPEB, Beginning of Year	<u>7,010,000</u>
Net OPEB, End of Year	<u>\$ 7,650,000</u>

The Township of Little Egg Harbor’s annual Other Post-Employment Benefit cost, the percentage of annual Other Post Employment Benefit cost contributed to the Plan, and the net Other Post Employment Benefit obligation (OPEB) for the year ending December 31, 2013 is as follows:

YEAR ENDED	ANNUAL OPEB COST	PERCENTAGE CONTRIBUTED	NET OPEB OBLIGATION
12/31/14	\$1,250,000	48.8%	\$7,650,000

TOWNSHIP OF LITTLE EGG HARBOR

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2014

Note 14. Post-Retirement Health Benefits (continued):

Actuarial assumptions were used to value the post-retirement medical liabilities. Actuarial assumptions were based on the actual experience of the covered group, to the extent that creditable experience data was available, with an emphasis on expected long-term future trends rather than giving undue weight to recent past experience. The reasonableness of each actuarial assumption was considered independently based on its own merits, its consistency with each other assumption, and the combined impact of all assumptions.

Two economic assumptions used in the valuation are the discount rate and the health care cost trend rates. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

The investment return assumption (discount rate) should be the estimated long-term investment yield on the investments that are expected to be used to finance the payments of benefits. The investments expected to be used to finance the payments of benefits would be plan assets for funded plans, assets of the employer for pay-as-you-go plans, or a proportionate combination of the two for plans that being partially funded. We assumed a discount rate of 4.5 percent for purposes of developing the liabilities and Annual Required Contribution on the basis that the Plan would not be funded. We based medical claims cost for retirees on an annual average claims cost of approximately \$22,700 per covered retiree for family coverage and \$10,500 for single coverage. The average claims cost was based on an equitable blending of the Traditional and Direct Access benefit costs. We assumed health care costs would increase annually at a rate of 9.5% the first year, decrease by 0.5% per year through year 10 to 5% thereafter.

The Township of Little Egg Harbor currently has twelve eligible retired employees receiving retirement benefits. The net Other Post-Employment Benefit obligation to the Township of Little Egg Harbor to provide benefits to the retiree for the year ended December 31, 2014, was \$7,650,000.

Note 15. Hurricane Sandy and FEMA Aid

On October 29th of 2012, Hurricane Sandy made landfall on the New Jersey coast and caused significant damage to coastal towns including Little Egg Harbor Township. The extensive damage caused the Township to issue a Special Emergency in their 2012 budget in the amount of \$12 million in order to pay for all storm related costs. In addition, the Township issued a \$3 million special emergency note on December 19, 2012 and an additional \$9 million special emergency note on January 11, 2013 to provide necessary cash flow related to storm costs. The total cost of the storm is estimated to be \$6 million with the anticipation of seventy-five percent to be reimbursed by the federal government through FEMA aid. As of December 2014, \$4.6 million in FEMA aid has been received by the Township. In addition, during 2013, \$6 million of the \$12 million special emergency was cancelled by the Township.

On March 24, 2014 the Office of Inspector General issued its audit report on the FEMA Debris Removal project. The report identified \$689,138 of costs claimed by the Township that would be disallowed unless the Township provided FEMA with supporting or additional documentation for the costs. The Township expects the majority of these costs to be reimbursed once the additional documentation is reviewed.

TOWNSHIP OF LITTLE EGG HARBOR

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED DECEMBER 31, 2014

Note 16. Community Disaster Loan

On April 5, 2013, the Township submitted a formal request for a FEMA Community Disaster Loan (CDL) in the amount of \$4,319,506 in relation to Hurricane Sandy losses and expenditures. On March 28, 2013, the Township approved a resolution to amend the 2013 Budget by \$1,750,000, the amount of the CDL that was awarded in 2013. During 2014, an additional \$1,500,000 was received.

The interest rate on the loan is the U.S. Treasury rate for 5-year maturities on the date the Promissory Note is executed, in this case June 13, 2013 when the interest rate was 0.625%. The term of the loan is usually 5 years, but may be extended. Interest accrues on the funds as they are disbursed. When applicable, the Assistance Administrator of the Disaster Assistance Directorate may cancel repayment of all or part of the loan if the revenues of the applicant in the three fiscal years following the financial year of the disaster are insufficient to meet the operating budget because of disaster related revenue losses and un-reimbursed disaster related operating expenses. As of December 31, 2014 the Current Fund has recorded a loan payable in the amount of \$3,250,000 with \$20,539 of accrued interest. The loan comes to maturity on May 1, 2018.

Note 17. Special Emergency Notes Payable

The Township of Little Egg Harbor has issued Special Emergency Notes in order to reduce costs of financing certain recovery expenses related to the extraordinary expense for the repair, reconstruction of street, roads or bridges or other public property in the Township damaged by Superstorm Sandy. As of December 31, 2014 the balance on this special emergency note payable is \$1,670,000 at an interest rate of 1.25%.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2014**

	CURRENT FUND	STATE & FEDERAL GRANT FUND
Balance December 31, 2013	\$ 5,481,935	\$ 616,385
Increased by Receipts:		
Taxes Receivable	\$ 50,917,138	
Tax Title Liens Receivable	177,375	
Due From State - Senior Citizen & Veteran Deductions	352,393	
Miscellaneous Revenue Anticipated	6,216,557	
Miscellaneous Revenue Not Anticipated	198,669	
Prepaid Taxes	546,208	
Tax Sale - Utility	298,943	
Refunds of Current Year Appropriations	307,258	
Due Bass River	8,947	
Construction Fees Due State of New Jersey	77,719	
Reserve for Hurricane Sandy Emergency	1,414,147	
Reserve for Sandy Insurance Proceeds	431,630	
Special Emergency Notes	1,670,000	
Interfund Created/Liquidated	78,158	\$ 34,675
Federal & State Grants Unappropriated		33,650
Federal & State Grants Receivable		607,600
	62,695,142	675,925
Total Receipts	62,695,142	675,925
Subtotal	68,177,077	1,292,310
Decreased by Disbursements:		
2014 Appropriations	18,296,505	
Appropriation Reserves	408,755	
Encumbrances Payable	105,726	
County Taxes Payable	9,351,045	
Due County for Added & Omitted Taxes	50,429	
Local District School Tax	12,129,393	
Regional High School Tax	14,067,876	
Special District Taxes	1,434,447	
Construction Fees Due State of NJ	63,297	
Refund Tax Overpayments	48,599	
Bass River Construction Fees	9,731	
Reserve for Hurricane Sandy Emergency	119,971	
Reserve for Reassessment	331,200	
Due MUA	394,621	
Due to General Capital Fund	47,600	
Due to State & Federal Grant Fund	30,000	
Due to Open Space	358	
Due to Payroll	17,452	
Prior Year Refund	26,172	
Special Emergency Notes	3,978,000	
Transfer from General Capital		450,000
Federal & State Grants - Appropriated		472,602
Encumbrances Payable - Federal & State Grants		1,273
	60,911,177	923,875
Total Disbursements	60,911,177	923,875
Balance December 31, 2014	\$ 7,265,900	\$ 368,435

