TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY

AUDIT REPORT FOR THE YEAR ENDED
DECEMBER 31, 2017

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY

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COUNTY OF MONMOUTH, NEW JERSEY

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COUNTY OF MONMOUTH, NEW JERSEY

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TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH

PART I

INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

****

HFA
HOLMAN | FRENIA ALLISON, P.C.
Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010
www.hfacpas.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Council
Township of Colts Neck
Colts Neck, New Jersey

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Township of Colts Neck as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, the related statements of revenues - regulatory basis, and statements of expenditures - regulatory basis for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township'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.

Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1, the financial statements are prepared by the Township of Colts Neck on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2017 and 2016, 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 of the Township, as of December 31, 2017 and 2016, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the statements of revenues - regulatory basis, statements of expenditures - regulatory basis of the various funds, and general fixed assets group of accounts – regulatory basis, for the year ended December 31, 2017 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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental schedules presented for the various funds and letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements.

The supplemental schedules presented for the various funds are 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.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated June 5, 2018 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.



Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Freehold, New Jersey
June 5, 2018

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HFA
HOLMAN | FRENIA
ALLISON, P.C.
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912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010
www.hfacpas.com

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

Honorable Mayor and Members
of the Township Council
Township of Colts Neck
Colts Neck, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Colts Neck, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 5, 2018. Our report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the 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 Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

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

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

However, we noted certain other matters that are not required to be reported under Governmental Auditing Standards, that we reported to management in the accompanying letter of comments and recommendations section of this report as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Freehold, New Jersey
June 5, 2018

BASIC FINANCIAL STATEMENTS

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TOWNSHIP OF COLTS NECK
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016

	REFERENCE	2017	2016
ASSETS			
Current Fund:			
Cash:			
Cash	A-4	$ 21,136,556.51	$ 13,187,779.47
Change Fund	A-5	500.00	500.00
Total		21,137,056.51	13,188,279.47
Receivables & Other Assets With Full Reserves:			
Taxes Receivable	A-7	659,278.59	645,412.65
Tax Title Liens Receivable	A-8	42,962.27	37,837.75
Property Acquired for Taxes - Assessed Valuation	A-9	169,000.00	169,000.00
Revenue Accounts Receivable	A-11	8,403.51	12,869.99
Total Receivables & Other Assets With Full Reserves		879,644.37	865,120.39
Deferred Charges:			
Special Emergency - Authorization (N.J.S. 40A:4-55)	A-10	-	287,141.99
Total Current Fund		22,016,700.88	14,340,541.85
Grant Fund:			
Cash	A-4	108,256.27	58,661.45
State Grants Receivable	A-25	14,293.16	17,491.97
Total State Grants		122,549.43	76,153.42
Total Assets		$ 22,139,250.31	$ 14,416,695.27

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

TOWNSHIP OF COLTS NECK
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016

	REFERENCE	2017	2016
LIABILITIES RESERVES & FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	$ 929,143.01	$ 519,081.04
Accounts Payable	A-14	19,624.00	36,719.00
Encumbrances Payable	A-15	91,264.29	45,303.85
Prepaid Taxes	A-16	6,978,952.39	550,136.02
Due County for Added and Omitted Taxes	A-18	51,616.44	54,386.94
Local District School Taxes Payable	A-19	5,346,898.99	5,207,656.97
Regional High School Taxes Payable	A-20	5,178,243.85	4,774,679.85
Due State of New Jersey and Local Agencies	A-21	275.00	225.00
Due to State of NJ - Senior Citizens' and Veterans Deductions	A-6	6,031.51	3,250.00
Various Reserves	A-22	201,559.46	190,672.96
Special Emergency Note Payable	A-23	-	117,012.00
Tax Overpayments	A-24	-	32.97
Subtotal Current Fund		18,803,608.94	11,499,156.60
Reserve for Receivables & Other Assets	A	879,644.37	865,120.39
Fund Balance	A-1	2,333,447.57	1,976,264.86
Total Current Fund		22,016,700.88	14,340,541.85
Grant Fund:			
Reserve for State Grants:			
Appropriated Reserves	A-26	93,341.94	76,153.42
Unappropriated Reserves	A-27	27,030.44	-
Reserve for Encumbrances	A-26	2,177.05	-
Total State Grants		122,549.43	76,153.42
Total Liabilities, Reserves & Fund Balance		$ 22,139,250.31	$ 14,416,695.27

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Revenue and Other Income Realized		
Fund Balance Utilized	$ 1,316,000.00	$ 1,126,000.00
Miscellaneous Revenue Anticipated	2,759,190.88	2,667,815.70
Receipts From Delinquent Taxes	642,895.89	469,515.71
Receipts From Current Taxes	52,710,556.50	51,363,979.54
Non-Budget Revenue	458,079.56	611,152.16
Other Credits To Income:		
Debt Service Cancelled	1.66	-
Unexpended Balance of Appropriation Reserves	285,804.70	236,391.24
Prior Year Accounts Payable Cancelled	12,685.00	6,325.53
Prior Year Refund	17.17	-
	58,185,231.36	56,481,179.88
Expenditures		
Budget Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	4,081,360.91	3,937,652.40
Other Expenses	3,684,614.47	3,450,441.78
Deferred Charges and Statutory Expenditures	952,256.00	950,048.00
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	30,000.00	30,000.00
Other Expenses	351,462.11	404,082.19
Capital Improvements	293,300.00	441,550.00
Municipal Debt Service	1,234,456.71	1,367,465.67
Deferred Charges	287,990.33	4,000.00
Interfund Activity	6,210.68	3,792.90
Open Space Fund Tax	360,239.00	359,793.00
County Taxes	8,752,191.00	8,961,532.79
Due To County for Added and Omitted Taxes	51,616.44	54,386.94
Local District School Tax	22,464,172.00	22,108,859.00
Regional High School Tax	13,962,179.00	13,121,416.00
	56,512,048.65	55,195,020.67
Excess in Revenue	1,673,182.71	1,286,159.21
Adjustments To Income Before Fund Balance		
Expenditures Included Above Which Are By Statute Deferred Charges To Budget of Succeeding Year:		
Special Emergency Authorization	-	150,000.00
	-	150,000.00
Statutory Excess To Fund Balance	1,673,182.71	1,436,159.21
Fund Balance, January 1	1,976,264.86	1,666,105.65
	3,649,447.57	3,102,264.86
Decreased By:		
Utilized as Anticipated Revenue	1,316,000.00	1,126,000.00
Fund Balance, December 31	$ 2,333,447.57	$ 1,976,264.86

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Anticipated Budget	Budget Amendments	Amount Realized	Excess/ (Deficit)
Fund Balance Anticipated	$ 1,316,000.00	$ -	$ 1,316,000.00	$ -
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	15,000.00	-	15,188.00	188.00
Fees and Permits	70,000.00	-	94,015.00	24,015.00
Fines and Costs:				
Municipal Court	140,000.00	-	130,946.65	(9,053.35)
Interest and Costs on Taxes	110,000.00	-	167,309.43	57,309.43
Interest on Investments and Deposits	30,000.00	-	62,499.84	32,499.84
Recreation Fees	185,000.00	-	218,263.91	33,263.91
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax	1,854,828.00	-	1,854,828.00	-
Supplemental Energy Receipts Tax	97,722.00		97,722.00	-
Watershed Moratorium	28,388.00	-	28,388.00	-
State Revenues Offset with Appropriations:				
Recycling Tonnage Grant	24,862.57	-	24,862.57	-
Drunk Driving Enforcement Fund		2,417.06	2,417.06	-
Clean Communities Program		36,093.17	36,093.17	-
Municipal Alliance on Drug and Alcohol Abuse	22,150.00	-	22,150.00	-
Body Armor Fund		2,187.25	2,187.25	-
Health Emergency Preparedness Grant	-	2,320.00	2,320.00	-
Total Miscellaneous Revenues	2,577,950.57	43,017.48	2,759,190.88	138,222.83
Receipts From Delinquent Taxes	500,000.00	-	642,895.89	142,895.89
Amount To Be Raised By Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	7,478,474.14	-	8,120,159.06	641,684.92
Budget Revenues	11,872,424.71	43,017.48	12,838,245.83	922,803.64
Non-Budget Revenues	-	-	458,079.56	458,079.56
	$ 11,872,424.71	$ 43,017.48	$ 13,296,325.39	$ 1,380,883.20