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2014**

YEAR	BALANCE DECEMBER 31, 2013	2014 LEVY	ADDED TAXES	COLLECTED 2013	COLLECTED 2014	SENIOR CITIZENS & VETERANS	OVERPAYMENT APPLIED	OVERPAYMENT CREATED	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2014
2009	\$ 1,626	\$ -	\$ -	\$ -	\$ 3,045	\$ (3,750)	\$ 1,415	\$ 3,009	\$ 2,299	\$ -	\$ 1,626
2010	1,761	-	-	-	1,750	(3,500)	2,500	3,193	2,443	-	1,761
2011	2,575	-	-	-	1,522	(750)	-	3,371	3,371	-	1,803
2012	12,352	-	-	-	9,708	(500)	250	954	704	-	3,124
2013	18,028	-	-	-	19,727	(6,586)	90,930	92,826	2,325	-	4,458
Total 2013	36,322	52,596,944	322,035	439,609	35,752	(15,086)	95,095	103,353	11,142	-	12,772
					50,881,386	384,967	13,787	131,772	1,178,831	137,941	14,230
Total	\$ 36,322	\$52,596,944	\$ 322,035	\$ 439,609	\$ 50,917,138	\$ 369,881	\$ 108,882	\$ 235,125	\$1,189,973	\$ 137,941	\$ 27,002

ANALYSIS OF 2014 PROPERTY TAX LEVY:

Tax Yield:	
General Property Tax	\$ 51,162,497
Special District	1,434,447
Added Taxes (54:4-63.1 et. seq.)	322,035
	<u>\$ 52,918,979</u>
Total Tax Yield	<u>\$ 52,918,979</u>
Tax Levy:	
Local School District Tax (Abstract)	\$ 12,234,233
Regional High School Tax (Abstract)	14,194,726
Municipal Open Space (Abstract)	68,668
Municipal Open Space (Added)	521
County Taxes:	
County Tax (Abstract)	\$ 7,880,608
County Library Tax (Abstract)	877,923
County Health Services (Abstract)	315,729
County Open Space	276,785
Due County for Added Taxes (54:4-63.1 et.seq.)	59,025
Total County Taxes	9,410,070
Fire District #1 (Amount Certified)	566,474
Fire District #2 (Amount Certified)	563,973
Fire District #3 (Amount Certified)	304,000
Total Special District Taxes	1,434,447
Local Tax for Municipal Purposes	15,294,083
Add: Additional Tax Levied	282,231
Total Tax Levy	<u>\$ 52,918,979</u>

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	523,085
Increased by:		
Transfers from Taxes Receivable	\$	137,941
Adjustment to Liens		(32,250)
Interest & Costs Accrued by Sale		6,907
		<u>112,598</u>
Subtotal		635,683
Decreased by:		
Collections		<u>177,375</u>
Balance December 31, 2014	\$	<u><u>458,308</u></u>

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2014 and 2013	\$	<u><u>5,757,700</u></u>
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**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

	BALANCE DECEMBER 31, 2013	ACCRUED IN 2014	TREASURER	BALANCE DECEMBER 31, 2014
Miscellaneous Revenue Anticipated:				
Licenses - Alcoholic Beverages	\$ -	\$ 10,564	\$ 10,564	\$ -
Fees & Permits	-	106,201	106,201	-
Municipal Court	12,585	196,328	196,439	12,474
Interest & Costs on Taxes	-	110,635	110,635	-
Payments in Lieu of Taxes	-	63,005	63,005	-
Energy Receipts Tax	-	1,299,939	1,299,939	-
Garden State Trust	-	149,117	149,117	-
Consolidated Municipal Property Tax Relief	-	-	-	-
Uniform Construction Code Fees	-	1,447,011	1,447,011	-
Tower Rental	-	23,971	23,971	-
SRO Officer	-	224,579	224,579	-
Cable TV	-	72,814	72,814	-
FEMA Aid Received - Hurricane Sandy	-	994,500	994,500	-
Community Disaster Loan	-	1,500,000	1,500,000	-
Reserve for Debt Service	-	17,783	17,783	-
	<hr/>			
Total	\$ 12,585	\$ 6,216,446	\$ 6,216,557	\$ 12,474
	<hr/>			
			\$ 6,216,557	
			<u>\$ 6,216,557</u>	

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2014

	BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
General Government:				
General Administration:				
Other Expenses	\$ 15,051	\$ 15,051	\$ 65	\$ 14,986
Mayor and Committee:				
Other Expenses	2,728	2,728	452	2,276
Municipal Clerk:				
Other Expenses	9,406	9,406	1,551	7,855
Financial Administration (Treasury):				
Other Expenses	21,949	21,949	3,951	17,998
Revenue Administration (Tax Collection):				
Other Expenses:				
Tax Sale Costs	11,841	11,841	1,263	10,578
Miscellaneous Other Expenses	7,629	7,629	973	6,656
Tax Assessment Administration:				
Other Expenses	4,904	4,904	752	4,152
Liquidation of Tax Title Liens & Foreclosed Property - Other Expenses	7,186	7,186	30	7,156
Legal Services (Legal Department):				
Other Expenses	37,102	37,102	14,738	22,364
Engineering Services:				
Other Expenses	5,992	5,992	5,992	-
Insurance:				
Group Insurance for Employees	364,354	364,354	188,877	175,477
Public Safety Functions:				
Police Department:				
Other Expenses	23,400	23,400	23,242	158
Municipal Prosecutor:				
Other Expenses	6,188	6,188	3,750	2,438
Public Works Functions:				
Streets & Roads Maintenance:				
Other Expenses	24,697	24,697	16,904	7,793
Solid Waste Sanitation:				
Other Expenses	19,898	19,898	14,390	5,508
Solid Waste Recycling:				
Other Expenses	9,843	9,843	5,239	4,604
Buildings & Grounds:				
Other Expenses	11,068	11,068	10,169	899
Vehicle Maintenance:				
Other Expenses	17,653	17,653	13,381	4,272
County Mosquito Control Agency:				
Other Expenses	25,745	25,745	300	25,445
Health & Human Services:				
Public Health Services (Board of Health):				
Other Expenses	4,152	4,152	2,050	2,102
Environmental Health Services:				
Other Expenses	2,000	2,000	290	1,710
Animal Control Services:				
Other Expenses	11,637	11,637	930	10,707
Contributions to Social Service Agencies - Statutory:				
Providence House	4,510	4,510	280	4,230
Park & Recreation Functions:				
Recreation Services & Programs:				
Other Expenses	7,926	7,926	105	7,821
Utility Expenses & Bulk Purchases:				
Electricity	26,224	26,224	14,962	11,262
Street Lighting	36,527	36,527	31,073	5,454
Telephone	21,349	21,349	19,686	1,663
Gasoline	78,055	78,055	31,005	47,050
Natural Gas	14,318	14,318	6,277	8,041
Landfill/Solid Waste Disposal Costs:				
Sanitary Landfill	47,900	47,900	25,000	22,900
Uniform Construction Code Enforcement Functions:				
Construction Code Official:				
Other Expenses	10,842	10,842	173	10,669
Municipal Court:				
Other Expenses	7,416	7,416	4,679	2,737
Public Defender:				
Other Expenses	6,675	6,675	763	5,912
Other Common Operating Functions (Unclassified):				
Tax Appeals	63,694	63,694	29,247	34,447
Schedule "C":				
Other Expenses	42,146	42,146	41,942	204
All Others	545,273	545,273	-	545,273
Total	<u>\$ 1,557,278</u>	<u>\$ 1,557,278</u>	<u>\$ 514,481</u>	<u>\$ 1,042,797</u>
2013 Appropriation Reserves	\$ 1,451,552			
2013 Encumbrances	<u>105,726</u>			
Total	<u>\$ 1,557,278</u>			

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2014

GRANT	BALANCE DECEMBER 31, 2013	ANTICIPATED REVENUE	RECEIVED	BALANCE DECEMBER 31, 2014
N.J.D.E.P. Recreation Trails	\$ 18,429	\$ -	\$ 18,429	\$ -
Safe & Secure Communities Program	9,763	60,000	9,763	60,000
Cops Rehire Program	173,572	-	173,572	-
966 Reimbursement Grant	27,217	-	26,430	787
Clean Communities Program	-	45,255	45,255	-
Ocean County Recycling Share	-	16,216	16,216	-
Coastal Zone Management	-	15,000	-	15,000
Municipal Recycling Grant	-	15,875	-	15,875
Recycling Revenue and Residue	-	18,600	18,600	-
Municipal Aid Road Program - Valley Forge Drive	62,500	-	62,500	-
Municipal Aid Road Program - Frog Pond Road Phase 2	50,000	-	50,000	-
NJ DOT Municipal Aid Program	-	190,000	142,500	47,500
Post Sandy Planning Assistance	28,000	267,000	-	295,000
CDBG	37,000	60,000	40,461	56,539
Body Armor Grant	-	3,874	3,874	-
Total	\$ 406,481	\$ 691,820	\$ 607,600	\$ 490,701
			<u>\$ 607,600</u>	
			<u>\$ 607,600</u>	

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2014**

APPROPRIATION	BALANCE DECEMBER 31, 2013	2014 BUDGET APPROPRIATION	EXPENDED	ADJUSTED	BALANCE DECEMBER 31, 2014
State:					
Clean Communities - 2014	-	45,255	7,788	-	37,467
Gypsy Moth	8,427	-	8,427	-	-
Alcohol Education & Rehabilitation	9,255	-	2,800	-	6,455
Safe and Secure Communities	54,763	-	9,763	-	45,000
Bulleproof Vest Program	18	-	18	-	-
Click It or Ticket	200	-	200	-	-
Drunk Driving Enforcement Fund	6,654	-	3,654	-	3,000
Municipal Road Program-Frog Pond Rd Phase 2	200,000	-	-	200,000	-
Municipal Road Program-Valley Forge Drive	250,000	-	-	250,000	-
NJDOT Municipal Aid Program - 2014	-	190,000	1,534	-	188,466
NJDEP - Recycling Tonnage	23,879	15,875	23,879	-	15,875
Recycling Revenue and Residue	-	18,600	-	-	18,600
Body Armor Replacement Fund	19,303	3,874	15,299	-	7,878
Clean Communities - 2013	27,456	-	27,456	-	-
Safe and Secure Communities	60,000	60,000	-	-	120,000
GIS Rutgers Technical Assistance	250	-	250	-	-
Fire Safety Bureau Fees:					
1992 Grant	2,805	-	2,805	-	-
966 Reimbursement	13,596	-	12,785	-	811
Costal Zone Management	-	15,000	-	-	15,000
Post Sandy Planning Assistance	28,000	267,000	51,729	-	243,271
Total State	704,606	615,604	168,387	450,000	701,823
Federal:					
Cops Rehire Grant	151,272	-	151,272	-	-
CDBG	2,615	-	2,615	-	-
CDBG 2013	37,000	-	-	-	37,000
Ed Byrne Justice Assistance Grant	17,592	60,000	17,592	-	-
CDBG 2014	-	-	18,746	-	41,254
Total Federal	208,479	60,000	190,225	-	78,254
Local:					
Recycling Tonnage Grant - County	87,963	-	74,465	-	13,498
Ocean County Recycling Revenue Sharing	55,220	16,216	45,604	-	25,832
Total Local	143,183	16,216	120,069	-	39,330
Total	\$ 1,056,268	\$ 691,820	\$ 478,681	\$ 450,000	\$ 819,407
Cash Disbursements			\$ 472,602		
Encumbrances			6,079		
Total			<u>\$ 478,681</u>		

TOWNSHIP OF LITTLE EGG HARBOR
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2014

GRANT	BALANCE DECEMBER 31, 2013	TRANSFERRED TO 2014 GRANT APPROPRIATED	RECEIVED	BALANCE DECEMBER 31, 2014
State Grants:				
Recycling Tonnage Grant	\$ -	\$ -	\$ 33,650	\$ 33,650
	<hr/>			
Total Grants	\$ -	\$ -	\$ 33,650	\$ 33,650
	<hr/> <hr/>			

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT TAX
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013:		
School Tax Deferred	\$ 5,236,297	
School Tax Payable	<u>327,401</u>	5,563,698
Increased by Levy:		
School Year July 1, 2014 - June 30, 2015		<u>12,234,233</u>
Subtotal		17,797,931
Decreased by:		
Payments		<u>12,129,393</u>
Subtotal		5,668,538
Balance December 31, 2014:		
School Tax Deferred	5,236,297	
School Tax Payable	<u>432,241</u>	
Balance December 31, 2014		<u><u>\$ 5,668,538</u></u>

ANALYSIS OF AMOUNT CHARGED TO OPERATIONS

2014 Payments	\$ 12,129,393
Less School Taxes Payable at December 31, 2013	327,401
Plus School Taxes Payable at December 31, 2014	<u>432,241</u>
Amount Charged to 2014 Operations	<u><u>\$ 12,234,233</u></u>

**SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 92,448
Increased by:	
Levy - July 1, 2014 to June 30, 2015	<u>14,194,726</u>
Subtotal	14,287,174
Decreased by:	
Payments	<u>14,067,876</u>
Balance December 31, 2014	<u><u>\$ 219,298</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY APPROPRIATIONS N.J.S. 40A:4-53
FOR THE YEAR ENDED DECEMBER 31, 2014**

DATE AUTHORIZED	PURPOSE	NET AMOUNT AUTHORIZED	1/5 OF NET AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2013	ADDED IN 2014	DECREASED BY RAISED IN BUDGET	BALANCE DECEMBER 31, 2014
11/19/2012	Superstorm Sandy	\$ 12,000,000	\$ 2,400,000	\$ 3,978,000	\$ -	\$ 994,500	\$ 2,983,500
	Total			\$ 12,203,480	\$ -	\$ 994,500	\$ 2,983,500

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Description</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>CASH RECEIPTS</u>	<u>CASH DISBURSEMENTS</u>	<u>BALANCE DECEMBER 31, 2014</u>
Special Emergency Note Payable	12/18/14	12/18/15	1.25%	\$ 3,978,000	\$ 1,670,000	\$ 3,978,000	\$ 1,670,000
Total				\$ 3,978,000	\$ 1,670,000	\$ 3,978,000	\$ 1,670,000