Analysis of Realized Revenues

Allocation of Current Tax Collections:		
Revenue From Collections		$ 52,710,556.50
Allocated To:		
School, County, and Open Space Taxes		45,590,397.44
		7,120,159.06
Add: Appropriation "Reserve for Uncollected Taxes"		1,000,000.00
Amount for Support of Municipal Budget Appropriations		$ 8,120,159.06

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

Receipts From Delinquent Taxes:		
Delinquent Tax Collections	$	642,821.25
Fees and Permits:		
Board of Health	$	33,300.00
Planning Board Fees		17,375.00
Board of Adjustment Fees		17,620.00
Street Opening Permits		8,100.00
CCO Inspection Fees		760.00
Fire Prevention Fees		13,395.00
Auction and Garage Sale Licenses		520.00
Assessment Searches		10.00
Miscellaneous		2,935.00
	$	94,015.00
Analysis of Non-Budget Revenues		
TV Cable Franchise Fees	$	31,324.00
Mercantile Licenses		6,275.00
Prior Year Reimbursements		6,258.32
Marriage Licenses		120.00
Alarm Fines		10,200.00
Raffle & Solicitor License		1,460.00
Refunds		26,626.38
Hotel Tax From State		22,824.12
Premium on Note Sale		17,334.36
Sale of Assets		10,094.50
Recycled Scrap Metal		1,381.60
Senior Citizen/Veteran Administrative Cost		1,005.00
Verizon Wireless Lease		10,690.69
Verizon Franchise Fee		53,504.89
AT&T Wireless Lease		28,084.58
T-Mobile Lease		27,671.44
Crown Castle/Global Signal		192,098.87
Farming Township Property		2,100.00
Police Reports		3,105.76
Miscellaneous		5,920.05
	$	458,079.56

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Appropriated		Expended		
	Original Budget	Budget After Modification	Paid or Charged	Reserved	Canceled
General Appropriations					
Operations - Within "CAPS"					
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	$ 155,875.44	$ 155,875.44	$ 148,235.66	$ 7,639.78	$ -
Other Expenses	38,230.00	38,230.00	37,002.11	1,227.89	-
Mayor and Committee:					
Salaries and Wages	7,500.00	7,500.00	3,000.00	4,500.00	-
Municipal Clerk:					
Salaries and Wages	62,424.00	62,424.00	62,408.80	15.20	-
Elections:					
Other Expenses	3,700.00	3,700.00	1,181.00	2,519.00	-
Financial Administration (Treasury):					
Salaries and Wages	79,343.94	79,343.94	79,332.80	11.14	-
Other Expenses	33,390.00	45,390.00	41,982.74	3,407.26	-
Audit Services:					
Other Expenses	31,000.00	31,000.00	30,775.00	225.00	-
Revenue Administration (Tax Collection):					
Salaries and Wages	134,494.51	134,494.51	130,999.71	3,494.80	-
Other Expenses	6,816.30	6,816.30	6,360.20	456.10	-
Tax Assessment Administration:					
Salaries and Wages	31,212.00	31,212.00	31,212.00	-	-
Other Expenses	36,861.00	36,861.00	33,990.93	2,870.07	-
Revaluation				-	
Legal Services (Legal Department):					
Other Expenses	659,125.00	644,125.00	275,694.94	368,430.06	-
Engineering Services:					
Other Expenses	13,500.00	13,500.00	13,461.10	38.90	-

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Appropriated		Expended		
	Original Budget	Budget After Modification	Paid or Charged	Reserved	Canceled
LAND USE ADMINISTRATION					
Farm Land/Open Space Commission:					
Salaries and Wages	750.00	750.00	-	750.00	-
Other Expenses	110.00	110.00	32.24	77.76	-
Historical Preservation:					
Salaries and Wages	800.00	800.00	800.00	-	-
Other Expenses	1,530.00	1,530.00	1,168.34	361.66	-
Planning Board:					
Salaries and Wages	141,715.00	141,715.00	141,597.86	117.14	-
Other Expenses	11,050.00	11,050.00	9,263.52	1,786.48	-
Architectural Review:					
Salaries and Wages	750.00	750.00	750.00	-	-
Other Expenses	1,160.00	1,160.00	697.40	462.60	-
Zoning Board of Adjustment:					
Salaries and Wages	1,200.00	1,200.00	1,200.00	-	-
Other Expenses	4,900.00	4,900.00	2,849.54	2,050.46	-
CODE ENFORCEMENT AND ADMINISTRATION					
Code Enforcement Official:					
Salaries and Wages	47,271.38	47,271.38	36,698.75	10,572.63	-
Other Expenses	2,580.00	2,580.00	2,572.68	7.32	-
INSURANCE					
Unemployment Insurance	2,000.00	2,000.00	1,963.00	37.00	-
General Liability - JIF	203,024.00	203,024.00	203,024.00	-	-
Workers Compensation	299,706.00	299,706.00	299,706.00	-	-
Employee Group Health	783,500.00	783,500.00	750,138.53	33,361.47	-
Dental Insurance	70,980.00	70,980.00	57,030.99	13,949.01	
Health Benefit Waiver	17,000.00	17,000.00	14,100.00	2,900.00	-
PUBLIC SAFETY					
Police Department:					
Salaries and Wages	2,069,191.77	2,069,191.77	2,033,994.82	35,196.95	-
Other Expenses	115,050.00	115,050.00	99,666.79	15,383.21	-
Office of Emergency Management:					
Other Expenses	1,000.00	1,000.00	-	1,000.00	-
Aid To Volunteer Fire Companies	77,935.00	77,935.00	77,935.00	-	-
First Aid Organization - Contribution	20,000.00	20,000.00	9,098.85	10,901.15	-
Fire Department:					
Other Expenses	30,800.00	30,800.00	26,972.42	3,827.58	-
Fire Prevention Bureau:					
Salaries and Wages	22,459.47	22,459.47	21,723.81	735.66	-
Other Expenses	3,145.00	3,145.00	1,603.95	1,541.05	-

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Appropriated		Expended		
	Original Budget	Budget After Modification	Paid or Charged	Reserved	Canceled
PUBLIC WORKS					
Streets and Road Maintenance:					
Salaries and Wages	910,725.16	910,725.16	845,466.44	65,258.72	-
Other Expenses	198,670.00	198,670.00	161,069.07	37,600.93	-
Snow Removal:					
Salaries and Wages	16,480.04	16,480.04	16,480.04	-	-
Other Expenses	195,727.50	195,727.50	194,981.07	746.43	-
Shade Tree Commission:					
Salaries and Wages	1,000.00	1,000.00	545.00	455.00	-
Other Expenses	10,400.00	10,400.00	10,387.98	12.02	-
Recycling:					
Salaries and Wages	2,000.00	2,000.00	1,991.39	8.61	-
Other Expenses	153,041.67	153,041.67	117,416.37	35,625.30	-
Buildings and Grounds:					
Salaries and Wages	1,000.00	1,000.00	1,000.00	-	-
Other Expenses	107,300.00	107,300.00	96,582.67	10,717.33	-
Municipal Court:					
Salaries and Wages	72,136.70	72,136.70	64,401.29	7,735.41	-
Other Expenses	9,960.00	9,960.00	7,178.12	2,781.88	-
HEALTH AND HUMAN SERVICES					
Public Health Services (Board of Health):					
Salaries and Wages	106,900.00	106,900.00	103,902.86	2,997.14	-
Other Expenses	24,125.00	24,125.00	13,699.14	10,425.86	-
Environmental Commission:					
Salaries and Wages	750.00	750.00	695.00	55.00	-
Other Expenses	60.00	60.00	34.04	25.96	-
Animal Control Services:					
Other Expenses	32,200.00	32,200.00	25,223.00	6,977.00	-
PARK AND RECREATION					
Recreation Services and Programs:					
Salaries and Wages	196,381.50	196,381.50	176,567.45	19,814.05	-
Other Expenses	208,325.00	208,325.00	182,216.99	26,108.01	-
Maintenance of Parks:					
Salaries and Wages	9,000.00	9,000.00	-	9,000.00	-
Other Expenses	41,075.00	41,075.00	36,922.54	4,152.46	-

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Appropriated		Expended		
	Original Budget	Budget After Modification	Paid or Charged	Reserved	Canceled
UNCLASSIFIED					
Municipal Alliance on Alcoholism and Drug Abuse	5,538.00	5,538.00	4,862.74	675.26	-
Accumulated Sick and Vacation	10,000.00	10,000.00	10,000.00	-	-
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	39,000.00	39,000.00	33,807.78	5,192.22	-
Street Lighting	18,000.00	18,000.00	15,146.90	2,853.10	-
Telephone (excluding equipment acquisition)	52,600.00	55,600.00	55,084.96	515.04	-
Natural Gas	18,500.00	18,500.00	12,856.73	5,643.27	-
Gasoline	97,000.00	97,000.00	84,654.42	12,345.58	-
Total Operations - Within "CAPS"	7,760,975.38	7,760,975.38	6,963,399.47	797,575.91	-
Contingent	5,000.00	5,000.00	4,928.22	71.78	-
Total Operations Including Contingent - Within "CAPS"	7,765,975.38	7,765,975.38	6,968,327.69	797,647.69	-
Detail:					
Salaries and Wages	4,081,360.91	4,081,360.91	3,913,003.68	168,357.23	-
Other Expenses (Including Contingent)	3,623,634.47	3,623,634.47	3,055,324.01	629,290.46	-
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"					
Contribution To:					
Public Employees' Retirement System	228,901.00	228,901.00	228,901.00	-	-
Social Security System (O.A.S.I.)	295,000.00	295,000.00	283,606.71	11,393.29	-
Police and Firemen's Retirement System of N.J.	428,355.00	428,355.00	428,355.00	-	-
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	952,256.00	952,256.00	940,862.71	11,393.29	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	8,718,231.38	8,718,231.38	7,909,190.40	809,040.98	-
Department of Environmental Protection					
Recycling Tax (N.J.S.A. 13:1E-96.5)	10,020.00	10,020.00	10,020.00	-	-
Aid To Library (N.J.S.A. 40:54-35):					
Salaries and Wages	30,000.00	30,000.00	30,000.00	-	-
Other Expenses	38,821.60	38,821.60	28,013.69	10,807.91	-
LOSAP	40,000.00	40,000.00	-	40,000.00	-

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Appropriated		Expended		
	Original Budget	Budget After Modification	Paid or Charged	Reserved	Canceled
INTERLOCAL MUNICIPAL AGREEMENTS					
Interlocal Service - County - 911	104,798.00	104,798.00	103,296.34	1,501.66	-
DECLARED SATE OF EMERGENCY COST FOR SNOW REMOVAL					
N.J.S.A (40a:4-45,45(b)) and 40A:4-45.39bb).	67,792.46	67,792.46	-	67,792.46	-
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Clean Communities Program	-	36,093.17	36,093.17	-	-
Drug and Alcohol Abuse	22,150.00	22,150.00	22,150.00	-	-
Body Armor Fund	-	2,187.25	2,187.25	-	-
Recycling Tonnage	24,862.57	24,862.57	24,862.57	-	-
Health Emergency Preparedness Grant		2,320.00	2,320.00	-	
Drunk Driving Enforcement	-	2,417.06	2,417.06	-	-
Total Operations - Excluded From "CAPS"	338,444.63	381,462.11	261,360.08	120,102.03	-
Detail:					
Salaries and Wages	30,000.00	30,000.00	30,000.00	-	-
Other Expenses	308,444.63	351,462.11	231,360.08	120,102.03	-
Capital Improvements - Excluded From "CAPS"					
Capital Improvement Fund	293,300.00	293,300.00	293,300.00	-	-
Total Capital Improvements - Excluded From "CAPS"	293,300.00	293,300.00	293,300.00	-	-
Municipal Debt Service - Excluded From "CAPS"					
Payment of Bond Principal	766,814.00	766,814.00	766,814.00	-	-
Interest on Bonds	358,363.26	358,363.26	358,363.26	-	-
Interest on Notes	47,828.67	47,828.67	47,828.67	-	-
Green Acres Loan - Principal and Interest	11,130.78	11,130.78	11,130.78	-	-
MCIA Lease Principal	38,000.00	38,000.00	38,000.00	-	-
MCIA Lease Interest	12,320.00	12,320.00	12,320.00	-	-
Total Municipal Debt Service - Excluded From "CAPS"	1,234,456.71	1,234,456.71	1,234,456.71	-	-

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Appropriated		Expended		
	Original Budget	Budget After Modification	Paid or Charged	Reserved	Canceled
DEFERRED CHARGES					
Emergency Authorizations					
Special Emergency Authorizations (Legal)	150,000.00	150,000.00	150,000.00	-	-
Special Emergency Note Principal (Sandy)	137,141.99	137,141.99	137,141.99	-	-
Special Emergency Note Interest (Sandy)	850.00	850.00	848.34	-	1.66
Total Deferred Charges - Municipal - Excluded from "CAPS"	287,991.99	287,991.99	287,990.33	-	1.66
Total General Appropriations - Excluded From "CAPS"	2,154,193.33	2,197,210.81	2,077,107.12	120,102.03	1.66
Subtotal General Appropriations	10,872,424.71	10,915,442.19	9,986,297.52	929,143.01	1.66
Reserve for Uncollected Taxes	1,000,000.00	1,000,000.00	1,000,000.00	-	-
Total General Appropriations	$ 11,872,424.71	$ 11,915,442.19	$ 10,986,297.52	$ 929,143.01	$ 1.66

Added by N.J.S. 40A:4-87	$ 43,017.48
Deferred Charges:	
Emergency Authorizations	
Original Budget	11,872,424.71
	$ 11,915,442.19

Reserve for Uncollected Taxes	$ 1,000,000.00
Cash Disbursements	9,507,012.85
Transferred to Reserves	10,000.00
Deferred Charges:	
Special Emergency	287,990.33
State Grants - Appropriated	90,030.05
Encumbrances Payable	91,264.29
	$ 10,986,297.52