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	BALANCE DECEMBER 31, <u>2013</u>	<u>INCREASED</u>	<u>DECREASED</u>	BALANCE DECEMBER 31, <u>2014</u>
Reserve for Tax Appeals	\$ 215,112	\$ -	\$ -	\$ 215,112
Reserve for Hurricane Sandy Emergency	-	1,414,147	119,971	1,294,176
Reserve for Sandy Insurance Proceeds	-	431,630	-	431,630
Reserve for Reassessment	-	600,000	363,780	236,220
	<u>\$ 215,112</u>	<u>\$ 2,445,777</u>	<u>\$ 483,751</u>	<u>\$ 2,177,138</u>

TRUST FUND

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**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2014**

	TRUST OTHER	TRUST ASSESSMENT
Balance December 31, 2013	\$ 3,156,581	\$ 54,721
Increased by Receipts:		
Escrow Fees	\$ 801,253	
Planning Board	75,756	
Open Space	300,000	
Community Center	55	
Forfeited Funds	6,968	
COAH Fees	37,200	
Sick/Vacation Funds	100,000	
Federal Forfeiture	13,107	
Interfunds Received	821,243	
	2,155,582	
Subtotal	5,312,163	54,721
Decreased by Disbursements:		
Escrow Fees	691,400	
Planning Board	84,748	
Open Space	1,000	
COAH Fees	972	
Sick/Vacation Funds	261,001	
Federal Forfeiture	1,598	
Storm Relief	5,355	
Police Equipment	1,000	
Forfeited Funds	4,434	
Interfunds Paid	86,520	634
	1,138,028	634
Balance December 31, 2014	\$ 4,174,135	\$ 54,087

**SCHEDULE OF CASH - COLLECTOR - TAX TITLE LIEN REDEMPTION
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 1,635,685
Increased by Receipts:		
Due from Current Fund	\$ 3,279	
Deposits for Redemption of Tax Sale Certificates	4,121,056	4,124,335
Subtotal		5,760,020
Decreased by Disbursements:		
Refunds - Tax Sale Certificates Redeemed		3,526,249
Balance December 31, 2014		\$ 2,233,771

**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF CASH - DOG WARDEN
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	-
Increased by Receipts:		
Dog License Fees	\$	7,145
State Dog License Fees		1,480
		<u>8,625</u>
Subtotal		8,625
Decreased by Disbursements:		
Disbursements to State of New Jersey		1,480
Disbursements for Dog License Expenses		7,145
		<u>8,625</u>
Balance December 31, 2014	<u>\$</u>	<u>-</u>

**SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2014**

LICENSE FEES COLLECTED

YEAR	AMOUNT
2013	\$ 6,989
2012	<u>8,003</u>
Total	<u>\$ 14,992</u>

**SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	1,638,964
Increased by Receipts:		
Deposits Received - Collector		<u>4,121,056</u>
Subtotal		5,760,020
Decreased by Disbursements:		
Refunds - Tax Sale Certificates		<u>3,526,249</u>
Balance December 31, 2014	<u>\$</u>	<u>2,233,771</u>

**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF RESERVE FOR ESCROW DEPOSITS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 1,629,456
Increased by:	
Escrow Deposits Received	<u>801,253</u>
Subtotal	2,430,709
Decreased by:	
Disbursements	<u>691,400</u>
Balance December 31, 2014	<u><u>\$ 1,739,309</u></u>

**SCHEDULE OF RESERVE FOR FORFEITED PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 11,712
Increased by:	
Cash Receipts	<u>6,968</u>
Subtotal	18,680
Decreased by:	
Disbursements	<u>4,434</u>
Balance December 31, 2014	<u><u>\$ 14,246</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF RESERVE FOR PLANNING BOARD
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	37,813
Increased by:		
Planning Board Fees		75,756
Subtotal		113,569
Decreased by:		
Escrow Fees		84,748
Balance December 31, 2014	\$	28,821

**SCHEDULE OF RESERVE FOR RECREATION
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2014 and 2013	\$	1,954
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**TOWNSHIP OF LITTLE EGG HARBOR
 SCHEDULE OF RESERVE FOR OPEN SPACE
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$	1,731,708
Increased by:			
Tax Levy - Due from Current Fund	\$	69,189	
Cash Receipts		<u>300,000</u>	<u>369,189</u>
Subtotal			2,100,897
Decreased by:			
Disbursements			<u>1,000</u>
Balance December 31, 2014		\$	<u><u>2,099,897</u></u>

**SCHEDULE OF RESERVE FOR COMMUNITY CENTER
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$	3,525
Increased by:			
Donations			<u>55</u>
Balance December 31, 2014		\$	<u><u>3,580</u></u>

TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF RESERVE FOR FEDERAL FORFEITURE LAW ENFORCEMENT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance December 31, 2013	\$ 9,211
Increased by:	
Receipts	<u>13,107</u>
Subtotal	22,318
Decreased by:	
Disbursements	<u>1,598</u>
Balance December 31, 2014	<u><u>\$ 20,720</u></u>

SCHEDULE OF RESERVE FOR SICK AND VACATION TIME TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance December 31, 2013	\$ 250,277
Increased by:	
Receipts	<u>100,000</u>
Subtotal	350,277
Decreased by:	
Disbursements	<u>261,001</u>
Balance December 31, 2014	<u><u>\$ 89,276</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF RESERVE FOR STORM RELIEF TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	5,355
Decreased by:		
Disbursements		5,355
Balance December 31, 2014	\$	-

**SCHEDULE OF RESERVE FOR POLICE EQUIPMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	1,000
Decreased by:		
Disbursements		1,000
Balance December 31, 2014	\$	-

**SCHEDULE OF RESERVE FOR COAH TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	209,605
Increased by:		
Receipts		37,200
Subtotal		246,805
Decreased by:		
Disbursements		972
Balance December 31, 2014	\$	245,833

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GENERAL CAPITAL FUND

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**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2014 & 2013	<u>\$ 528</u>
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**SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		<u>\$ 1,624,247</u>
Increased by Receipts:		
Interfunds Liquidated	\$ 805,591	
Road Aid Received	25,370	
Note Proceeds and Premiums	<u>9,947,941</u>	<u>10,778,902</u>
Subtotal		12,403,149
Decreased by Disbursements:		
Improvement Authorizations	1,800,160	
Interfund Advances	817,500	
Note Interest	82,404	
Note Payments	<u>6,610,700</u>	<u>9,310,764</u>
Balance December 31, 2014		<u>\$ 3,092,385</u>

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
ANALYSIS OF CASH
AT DECEMBER 31, 2014**