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

TOWNSHIP OF COLTS NECK
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016

ASSETS	REFERENCE	2017	2016
Animal Control Fund:			
Cash	B-1	$ 7,861.97	$ 9,370.99
		7,861.97	9,370.99
Trust - Other Fund			
Cash	B-1	5,749,623.45	4,900,144.20
Due from Third Parties	B-4	3,483.96	-
		5,753,107.41	4,900,114.20
Length of Service of Award Program Fund ("LOSAP"):			
Investments	B-7	870,283.76	719,645.52
Total Assets		$ 6,631,253.14	$ 5,629,130.71
LIABILITIES, RESERVES, AND FUND BALANCE			
Animal Control Fund:			
Accounts Payable	B	$ -	$ 903.39
Due to State	B-3	10.20	5.40
Reserve for Animal Control Fund Expenditures	B-2	7,851.77	8,462.20
Total Animal Control Fund		7,861.97	9,370.99
Trust - Other Fund:			
Due to Third Parties	B-4	-	6,110.64
Reserve for Various Trusts	B-5, B-6	5,753,107.41	4,894,003.56
		5,753,107.41	4,900,114.20
Length of Service Award Program Fund ("LOSAP"):			
Miscellaneous Reserves	B-8	870,283.76	719,645.52
Total Other Trust Funds		870,283.76	719,645.52
Total		$ 6,631,253.14	$ 5,629,130.71

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

TOWNSHIP OF COLTS NECK
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016

ASSETS	REFERENCE	2017	2016
Cash	C-2,C-3	$ 252,910.43	$ 1,600,480.14
Deferred Charges to Future Taxation:			
Funded	C-4	9,045,587.74	9,968,714.62
Unfunded	C-5	6,702,164.00	3,148,595.00
Grants and Intergovernmental Receivable	C-13	165,000.00	60,000.00
Total Assets		$ 16,165,662.17	$ 14,777,789.76
LIABILITIES, RESERVES & FUND BALANCE			
General Serial Bonds	C-6	$ 8,610,000.00	$ 9,590,000.00
MCIA Lease Payable	C-7	228,000.00	266,000.00
Green Trust Loan Payable	C-8	42,587.74	52,714.62
Improvement Authorizations:			
Funded	C-9	510,436.20	537,574.31
Unfunded	C-9	3,988,921.85	1,582,910.90
Bond Anticipation Notes	C-15	2,148,000.00	2,398,095.00
Capital Improvement Fund	C-10	90,261.00	143,644.00
Reserve for:			
Debt Service	C-11	52,808.68	52,808.68
Purchase of Fire Truck	C-12	-	3,494.50
Encumbrances	C-3	325,704.57	86,605.62
Receivables	C-13	165,000.00	60,000.00
Fund Balance	C-1	3,942.13	3,942.13
Total Liabilities, Reserves & Fund Balance		$ 16,165,662.17	$ 14,777,789.76

There were bonds and notes authorized but not issued at December 31, 2017 of $4,554,164.00 and at December 31, 2016 of $750,500.00.

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

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENTS OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016 & 2017	$ 3,942.13

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

EXHIBIT D

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016

	Reference	Balance December 31, 2017	Balance December 31, 2016
Land	D-1	$ 21,696,163.69	$ 19,876,189.69
Buildings and Improvements	D-2	3,959,540.00	3,899,540.00
Machinery, Equipment and Vehicles	D-3	7,500,442.00	7,203,657.00
Total General Fixed Assets		$ 33,156,145.69	$ 30,979,386.69
Investment in General Fixed Assets		$ 33,156,145.69	$ 30,979,386.69

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

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TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Township of Colts Neck was incorporated in 1847 and is located in eastern New Jersey. The population according to the 2010 census is 10,142.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The mayor is separately elected. Executive and administrative responsibilities rest with the Mayor, who is assisted by the Township Clerk.

Component Units - GASB Statement 14, as amended by GASB Statements 39 and 61, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP, and therefore the financial statements are not presented in accordance with GASB Statement No. 14, as amended by GASB Statement No. 39 and No. 61.

If the financials had been prepared in accordance with GAAP, there would be no component units of the Township.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township 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 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.
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.
General Fixed Asset Account Group – The Fixed Asset Account Group accounts for all assets used in government operations.

Budgets and Budgetary Accounting - The Township 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.

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost, with the exception of LOSAP investments which are reported at fair value. Therefore unrealized gains or losses on investments have not been recorded.

New Jersey municipal units are required by N.J.S.A.40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A.40A:5-15.1 provides a list of investments, which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local utilities and other state agencies.

N.J.S.A.17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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 – Accounting for governmental fixed assets, as required by N.J.A.C.5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of $5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Foreclosed property – Foreclosed Property or “Property Acquired for Taxes” 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 Township 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'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 Monmouth, Colts Neck Local School District and Freehold Regional High School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Monmouth. 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.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Colts Neck School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district July 1 to June 30.

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July I to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

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.

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 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 – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has recently adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements; and there have been no GASB pronouncements effective for the current year that have a significant impact of the Township's financial statements.

Note 2. Deposits and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by FDIC. Public 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, bail funds 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, 2017, the Township's bank balance of $26,815,143.31 was insured or collateralized as follows:

Uninsured & Uncollateralized	$	4,845,991.71
Insured Under FDIC		906,012.41
Collateralized Under GUDPA		20,890,574.96
New Jersey Cash Management Fund		172,564.23
	$	26,815,143.31

Investments

Fair Value Measurement – The fair value measurements of investments are required to be reported based on the hierarchy established by generally accepted accounting principles. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available.

Under regulatory basis of accounting, investments are measured at cost in the Township's financial statements. However, had the financial statements been prepared in accordance with GAAP, the Township's fair value, hierarchy level and maturities of its investments at December 31, 2017 would be as followed:

Investment Type	Carrying Value	Fair Value Level 1 At December 31, 2017	Investment Maturities Less Than 1 Year
Mutual Funds	$ 872,840.00	$ 872,840.00	$ 872,840.00
Fixed Account Investment	163,664.67	163,664.67	163,664.67
	$ 1,036,504.67	$ 1,036,504.67	$ 1,036,504.67
Fund			
Trust Fund - LOSAP	$ 1,036,504.67	$ 1,036,504.67	$ 1,036,504.67
	$ 1,036,504.67	$ 1,036,504.67	$ 1,036,504.67

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township has no investment policy to limit exposure to custodial credit risk.

Interest rate risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Township's investment policies place no limit in the amount the Township may invest in any one issuer. More than 5% of the Township's investments are in mutual funds and fixed investment account investments. These investments represent 100% of the Township's total investments.

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 Schedule of Tax Rates

	2017	2016	2015
Tax Rate	1.769	1.731	1.735
Apportionment of Tax Rate:			
Municipal	0.262	0.253	0.240
County General	0.292	0.300	0.311
Local School	0.749	0.739	0.739
Regional School	0.466	0.439	0.454

Assessed Valuation

Year	Assessed Valuation
2017	$ 2,998,518,694.00
2016	2,991,240,171.00
2015	2,971,383,066.00

Comparison of Tax Levies and Collection Currently

Year	Tax Levy	Cash Collections	Percentage of Collection
2017	$ 53,351,582.25	$ 52,710,556.50	98.80%
2016	52,089,020.45	51,363,979.54	98.61%
2015	51,731,356.52	51,225,310.60	99.02%

Delinquent Taxes and Tax Title Liens

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2017	$42,962.27	$659,278.59	$702,240.86	1.32%
2016	37,837.75	645,412.65	683,250.40	1.31%
2015	32,683.28	498,710.02	531,393.30	1.03%

Number of Tax Title Liens

Year	Number
2017	5
2016	5
2015	3

The last tax sale was held on November 28, 2017.

Note 4. Property Acquired by Tax Title Lien Liquidation

The value of properties acquired by liquidation of tax title liens based on the last assessed valuation of such properties as of December 31, was as follows:

Year	Amount
2017	$ 169,000.00
2016	169,000.00
2015	169,000.00

Note 5. Fund Balances Appropriated

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

Year	Balance Dec. 31,	Utilized in Budget of Subsequent Year	Percentage of Fund Balance Used
2017	$ 2,333,447.57	$ 1,450,000.00	62.14%
2016	1,976,264.86	1,316,000.00	66.59%
2015	1,666,105.65	1,126,226.27	67.60%

Note 6. Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

Note 7. Interfund Receivables, Payables and Transfers

There were no individual fund receivables/payables balances at December 31, 2017.

Note 8. Fixed Assets

	Balance 1/1/2017	Additions	Deletions	Balance 12/31/2017
Land	$ 19,876,189.69	$ 1,819,974.00	$ -	$ 21,696,163.69
Buildings & Improvements	3,899,540.00	60,000.00	-	3,959,540.00
Machinery, Equip. & Vehicles	7,203,657.00	596,808.00	300,023.00	7,500,442.00
Total Fixed Assets	$ 30,979,386.69	$ 2,476,782.00	$ 300,023.00	$ 33,156,145.69

Note 9. Pension Obligations

A. Public Employees' Retirement Systems (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2017, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2017, the Township's contributions to PERS was $357,467.00.

Components of Net Pension Liability - At December 31, 2017, the Township reported a liability of $5,867,009 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The Township's proportion measured as of June 30, 2017, was 0.0385869628% which was an increase of 0.0128841633% from its proportion measured as of June 30, 2016.

Collective Balances at December 31, 2017 and December 31, 2016

	12/31/2017	12/31/2016
Actuarial valuation date (including roll forward)	6/30/2017	6/30/2016
Deferred Outflows of Resources	$ 1,516,904.00	$ 2,227,964.00
Deferred Inflows of Resources	1,624,797.00	458,493.00
Net Pension Liability	5,867,009.00	7,612,432.00
Township's portion of the Plan's total net pension Liability	0.03859%	0.025700%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2017, the Township's proportionate share of the PERS expense, calculated by the plan as of the June 30, 2017 measurement date is $423,117.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed $357,467 to the plan in 2017.

At December 31, 2017, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 138,148.00	$ -
Changes of Assumptions	1,182,000.00	1,177,667.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	39,950.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	156,806.00	447,130.00
	$ 1,516,904.00	$ 1,624,797.00

The Township will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending Dec 31,	Amount
2018	$ (33,477.00)
2019	44,743.00
2020	(78,376.00)
2021	(439,841.00)
2022	399,058.00
	$ (107,893.00)

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	2.25%
Salary Increases:	
Through 2026	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current rate:

	1% Decrease 4.00%	Current Discount Rate 5.00%	1% Increase 6.00%
Township's Proportionate Share of the Net Pension Liability	$ 7,278,423.00	$ 5,867,009.00	$ 4,691,127.00

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

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

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

The following represents the membership tiers for PFRS:

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

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

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2017, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2017, the Township's contractually required contributions to PFRS plan was $483,507.

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

Net Pension Liability and Pension Expense - At December 31, 2017 the Township's proportionate share of the PFRS net pension liability was $8,434,189. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The Township's proportion measured as of June 30, 2017, was 0.0546324199%, which was an increase of 0.0020954797% from its proportion measured as of June 30, 2016.

Collective Balances at December 31, 2017 and December 31, 2016

	12/31/2017	12/31/2016
Actuarial valuation date (including roll forward)	6/30/2017	6/30/2016
Deferred Outflows of Resources	$ 1,892,609.00	$ 2,606,075.00
Deferred Inflows of Resources	1,613,504.00	320,740.00
Net Pension Liability	8,434,189.00	10,035,899.00
Township's portion of the Plan's total net pension Liability	0.005463%	0.005254%

Pension Expense and Deferred Outflows/Inflows of Resources – At December 31, 2017, the Township's proportionate share of the PFRS expense, calculated by the plan as of the June 30, 2017 measurement date was $764,922. This expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed $483,507 to the plan in 2017.

At December 31, 2017, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 54,716.00	$ 49,502.00
Changes of Assumptions	1,040,030.00	1,381,274.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	160,944.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	636,919.00	182,728.00
	$ 1,892,609.00	$ 1,613,504.00

The Township will amortize the above sources of deferred outflows and inflows related to PFRS over the following number of years:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	-	5.53
June 30, 2016	-	5.58
June 30, 2017	5.59	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.17	-
June 30, 2015	5.53	-
June 30, 2016	5.58	-
June 30, 2017	-	5.59
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.17	6.17
June 30, 2015	5.53	5.53
June 30, 2016	5.58	5.58
June 30, 2017	5.59	5.59

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending Dec 31,		Amount
2018	$	197,292.00
2019		368,687.00
2020		73,187.00
2021		(223,257.00)
2022		(136,804.00)
	$	279,105.00

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

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is $944,700 as of December 31, 2017. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, to the measurement date of June 30, 2017. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2017 was 0.0546324199%, which was an increase of 0.0020954797% from its proportion measured as of June 30, 2016, which is the same proportion as the Township's. At December 31, 2017, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	$	8,434,189.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township		944,700.00
	$	9,378,889.00

At December 31, 2017, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2017 measurement date was $115,558.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	2.25%
Salary Increases:	
Through 2026	2.10% - 8.98% Based on Age
Thereafter	3.10% - 9.98% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2010 - June 30, 2013

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 6.14% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.14%) or 1-percentage-point higher (7.14%) than the current rate:

	1% Decrease 5.14%	Current Discount Rate 6.14%	1% Increase 7.14%
Township's Proportionate Share of the Net Pension Liability	$ 11,112,739.00	$ 8,434,189.00	$ 6,233,456.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	1,244,720.00	944,700.00	698,199.00
	$ 12,357,459.00	$ 9,378,889.00	$ 6,931,655.00

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

Note 10. Municipal Debt

The following schedule represents the Township's summary of debt, as filed in the Township's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	Year 2017	Year 2016	Year 2015
Issued & Outstanding:			
General Bonds, Loans and Notes	$ 10,800,587.74	$ 12,040,809.62	$ 10,582,641.96
Total Debt Issued	10,800,587.74	12,040,809.62	10,582,641.96
Authorized But Not Issued:			
General Bonds and Notes	4,554,164.00	750,500.00	750,500.00
Total Authorized But Not Issued	4,554,164.00	750,500.00	750,500.00
Deductions:			
Farmland Trust Fund	1,518,962.00	1,732,148.00	1,970,198.48
Reserve for Debt Service	52,808.68	52,808.68	52,808.68
Total Deductions	1,571,770.68	1,784,956.68	2,023,007.16
Total Net Debt:	$ 13,782,981.06	$ 11,006,352.94	$ 9,310,134.80

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 13,480,000.00	$ 13,480,000.00	$ -
Regional School District Debt	1,412,162.07	1,412,162.07	-
General Debt	15,354,751.74	1,571,770.68	13,782,981.06
	$ 30,246,913.81	$ 16,463,932.75	$ 13,782,981.06

Net Debt, $13,782,981.06 divided by Equalized Valuation Basis Per N.J.S.A.40A:2-2, as amended, $3,023,858,638.00 equals 0.456%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2017 is calculated as follows:

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	$	105,835,052.33
Net Debt		13,782,981.06
Remaining Borrowing Power	$	92,052,071.27

General Debt

A. Serial Bonds Payable

The Township has $8,610,000.00 of General Obligation Bonds outstanding at December 31, 2017. The Bonds have interest rates varying from 4.00% to 5.00% and mature on 12/31/2022 and 12/01/2028.