	BALANCE (OVERDRAFT) DECEMBER 31, 2013	BOND ANTICIPATION NOTES/BONDS	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2014
			MISCELLANEOUS		IMPROVEMENT AUTHORIZATIONS		MISCELLANEOUS		
			\$		\$		FROM	TO	
Fund Balance	\$ 528	-	-	-	-	-	-	-	\$ 528
Reserve for Debt Service	17,784	-	28,020	-	-	17,784	450,000	-	478,020
Capital Improvement Fund	90,894	-	100,000	-	-	98,500	-	-	92,394
Due Current Fund	(47,600)	-	702,941	-	-	590,721	17,784	-	-
Due Trust Fund	67,500	-	-	-	-	67,500	-	-	-
Due Open Space	750,000	-	-	-	-	750,000	-	-	-
Due to County - CDBG	3,722	-	-	-	-	-	-	-	3,722
IMPROVEMENT AUTHORIZATIONS:									
ORDINANCE									
NUMBER									
96-10	Satellite Repeaters & Logging Recorders	(250)	-	-	-	-	-	-	(250)
99-23	Municipal Complex	(2,230)	-	-	-	-	-	-	(2,230)
00-05	Sewer Line Extension - Atlantis	(4,571)	-	-	-	-	-	-	(4,571)
00-06	Water Line Extension - Atlantis	5,562	-	-	-	-	-	-	5,562
02-08	Improvements to Cherrywood Drive	(30,666)	-	-	-	-	-	-	-
02-14,36	Construction of Recreation Facilities	(40,730)	-	-	-	-	-	-	-
02-22	Purchase of Street Sweeper	(80)	-	-	-	-	-	-	(80)
02-23	Acquisition of Land - Parker Run	(27,984)	-	-	-	-	-	-	18,566
02-41	Construction of Municipal Complex	4,594	-	-	-	-	-	-	4,594
03-06	Acquisition of Trash Trucks & Cans	50,532	-	-	14,057	-	-	-	36,475
03-07	Acquisition of Sport Utility Vehicles	(730)	-	-	-	-	-	-	-
Subtotal		836,275	118,676	830,961	14,057	899,904	707,005	467,784	632,730

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
ANALYSIS OF CASH
AT DECEMBER 31, 2014**

ORDINANCE NUMBER	BALANCE (OVERDRAFT) DECEMBER 31, 2013	BOND ANTICIPATION NOTES/BONDS	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2014
			MISCELLANEOUS	AUTHORIZATIONS	IMPROVEMENT	MISCELLANEOUS	FROM	TO	
04-04	13,236	-	-	-	-	-	-	-	13,236
04-15	34,927	-	-	19,122	-	-	-	-	15,805
05-05									
	13,837	-	-	-	-	-	-	-	13,837
05-16	925	-	-	-	-	-	-	-	925
05-19	(117,500)	117,500	-	-	-	-	-	-	-
05-22	1,221	-	-	-	-	-	-	-	1,221
05-33	5,805	-	-	-	-	-	-	-	5,805
06-07	243,048	576,797	-	-	576,797	-	-	-	243,048
06-15									
	131	225,853	-	-	225,853	-	-	-	131
07-04	(137,554)	170,000	-	-	-	-	-	-	32,446
07-10	(143,000)	171,000	-	-	-	-	-	-	28,000
07-25	67,500	-	-	-	-	-	-	-	67,500
08-03									
	(9,240)	24,130	-	-	-	-	-	-	14,890
08-04	(234,236)	395,675	-	-	-	-	-	-	161,439
09-05	(109,412)	204,250	-	2,221	-	-	-	-	92,617
09-06	(144,270)	209,000	24,592	30,296	-	-	-	-	59,026
09-13	448,687	1,184,830	3,428	125,926	1,258,500	-	71,020	-	323,539
10-20	3,544	1,254,600	-	3,544	1,324,300	-	69,700	-	-
11-15	177,344	1,610,250	-	1,388	1,610,250	-	1	-	175,957
12-12	695,320	1,615,000	-	245,898	1,615,000	-	-	-	449,422
13-14	(22,341)	2,042,360	-	1,354,558	-	-	-	-	665,461
14-10	-	-	-	3,150	-	-	98,500	-	95,350
Subtotal	787,972	9,801,245	28,020	1,786,103	6,610,700	-	239,221	-	2,459,655
Total Analysis of Cash									
	\$ 1,624,247	\$ 9,919,921	\$ 858,981	\$ 1,800,160	\$ 7,510,604	\$ 707,005	\$ 707,005	\$ 707,005	\$ 3,092,385

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$	8,334,731
Decreased by:			
2014 Budget Appropriation to Pay General Serial Bonds	\$	775,000	
Green Trust Loan Bonds		69,899	844,899
			<hr/>
Balance December 31, 2014		\$	<u><u>7,489,832</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE DECEMBER 31, 2014							
		BALANCE DECEMBER 31, 2013	2014 AUTHORIZATIONS	REDUCTIONS	BALANCE DECEMBER 31, 2014	UNEXPENDED IMPROVEMENT AUTHORIZATION	EXPENDED	EXCESS FINANCING	BOND ANTICIPATION NOTES
96-10/99-09	Satellite Repeaters & Logging Recorders	\$ 250	\$ -	\$ -	\$ 250	\$ -	\$ 250	\$ -	-
99-23	Municipal Complex	2,230	-	-	2,230	-	2,230	-	-
00-05	Sewer Line Extension - Atlantis	4,571	-	-	4,571	-	4,571	-	-
02-08	Improvements to Cherrywood Drive	30,666	-	-	30,666	-	-	-	30,666
02-14,36	Construction of Recreation Facilities	40,730	-	-	40,730	-	-	-	40,730
02-22	Purchase of Street Sweeper	80	-	-	80	-	80	-	-
02-23	Acquisition of Land - Parker Run	46,550	-	-	46,550	-	-	-	46,550
03-07	Acquisition of Sport Utility Vehicles	730	-	-	730	-	-	-	730
05-19	Road Improvements - Various	117,500	-	-	117,500	-	-	-	117,500
06-07	Various Road Improvements	576,797	-	-	576,797	-	-	-	576,797
06-15	Construction of Softball Field & Tot Lot	225,853	-	-	225,853	-	-	-	225,853
07-04	Construction of North Burgee Drive	170,000	-	-	170,000	-	-	-	170,000
07-10	Acquisition of Garbage Truck	171,000	-	-	171,000	-	-	-	171,000
07-25	Acquisition of Land	1,282,500	-	-	1,282,500	-	-	-	-
08-03	Acquisition & Installation of Automatic Doors	24,130	-	-	24,130	-	-	-	24,130
08-04	Improvements to Lexington Drive	395,675	-	-	395,675	-	-	-	395,675
09-05	Improvements to Forest Edge Drive	204,250	-	-	204,250	-	-	-	204,250
09-06	Improvements to Frog Pond Road	434,828	-	25,370	409,458	-	141,432	-	209,000
09-13	Various Capital Improvements	1,228,540	-	73,670	1,154,870	-	-	(29,960)	1,184,830
10-20	Various Capital Improvements	1,324,300	-	69,700	1,254,600	-	-	-	1,254,600
11-15	Various Capital Improvements	1,610,250	-	-	1,610,250	-	-	-	1,610,250
12-12	Various Capital Improvements	1,615,000	-	-	1,615,000	-	-	-	1,615,000
13-14	Various Capital Improvements	2,042,360	-	-	2,042,360	-	-	-	2,042,360
14-10	Various Capital Improvements	-	1,871,500	-	1,871,500	-	-	-	-
Total		\$ 11,548,790	\$ 1,871,500	\$ 168,740	\$ 13,251,550	\$ 3,213,026	\$ 148,563	\$ (29,960)	\$ 9,919,921

Pay Down on Notes from Current Fund
Road Aid Received

\$ 143,370
25,370

\$ 168,740

Total
\$ 168,740

Improvement Authorizations Unfunded \$ 5,394,233
Less - Unexpended Proceeds of Bond Anticipation

Notes Issued:

- Ordinance 2002-23 18,566
- Ordinance 2006-07 243,048
- Ordinance 2006-15 131
- Ordinance 2007-04 32,446
- Ordinance 2007-10 28,000
- Ordinance 2008-03 14,890
- Ordinance 2008-04 161,439
- Ordinance 2009-05 92,617
- Ordinance 2009-13 494,037
- Ordinance 2012-12 450,122
- Ordinance 2013-14 645,911

\$ 3,213,026

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 90,894
Increased By:	
Transfer from Current Fund Budget	<u>100,000</u>
Subtotal	190,894
Decreased By:	
Appropriated to Finance Improvement Authorizations	<u>98,500</u>
Balance December 31, 2014	<u><u>\$ 92,394</u></u>

TOWNSHIP OF LITTLE EGG HARBOR
 GENERAL CAPITAL FUND
 STATEMENT OF IMPROVEMENT AUTHORIZATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2014

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2013		2014 AUTHORIZATIONS	RECLASSIFICATION PRIOR YEAR PAYABLES	EXPENDED	CURRENT YEAR ENCUMBRANCES PAYABLE	ADJUSTMENTS	BALANCE DECEMBER 31, 2014	
				FUNDED	UNFUNDED						FUNDED	UNFUNDED
00-06	Water Line Extension - Atlantis	5/11/00	\$ 177,800	\$ 5,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,562	\$ -
02-23	Acquisition of Land - Parker Run	5/23/02	49,000	-	18,566	-	-	-	-	-	-	18,566
02-41	Construction of Municipal Complex	11/25/02	6,550,000	4,594	-	-	-	-	-	-	4,594	-
03-06	Acquisition of Trash Trucks & Cans	4/10/03	800,000	50,532	-	-	-	14,057	-	-	36,475	-
04-04	Acquisition of Trash Trucks			13,236	-	-	-	-	4,995	-	8,241	-
04-15	Acquisition of Fuel Depot			34,927	-	-	-	19,122	-	-	15,805	-
05-05	Bulkhead Construction at Parkertown Dock	2/24/05	225,150	13,837	-	-	-	-	-	-	13,837	-
05-16	Acquisition of a Tractor	6/23/05	56,000	925	-	-	-	-	-	-	925	-
05-22	Construction of Recreation Trail	9/22/05	60,000	1,221	-	-	-	-	-	-	1,221	-
05-33	Purchase of Motorcycles	12/8/05	40,000	5,805	-	-	-	-	-	-	5,805	-
06-07	Various Road Improvements	6/22/06	1,170,000	-	243,048	-	-	-	-	-	-	243,048
06-15	Construction of Softball Field & Tot Lot	8/10/06	470,000	-	131	-	-	-	-	-	-	131
07-04	Construction of North Bugee Drive	3/08/07	325,000	-	32,446	-	-	-	-	-	-	32,446
07-10	Acquisition of Garbage Truck	6/14/07	180,000	-	28,000	-	-	-	-	-	-	28,000
07-25	Acquisition of Land	12/13/07	1,350,000	67,500	-	-	-	-	-	-	67,500	-
08-03	Acquisition & Installation of Automatic Doors	3/13/08	60,400	-	14,890	-	-	-	-	-	-	14,890
08-04	Improvements to Lexington Drive	3/13/08	566,500	-	161,439	-	-	-	-	-	-	161,439
09-05	Improvements to Forest Edge Drive	4/9/09	440,000	-	94,838	-	-	2,221	-	-	-	92,617
09-06	Improvements for Frog Pond Road	4/9/09	520,000	-	89,322	-	-	30,296	-	-	-	59,026
09-13	Various Capital Improvements	12/10/09	1,730,000	-	619,963	-	-	125,926	-	-	-	494,037
10-20	Various Capital Improvements	1/13/11	1,394,000	-	3,544	-	-	3,544	-	-	-	-
11-15	Various Capital Improvements	12/22/11	1,820,000	-	1,388	-	175,256	1,388	175,257	1	-	-
12-12	Various Capital Improvements	12/13/12	1,700,000	-	695,320	-	700	245,898	-	-	-	450,122
13-14	Various Capital Improvements	9/12/13	2,149,850	-	2,020,019	-	-	1,354,558	19,550	-	-	645,911
14-10	Various Capital Improvements	7/10/14	1,970,000	-	-	1,970,000	-	3,150	700	-	94,650	1,871,500
Total				\$ 198,139	\$ 5,305,414	\$ 1,970,000	\$ 175,956	\$ 1,800,160	\$ 200,502	\$ -	\$ 254,615	\$ 5,394,233

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
AT DECEMBER 31, 2014

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	AMOUNT		DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE			BALANCE DECEMBER 31, 2014
			ORIGINAL ISSUE	OF ISSUE				DECEMBER 31, 2013	INCREASED	DECREASED	
02-08	Improvements to Cherrywood Drive	2/04/14	\$ 30,666		2/04/14	2/03/15	1.25%	\$ -	\$ 30,666	\$ -	\$ 30,666
02-14/36	Construction of Recreation Facilities	2/04/14	40,730		2/04/14	2/03/15	1.25%	-	40,730	-	40,730
02-23	Acquisition of Land - Parker Run	2/04/14	46,550		2/04/14	2/03/15	1.25%	-	46,550	-	46,550
03-07	Acquisition of Sport Utility Vehicules	2/04/14	730		2/04/14	2/03/15	1.25%	-	730	-	730
05-19	Road Improvements - Various	2/04/14	117,500		2/04/14	2/03/15	1.25%	-	117,500	-	117,500
06-07	Various Road Improvements	4/05/07	1,111,500		2/08/13 2/04/14	2/07/14 2/03/15	1.25% 1.00%	576,797 -	- 576,797	576,797 -	- 576,797
06-15	Construction of Softball Field & Tot Lot	4/05/07	446,500		2/08/13 2/04/14	2/07/14 2/03/15	1.25% 1.00%	225,853 -	- 225,853	225,853 -	- 225,853
07-04	Road & Drainage Improvemnts North Burgee Drive	2/04/14	170,000		2/04/14	2/03/15	1.25%	-	170,000	-	170,000
07-10	Acquisition of Garbage Truck	2/04/14	171,000		2/04/14	2/03/15	1.25%	-	171,000	-	171,000
08-03	Acquisition & Installation of Automatic Doors for Handicap Access	2/04/14	24,130		2/04/14	2/03/15	1.25%	-	24,130	-	24,130
08-04	Improvements to Lexington Drive	2/04/14	395,675		2/04/14	2/03/15	1.25%	-	395,675	-	395,675
09-05	Improvements to Forest Edge Drive	2/04/14	204,250		2/04/14	2/03/15	1.25%	-	204,250	-	204,250
09-06	Improvements to Frog Pond Road	2/04/14	209,000		2/04/14	2/03/15	1.25%	-	209,000	-	209,000
09-13	Various Capital Improvements	2/18/10	1,358,500		2/08/13 2/04/14	2/07/14 2/03/15	1.25% 1.00%	1,258,500 -	- 1,184,830	1,258,500 -	- 1,184,830
10-20	Various Capital Improvements	6/14/11	1,324,300		2/08/13 2/04/14	2/07/14 2/03/15	1.25% 1.00%	1,324,300 -	- 1,254,600	1,324,300 -	- 1,254,600
11-15	Various Capital Improvements	2/10/12	1,610,250		2/08/13 2/04/14	2/07/14 2/03/15	1.25% 1.00%	1,610,250 -	- 1,610,250	1,610,250 -	- 1,610,250
12-12	Various Capital Improvements	2/08/13	1,615,000		2/08/13 2/04/14	2/07/14 2/03/15	1.25% 1.00%	1,615,000 -	- 1,615,000	1,615,000 -	- 1,615,000
13-14	Various Capital Improvements	2/04/14	2,042,360		2/04/14	2/03/15	1.00%	-	2,042,360	-	2,042,360
Total								\$ 6,610,700	\$ 9,919,921	\$ 6,610,700	\$ 9,919,921