General Debt

Year	Principal	Interest	Total
2018	$ 1,025,000.00	$ 395,000.00	$ 1,420,000.00
2019	1,065,000.00	354,000.00	1,419,000.00
2020	1,105,000.00	311,400.00	1,416,400.00
2021	1,155,000.00	263,300.00	1,418,300.00
2022	1,205,000.00	213,000.00	1,418,000.00
2023-2027	2,480,000.00	527,750.00	3,007,750.00
2028	575,000.00	28,750.00	603,750.00
Total	$ 8,610,000.00	$ 2,093,200.00	$ 10,703,200.00

B. Loans Payable

The Township has $42,587.74 of Green Acres Loans Payable at December 31, 2017. The Loans have an interest rate of 2.00% and mature on 5/06/2022.

Green Acres Trust Loan

Year	Principal	Interest	Total
2018	$ 10,330.43	$ 800.36	$ 11,130.79
2019	10,538.07	592.71	11,130.78
2020	10,749.89	380.90	11,130.79
2021	8,198.83	164.84	8,363.67
2022	2,770.52	27.71	2,798.23
Total	$ 42,587.74	$ 1,966.52	$ 44,554.26

C. Lease Payable

The Township has $228,000.00 of MCIA Lease Payable at December 31, 2017. The Lease Purchase Agreement has interest rates varying from 4.00% to 5.00% and matures on 10/01/2025.

	MCIA Lease Purchase Agreement		
Year	Principal	Interest	Total
2018	$ 40,000.00	$ 10,800.00	$ 50,800.00
2019	42,000.00	8,800.00	50,800.00
2020	44,000.00	6,700.00	50,700.00
2021	19,000.00	4,500.00	23,500.00
2022	20,000.00	3,550.00	23,550.00
2023-2025	63,000.00	6,400.00	69,400.00
Total	$ 228,000.00	$ 40,750.00	$ 268,750.00

D. Bond Anticipation Notes

The Township had Bond Anticipation Notes outstanding of $2,148,000.00 at December 31, 2017. Notes Mature March 13, 2018 at 2.25%.

The purpose of these short-term borrowings was to provide resources for general capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. Seq.

E. Bonds and Notes Authorized but Not Issued

At December 31, 2017, the Township had $4,554,164.00 of bonds and notes authorized but not issued.

Summary of Debt

During the fiscal year ended December 31, 2017, the following changes occurred in capital debt:

	December 31, 2016	Accrued/ Increases	Retired/ Decreases	December 31, 2017	Due Within One Year
General Capital Fund					
General Serial Bonds	$ 9,590,000.00	$ -	$ 980,000.00	$ 8,610,000.00	$ 1,024,999.00
Green Trust Loans Payable	52,714.62	-	10,126.88	42,587.74	10,330.43
MCIA Lease Payable	266,000.00	-	38,000.00	228,000.00	40,000.00
BAN's Payable	2,398,095.00	2,148,000.00	2,398,095.00	2,148,000.00	2,148,000.00
Authorized but Not Issued	750,500.00	3,803,664.00	-	4,554,164.00	-
Total General Capital	$ 13,057,309.62	$ 5,951,664.00	$ 3,426,221.88	$ 15,582,751.74	$ 3,223,329.43

Note 11. Deferred Compensation Salary Account

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 12. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. The current cost of such unpaid compensation is $150,629.75 at December 31, 2017.

Note 13. Risk Management

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's current fund appropriation reserve and trust fund for the current and previous two years:

Year	Township Contributions	Amount Reimbursed	Ending Balance
2017	$ -	$ -	$ 310.82
2016	-	-	310.82
2015	-	-	310.82

Note 14. Local District School and Regional High School Taxes

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

The Township has elected to defer school taxes as follows:

	Local School District		Regional High School Tax	
	2017	2016	2017	2016
Balance of Tax	$ 8,172,998.99	$ 8,033,756.97	$ 6,701,843.85	$ 6,298,279.85
Deferred Tax	2,826,100.00	2,826,100.00	1,523,600.00	1,523,600.00
Tax Payable	$ 5,346,898.99	$ 5,207,656.97	$ 5,178,243.85	$ 4,774,679.85

Note 15. Contingencies

Grantor Agencies

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2017 the Township estimates that no material liabilities will result from such audits.

Litigation

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2017

		Current Fund		Grant Fund
Balance, December 31, 2016		$ 13,187,779.47		$ 58,661.45
Increased By Receipts:				
Miscellaneous Revenue Not Anticipated	$ 458,079.56		$ -	
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	50,250.00		-	
Taxes Receivable	52,754,991.73		-	
Tax Title Liens Receivable	1,043.35		-	
Revenue Accounts Receivable	2,669,160.83		-	
Prepaid Taxes	6,951,067.97		-	
Due To State and Local Agencies	1,000.00		-	
Various Reserves	1,149.00		-	
Tax Overpayments	32,102.47		-	
Refund of Prior Year Expenditures	17.17		-	
State Grants Receivable	-		93,228.86	
Reserve for State Grants - Unappropriated	-		27,030.44	
		62,918,862.08		120,259.30
		76,106,641.55		178,920.75
Decreased By Disbursements:				
2016 Appropriations	9,507,012.85		-	
2016 Appropriation Reserves	278,580.19		-	
Open Space Trust Fund	360,239.00		-	
Accounts Payable	4,410.00		-	
County Taxes	8,752,191.00		-	
County Added and Omitted Taxes	54,386.94		-	
Local District School Tax	22,324,930.00		-	
Regional High School Tax	13,558,615.00		-	
Due To State and Local Agencies	950.00		-	
Tax Overpayments Refunded	4,218.05		-	
Various Reserves	262.50		-	
Special Emergency Note Payable	117,012.00		-	
Interfund Disbursed	7,277.51		-	
Reserve for State Grants - Appropriated	-		70,664.48	
		54,970,085.04		70,664.48
Balance, December 31, 2017		$ 21,136,556.51		$ 108,256.27

EXHIBIT A-5

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Office	Balance December 31, 2017 & 2016
Tax Collector	$ 200.00
Municipal Court Clerk	300.00
	$ 500.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE FROM/(TO) STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ (3,250.00)
Increased By:		
Senior Citizens' Deductions Per Tax Billing	$ 3,250.00	
Veterans' Deductions Per Tax Billing	44,500.00	
Deductions Allowed By Collector:		
2017 Taxes	1,000.00	
		48,750.00
		45,500.00
Decreased By:		
Cash Receipts	$ 50,250.00	
2017 Senior Citizens' Deductions Disallowed	1,281.51	
		51,531.51
Balance, December 31, 2017		$ (6,031.51)

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2017

Year	Balance December 31, 2016	2017 Levy	Added Taxes	Collections 2016	Collections 2017	Senior Citizens' and Veterans' Deductions Allowed/ (Disallowed)	Transferred To Tax Title Liens	Cancellations and Adjustments	Balance December 31, 2017
2016	$ 645,412.65	$ -		$ -	$ 642,821.25	$ -	$ 587.96	$ 2,003.44	$ -
2017	-	53,043,904.06	307,678.19	550,136.02	52,112,170.48	48,250.00	5,437.91	(23,690.75)	659,278.59
	$ 645,412.65	$ 53,043,904.06	$ 307,678.19	$ 550,136.02	$ 52,754,991.73	$ 48,250.00	$ 6,025.87	$ (21,687.31)	$ 659,278.59

Analysis of Property Tax Levy

Tax Yield:		
General Purpose Tax	$ 53,043,904.06	
Added Taxes	307,678.19	
		$ 53,351,582.25
Tax Levy:		
Open Space Tax	360,239.00	
County Taxes	8,752,191.00	
County Taxes Added	51,616.44	
Local School Tax	22,464,172.00	
Regional School Tax	13,962,179.00	
		$ 45,590,397.44
Tax for Municipal Purposes	7,478,474.14	
Additional Taxes Added	282,710.67	
		7,761,184.81
		$ 53,351,582.25