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
AT DECEMBER 31, 2014**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2013	INCREASED	DECREASED	BALANCE DECEMBER 31, 2014
			DECEMBER 31, 2014	AMOUNT					
General Obligation Refunding Bonds	2/01/10	3,275,000	08/01/15	305,000	2.750%	\$ 2,410,000	\$ -	\$ 300,000	\$ 2,110,000
			08/01/16	310,000	3.500%				
			08/01/17	305,000	3.836%				
			08/01/18	300,000	3.750%				
			08/01/19	300,000	4.000%				
			08/01/20	295,000	5.000%				
			08/01/21	295,000	5.000%				
General Obligation Refunding Bonds	5/02/12	5,260,000	11/15/15	495,000	4.000%	5,205,000	-	475,000	4,730,000
			11/15/16	520,000	2.000%				
			11/15/17	535,000	2.000%				
			11/15/18	545,000	4.000%				
			11/15/19	545,000	2.000%				
			11/15/20	535,000	2.250%				
			11/15/21	525,000	2.500%				
			11/15/22	520,000	3.000%				
			11/15/23	510,000	2.750%				
		Totals	\$ 7,615,000	\$ -	\$ 775,000	\$ 6,840,000			
		Paid from Current Fund						775,000	
		Total						\$ 775,000	

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE
AT DECEMBER 31, 2014**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2013	DECREASED	BALANCE DECEMBER 31, 2014							
			DECEMBER 31, 2014	DATE											
Mystic Beach Acquisition	02/13/96	\$ 94,760	2015	5,806	2.00%	\$ 11,497	\$ 5,691	\$ 5,806							
			2016	13,602											
			2017	13,876											
			2018	14,154											
			2019	14,439											
			2020	14,729											
			2021	15,026											
2022	15,327														
Open Space Acquisition	10/22/02	255,220	2015	5,806	2.00%	130,125	13,334	116,791							
			2016	13,602											
			2017	13,876											
			2018	14,154											
			2019	14,439											
			2020	14,729											
			2021	15,026											
			2022	15,327											
			2023	15,638											
			2024	15,949											
2025	16,260														
Recreation Complex	7/18/02	500,000	2015	26,914	2.00%	241,927	26,384	215,543							
			2016	27,455											
			2017	28,008											
			2018	28,570											
			2019	29,145											
			2020	29,730											
			2021	30,328											
			2022	30,926											
			2023	31,524											
			2024	32,122											
			2025	32,720											
			2026	33,318											
Municipal Complex	9/7/05	250,000	2015	12,677	2.00%	158,999	12,428	146,571							
			2016	12,932											
			2017	13,192											
			2018	13,457											
			2019	13,727											
			2020	14,004											
			2021	14,285											
			2022	14,572											
			2023	14,865											
			2024	15,164											
			2025	15,466											
			2026	15,769											
			Construction of Softball Field & Tot Lot	11/27/06					250,000	2015	12,305	2.00%	177,183	12,062	165,121
2016	12,552														
2017	12,804														
2018	13,061														
2019	13,324														
2020	13,592														
2021	13,865														
2022	14,144														
2023	14,428														
2024	14,718														
2025	15,014														
2026	15,314														
Total															
						\$ 719,731	\$ 69,899	\$ 649,832							

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
AT DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2013	2014 AUTHORIZATIONS /INCREASES	2014 REDUCTIONS	NOTES ISSUED	BALANCE DECEMBER 31, 2014
96-10/99-09	Satellite Repeaters & Logging Recorders	\$ 250	\$ -	\$ -	-	\$ 250
99-23	Municipal Complex	2,230	-	-	-	2,230
00-06	Water Line Extension - Atlantis	4,571	-	-	-	4,571
02-08	Improvements to Cherrywood Drive	30,666	-	-	30,666	-
02-14,36	Construction of Recreation Facilities	40,730	-	-	40,730	-
02-22	Purchase of Street Sweeper	80	-	-	-	80
02-23	Acquisition of Land - Parker Run	46,550	-	-	46,550	-
03-07	Acquisition of Sport Utility Vehicles	730	-	-	730	-
05-19	Road Improvements - Various	117,500	-	-	117,500	-
07-04	Road & Drainage Improvements					
	North Burgee Drive	170,000	-	-	170,000	-
07-10	Acquisition of Garbage Truck	171,000	-	-	171,000	-
07-25	Acquisition of Land	1,282,500	-	-	-	1,282,500
08-03	Acquisition & Installation of Automatic Doors for Handicap Access	24,130	-	-	24,130	-
08-04	Improvements to Lexington Drive	395,675	-	-	395,675	-
09-05	Improvements to Forest Edge Drive	204,250	-	-	204,250	-
09-06	Improvements to Frog Pond Road	209,000	-	-	209,000	-
13-14	Various Capital Improvements	2,042,360	-	-	2,042,360	-
14-10	Various Capital Improvements	-	1,871,500	-	-	1,871,500
Total		\$ 4,742,222	\$ 1,871,500	\$ -	\$ 3,452,591	\$ 3,161,131

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF STATE ROAD AID ALLOTMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 195,868
Decreased By:	
Road Aid Received	<u>25,370</u>
Balance December 31, 2014	<u><u>\$ 170,498</u></u>

ANALYSIS OF BALANCE

2009-13 Various Capital Improvements - Frog Pond Road Phase 1	<u>\$ 170,498</u>
Total	<u><u>\$ 170,498</u></u>

PAYROLL FUND

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**TOWNSHIP OF LITTLE EGG HARBOR
PAYROLL FUND
STATEMENT OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 263,287
Increased by:		
Receipts		<u>11,342,082</u>
Subtotal		11,605,369
Decreased by:		
Disbursements:		
Net Pay	\$ 5,504,934	
Payment to Agencies	<u>5,970,992</u>	<u>11,475,926</u>
Balance December 31, 2014		<u><u>\$ 129,443</u></u>

**STATEMENT OF PAYROLL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 280,739
Increased by:		
Payroll Deductions		<u>5,837,149</u>
Subtotal		6,117,888
Decreased by:		
Due Current Fund	\$ 40,342	
Disbursements	<u>5,970,992</u>	<u>6,011,334</u>
Balance December 31, 2014		<u><u>\$ 106,554</u></u>

ANALYSIS OF BALANCE

Federal Tax Liability		\$ 94,510
State Tax Liability		<u>12,044</u>
Balance December 31, 2014		<u><u>\$ 106,554</u></u>

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SINGLE AUDIT SECTION

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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 Committee
Township of Little Egg Harbor
County of Ocean
Little Egg Harbor, New Jersey 08087

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Little Egg Harbor (herein referred to as “the Municipality”), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Municipality’s basic financial statements, and have issued our report thereon dated May 27, 2015. That report indicated that the Township of Little Egg Harbor’s financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR 435

May 27, 2015
Medford, New Jersey



**INDEPENDENT AUDITORS’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133**

Honorable Mayor and Members
of the Township Committee
Township of Little Egg Harbor
County of Ocean
Little Egg Harbor, New Jersey 08087

Report on Compliance for Each Major Federal Program

We have audited the Township of Little Egg Harbor’s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Township of Little Egg Harbor’s major federal programs for the year ended December 31, 2014. The Township of Little Egg Harbor’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Township of Little Egg Harbor’s compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, the Township of Little Egg Harbor complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133.