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 37,837.75
Increased By:		
Transfers From Taxes Receivable	$ 6,025.87	
Interest and Costs of Sale	142.00	
		6,167.87
		44,005.62
Decreased By:		
Collections		1,043.35
Balance, December 31, 2017		$ 42,962.27

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2017 & 2016	$ 169,000.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2017

Year	Description	Amount	Balance December 31, 2016	Increased	Raised in 2017 Budget	Balance December 31, 2017
Emergency Authorization:						
2016	Legal Services	$ 150,000.00	$ 150,000.00	$ -	150,000.00	$ -
Special Emergency Authorization:						
2012	Superstorm Sandy Principal	2,500,000.00	137,141.99	-	137,141.99	-
	Superstorm Sandy Interest	850.00	-	850.00	850.00	-
			$ 287,141.99	$ 850.00	$ 287,991.99	$ -

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance December 31, 2016	Accrued in 2017	Collected in 2017	Balance December 31, 2017
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	$ -	$ 15,188.00	$ 15,188.00	$ -
Fees and Permits	-	94,015.00	94,015.00	-
Fines and Costs:				
Municipal Court	12,869.99	126,480.17	130,946.65	8,403.51
Interest and Costs on Taxes	-	167,309.43	167,309.43	-
Interest on Investments and Deposits	-	62,499.84	62,499.84	-
Recreation Fees	-	218,263.91	218,263.91	-
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax	-	1,854,828.00	1,854,828.00	-
Supplemental Energy Receipts Tax	-	97,722.00	97,722.00	-
Watershed Moratorium	-	28,388.00	28,388.00	-
	$ 12,869.99	$ 2,664,694.35	$ 2,669,160.83	$ 8,403.51

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO OPEN SPACE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$ -
Increased By:	
2017 Levy	360,239.00
	360,239.00
Decreased By:	
Disbursed To Trust Fund	360,239.00
Balance, December 31, 2017	$ -

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance December 31, 2016	Balance After Transfers	Paid or Charged	Canceled	Balance Lapsed
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	$ 1,814.38	$ 1,814.38	$ 126.00	$ 1,688.38	$ -
Other Expenses	17,080.61	17,284.23	6,544.34	10,739.89	-
Mayor and Committee:					
Salaries and Wages	3,000.00	3,000.00	-	3,000.00	-
Elections:					
Other Expenses	1,682.00	1,682.00	-	1,682.00	-
Financial Administration (Treasury):					
Salaries and Wages	300.00	300.00	-	300.00	-
Other Expenses	879.94	903.83	873.89	29.94	-
Audit Services:					
Other Expenses	200.00	200.00	-	200.00	-
Revenue Administration (Tax Collection):					
Other Expenses	142.70	264.94	253.36	11.58	-
Tax Assessment Administration:					
Salaries and Wages	0.08	0.08	-	0.08	-
Other Expenses	8,900.42	28,900.42	20,000.00	8,900.42	-
Legal Services (Legal Department):					
Other Expenses	4,448.67	17,648.67	16,567.36	1,081.31	-
Engineering Services:					
Other Expenses	1,541.83	1,541.83	1,243.49	298.34	-
LAND USE ADMINISTRATION					
Farm Land/Open Space Commission:					
Salaries and Wages	750.00	750.00	227.50	522.50	-
Other Expenses	110.00	110.00	-	110.00	-
Historical Preservation:					
Salaries and Wages	267.50	267.50	267.00	0.50	-
Other Expenses	768.00	768.00	-	768.00	-
Planning Board:					
Salaries and Wages	1,100.00	1,100.00	-	1,100.00	-
Other Expenses	2,969.95	3,056.65	404.20	2,652.45	-
Architectural Review:					
Salaries and Wages	257.50	257.50	257.00	0.50	-
Other Expenses	133.40	133.40	-	133.40	-
Zoning Board of Adjustment:					
Other Expenses	138.57	438.57	395.00	43.57	-
CODE ENFORCEMENT AND ADMINISTRATION					
Code Enforcement Official:					
Other Expenses	606.42	606.42	-	606.42	-

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance December 31, 2016	Balance After Transfers	Paid or Charged	Canceled	Balance Lapsed
INSURANCE					
Workers Compensation	3,332.00	3,332.00	-	3,332.00	-
Employee Group Health	58,985.93	61,248.19	1,822.57	59,425.62	-
Health Benefit Waiver	2,500.00	237.74	-	237.74	-
PUBLIC SAFETY					
Police Department:					
Other Expenses	20,816.13	30,401.89	16,876.90	13,524.99	-
Office of Emergency Management:					
Other Expenses	293.75	293.75	94.60	199.15	-
Aid To Volunteer Fire Companies	558.86	154.25	135.09	19.16	-
Fire Department:					
Other Expenses	8.13	412.74	412.74	-	-
Fire Prevention Bureau:					
Other Expenses	639.69	730.49	204.00	526.49	-
PUBLIC WORKS					
Streets and Road Maintenance:					
Salaries and Wages	52,435.10	28,935.10	-	28,935.10	-
Other Expenses	20,943.29	33,463.09	33,136.03	327.06	-
Snow Removal:					
Salaries and Wages	8,586.88	8,586.88	8,586.88	-	-
Other Expenses	57,010.46	57,392.38	57,392.38	-	-
Shade Tree Commission:					
Salaries and Wages	20.00	20.00	-	20.00	-
Other Expenses	3,896.05	3,896.05	-	3,896.05	-
Recycling:					
Other Expenses	42,938.11	48,718.11	45,345.33	3,372.78	-
Buildings and Grounds:					
Salaries and Wages	-				-
Other Expenses	364.30	2,136.00	1,931.40	204.60	-
Municipal Court:					
Salaries and Wages	6,400.97	6,400.97	-	6,400.97	-
Other Expenses	4,057.84	4,313.45	1,615.61	2,697.84	-
HEALTH AND HUMAN SERVICES					
Public Health Services (Board of Health):					
Salaries and Wages	-	-	-		-
Other Expenses	5,485.98	6,097.55	1,736.07	4,361.48	-
Environmental Commission:					
Salaries and Wages	112.50	112.50	-	112.50	-
Other Expenses	110.00	110.00	-	110.00	-

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance December 31, 2016	Balance After Transfers	Paid or Charged	Canceled	Balance Lapsed
Animal Control Services:					
Other Expenses	4,178.50	4,513.50	2,435.50	2,078.00	-
PARK AND RECREATION					
Recreation Services and Programs:					
Salaries and Wages	291.48	291.48	-	291.48	-
Other Expenses	22,364.93	21,896.65	9,827.95	12,068.70	-
Maintenance of Parks:					
Other Expenses	27,513.10	27,935.50	-	27,935.50	-
UNCLASSIFIED					
Municipal Alliance on Alcoholism and Drug Abuse	788.00	788.00	-	788.00	-
Match to Fire Grant	10,000.00	10,000.00	-	10,000.00	-
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	4,199.08	5,199.08	1,495.41	3,703.67	-
Street Lighting	354.29	354.29	0.16	354.13	-
Telephone (excluding equipment acquisition)	524.02	524.02	-	524.02	-
Natural Gas	3,971.14	6,277.07	5,408.58	868.49	-
Gasoline	45,555.68	45,555.68	7,180.00	38,375.68	-
Accumulated Sick and Vacation	-	-	-	-	-
Surety Bond	-	-	-	-	-
Contingent	239.60	323.52	312.45	11.07	-
					-
STATUTORY EXPENDITURES					
Contribution To:					
Social Security System (O.A.S.I.)	12,423.30	12,423.30	-	12,423.30	-
Aid To Library (N.J.S.A. 40:54-35):					
Other Expenses	588.32	779.59	526.40	253.19	-
LOSAP	48,000.00	48,000.00	34,945.00	13,055.00	-
INTERLOCAL MUNICIPAL AGREEMENTS					
Interlocal Service - County - 911	1,501.66	1,501.66	-	1,501.66	-
Total General Appropriations	$ 519,081.04	$ 564,384.89	$ 278,580.19	$ 285,804.70	$ -