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the Township of Little Egg Harbor as of and for the year ended December 31, 2014, and have issued our report thereon dated May 27, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the 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. The 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 schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR #435

May 27, 2015
Medford, New Jersey

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**TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF FEDERAL AWARDS
FOR YEAR ENDED DECEMBER 31, 2014**

<u>DEPARTMENT/PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>AWARD AMOUNT</u>	<u>GRANT PERIOD</u>	<u>CASH RECEIVED</u>	<u>CURRENT YEAR EXPENDITURES</u>	<u>CUMULATIVE EXPENDITURES</u>
U.S. Department of Homeland Security: Disaster Grants - Public Assistance (Presidentially Declared) Community Disaster Loans	97.036 97.030	066-1200-100-A92 N/A	\$ 5,001,839 \$ 4,319,506	Open Open	\$ 2,408,647 1,500,000	\$ 119,971 1,500,000	\$ 5,981,387 3,250,000
Total Department of Homeland Security					3,908,647	1,619,971	9,231,387
U.S. Department of Housing and Urban Development Hurricane Sandy Community Development Block Grant	14.269	022-8022-100-001	Ongoing	Open	40,461	21,361	21,361
Total Department of Housing and Urban Development					40,461	21,361	21,361
U.S. Department of Justice: Edward Byrne Memorial Justice Assistance Grant Program COPS Hiring Program	16.738 16.710	N/A N/A	Ongoing Ongoing	Closed Open	- 173,572	17,592 151,272	17,592 151,272
Total Department of Justice					173,572	168,864	168,864
Total Federal Financial Assistance					\$ 4,122,680	\$ 1,810,196	\$ 9,421,612

TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. General

The accompanying schedule of expenditures of federal financial assistance presents the activity of federal financial assistance of the Township of Little Egg Harbor, County of Ocean, State of New Jersey. The Township is defined in Note 1 to the Township's financial statements.

Note 2. Basis of Accounting

The accompanying schedule of expenditures of federal financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3. Relationship to Financial Statements – Statutory Basis

Amounts reported in the accompanying schedules agree with amounts reported in the Township's general-purpose financial statements. Expenditures from awards are reported in the Township's financial statement as follows:

	Federal
State & Federal Grant Fund	\$ 190,225
Current Fund – Prior Year	<u>1,619,971</u>
Total	<u>\$1,810,196</u>

Note 4. Relationship to Federal Financial Report

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial report.

Note 5. Major Programs

The two major programs are identified in the Schedule of Findings and Questioned Costs section.

**TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended December 31, 2014**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Modified – GAAP
Unmodified – Regulatory

Internal control over financial reporting:

- 1) Material weakness(es) identified? No
- 2) Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to basic financial Statements noted? No

Federal Awards

Dollar threshold used to distinguish between type A programs: \$300,000

Auditee qualified as low-risk auditee? No

Internal Control over major programs:

- 1) Material weakness(es) identified? No
- 2) Significant deficiencies identified that are not considered to be material weaknesses? None Reported

Type of auditor’s report issued on compliance for major programs Unmodified

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

Federal CFDA Number

97.030

Name of Federal Program

Community Disaster Loans

TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended December 31, 2014

Section II – Financial Statement Findings

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

No Current Year Findings

Section III – Federal Financial Assistance Finding & Questioned Costs

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular Letter 04-04.

No Current Year Findings

**TOWNSHIP OF LITTLE EGG HARBOR
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended December 31, 2014**

This section identifies the status of prior-year findings related to the basic financial statements and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular 04-04.

Finding 2012-01:

Condition:

It was noted during our audit that balances in the tax collector's system for municipal tax title liens and tax overpayments do not properly reconcile to the financial statements.

Current Status:

This condition has been corrected.

Finding 2012-02:

Condition:

During 2012 a fraud was uncovered in the tax collection office. The deputy tax collector's cash drawer was discovered to be short by \$74.07. Further investigation revealed that funds in the amount of \$41,419 were taken from the collector's office with \$36,100 being returned by the end of the year. The net loss to the Township amounted to \$5,319. Insurance claims have been filed in an attempt to recover the lost funds. The deputy tax collector was prosecuted, found guilty and sentenced.

Current Status:

This condition has been corrected.

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**TOWNSHIP OF LITTLE EGG HARBOR
COUNTY OF OCEAN**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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To the Honorable Mayor and
Members of the Township Committee
Township of Little Egg Harbor
Little Egg Harbor, New Jersey 08087

We have audited the financial statements of the Township of Little Egg Harbor in the County of Ocean on for the year ended December 31, 2014, 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 \$17,500 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.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 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

The statute 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 1, 2014 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“**BE IT RESOLVED** by the Township Committee of the Township of Little Egg Harbor, County of Ocean, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2014, included 2014, 2013, 2012, 2011, 2010 and 2009 real estate taxes only.

The last tax sale was held on December 16, 2014 and was complete.

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
2014	135
2013	159
2012	177

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

The Township of Little Egg Harbor entered into an Interlocal Municipal Court Agreement with the Township of Eagleswood effective January 1, 2009 in accordance with *N.J.S.A.2B:12-1*.

The Township of Little Egg Harbor assumed all administrative responsibility as well the responsibility of obtaining an audit of Eagleswood Township's Municipal Court.

A separate report of the Municipal Court transactions for both Little Egg Harbor and Eagleswood Township 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; also, the examination ascertained that the accumulated withholdings were distributed to the proper agencies.

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. There were no prior year findings.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2014:

NAME	TITLE	AMOUNT OF BOND	NAME OF CORPORATE SURETY
Arthur Midgley	Mayor		
Eugene Kobryn	Deputy Mayor		
Edward Nuttall	Committeeman		
John Kehm, Jr.	Committeeman		
Ray Gormley	Committeeman		
Dayna Wilson	Tax Collector, & Tax Search Officer	A	
Joseph Sorrentino	Tax Assessor		
Garrett Loesch	Chief Financial Officer/ Township Administrator	A	
Diana McCracken	Township Clerk	A	
Deborah O'Brien	Court Administrator	A	
Damian Murray	Court Magistrate	A	
Gilmore & Monahan	Solicitor		
Jim Oris of T & M Associates	Engineer		

(A) All employees are covered by a public employee dishonesty bond in the amount of \$1,000,000 by the Ocean County Municipal Joint Insurance Fund.

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.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR 435

Medford Office
May 27, 2015