2016 Appropriations Reserves	$ 519,081.04	
Encumbrances Payable	45,303.85	
	$ 564,384.89	
Cash Disbursed		$ 278,580.19
Accounts Payable		-
		$ 278,580.19

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 36,719.00
Decreased By:		
Cash Disbursements	$ 4,410.00	
Cancellations	12,685.00	
		17,095.00
Balance, December 31, 2017		$ 19,624.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$ 45,303.85
Increased By:	
2017 Budget Appropriations	91,264.29
	136,568.14
Decreased By:	
Transfer To Appropriation Reserves	45,303.85
Balance, December 31, 2017	$ 91,264.29

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 550,136.02
Increased By:		
Cash Receipts:		
Collection of 2018 Taxes	$ 6,951,067.97	
Transfer from Overpayments	27,884.42	
		6,978,952.39
		7,529,088.41
Decreased By:		
Amount Applied To 2017 Taxes Receivable	$ 550,136.02	
		550,136.02
Balance, December 31, 2017		$ 6,978,952.39

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ -
Increased By:		
2017 Tax Levy:		
County Tax	$ 7,753,337.48	
County Library Tax	543,356.76	
County Open Space Fund Tax	455,496.76	
		8,752,191.00
		8,752,191.00
Decreased By:		
Cash Disbursements		8,752,191.00
Balance, December 31, 2017		$ -

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO COUNTY FOR ADDED AND OMITTED TAXES
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$ 54,386.94
Increased By:	
County Share of 2017 Tax Levy:	
Added and Omitted Taxes	51,616.44
	106,003.38
Decreased By:	
Cash Disbursements	54,386.94
Balance, December 31, 2017	$ 51,616.44

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016:		
School Tax Payable	$ 5,207,656.99	
School Tax Deferred	2,826,100.00	
		$ 8,033,756.99
Increased By:		
Levy (School Year July 1, 2017 to June 30, 2018)		22,464,172.00
		30,497,928.99
Decreased By:		
Cash Disbursements		22,324,930.00
Balance, December 31, 2017:		
School Tax Payable	5,346,898.99	
School Tax Deferred	2,826,100.00	
		$ 8,172,998.99

2017 Liability for Local District School Tax

Tax Payable, December 31, 2017	$ 5,346,898.99
Tax Paid	22,324,930.00
	27,671,828.99
Less:	
Tax Payable, December 31, 2016	5,207,656.99
Amount Charged To 2017 Operations	$ 22,464,172.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016:		
School Tax Payable	$ 4,774,679.85	
School Tax Deferred	1,523,600.00	
		$ 6,298,279.85
Increased By:		
Levy (School Year July 1, 2017 to June 30, 2018)		13,962,179.00
		20,260,458.85
Decreased By:		
Cash Disbursements		13,558,615.00
Balance, December 31, 2017:		
School Tax Payable	5,178,243.85	
School Tax Deferred	1,523,600.00	
		$ 6,701,843.85

2017 Liability for Regional High School Tax

Tax Payable, December 31, 2017	$ 5,178,243.85
Tax Paid	13,558,615.00
	18,736,858.85
Less:	
Tax Payable, December 31, 2016	4,774,679.85
Amount Charged To 2017 Operations	$ 13,962,179.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO STATE AND LOCAL AGENCIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Description	Balance December 31, 2016	Cash Received	Cash Disbursed	Balance December 31, 2017
Due To State - Marriage Licenses	$ 225.00	$ 1,000.00	$ 950.00	$ 275.00
	$ 225.00	$ 1,000.00	$ 950.00	$ 275.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017

Description	Balance December 31, 2016	Increased	Cash Disbursed	Balance December 31, 2017
Alcohol Education Rehabilitation Fund	$ 532.70	$ -	$ -	$ 532.70
Master Plan	25,070.75	-	-	25,070.75
Tax Appeals	150,000.00	-	-	150,000.00
Cable/Board of Ed. Hook-up	14,500.00	1,000.00	-	15,500.00
Accumulated Sick & Vacation	-	10,000.00	-	10,000.00
State Library Aid	569.51	149.00	262.50	456.01
	$ 190,672.96	$ 11,149.00	$ 262.50	$ 201,559.46

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

Resolution Number	Description	Date of Issue of Original Note	Date of Maturity	Interest Rate	Balance December 31, 2016	Cash Disbursed	Balance December 31, 2017
2012-139/154	Extraordinary Expenses Resulting from Damage Caused by Superstorm Sandy	11/09/16	5/09/17	1.45%	$ 117,012.00	$ 117,012.00	$ -

EXHIBIT A-24

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ -
Increased By:		
Overpayments		32,102.47
		32,102.47
Decreased By:		
Transfer to Prepaid Taxes	$ 27,884.42	
Overpayments Refunded	4,218.05	
		32,102.47
Balance, December 31, 2017		$ -

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF STATE GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance December 31, 2016	Increased By Revenue Realized 2017	Cash Receipts	Balance December 31, 2017
Municipal Alliance on Drug and Alcohol Abuse	$ 17,491.97	$ 22,150.00	$ 25,348.81	$ 14,293.16
Clean Communities Grant	-	36,093.17	36,093.17	-
Recycling Tonnage Grant	-	24,862.57	24,862.57	-
Drunk Driving Enforcement Grant	-	2,417.06	2,417.06	-
Body Armor Fund	-	2,187.25	2,187.25	-
Health Emergency Preparedness Grant	-	2,320.00	2,320.00	-
	$ 17,491.97	$ 90,030.05	$ 93,228.86	$ 14,293.16

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR STATE GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2017

Grant	Balance December 31, 2016	Transferred From 2017 Appropriations	Expended	Balance December 31, 2017
Body Armor Fund - 2015	$ 23.88	$ -	$ 23.88	$ -
Body Armor Fund - 2016	2,103.97	-	2,103.97	-
Body Armor Fund - 2017	-	2,187.25	2,177.05	10.20
Drunk Driving Enforcement Fund - 2011	1,114.99	-	-	1,114.99
Drunk Driving Enforcement Fund - 2012	2,149.94	-	1,419.51	730.43
Drunk Driving Enforcement Fund - 2014	2,711.37	-	211.37	2,500.00
Drunk Driving Enforcement Fund - 2016	2,692.08	-	1,549.45	1,142.63
Drunk Driving Enforcement Fund - 2017	-	2,417.06	-	2,417.06
Recycling Tonnage Grant - 2016	35,626.29	-	15,302.28	20,324.01
Recycling Tonnage Grant - 2017	-	24,862.57	-	24,862.57
Clean Communities Program - 2016	24,070.34	-	24,070.34	-
Clean Communities Program - 2017	-	36,093.17	158.75	35,934.42
Municipal Alliance on Drug and Alcohol Abuse - 2014	4,424.00	-	4,424.00	-
Municipal Alliance on Drug and Alcohol Abuse - 2015	517.77	-	517.77	-
Municipal Alliance on Drug and Alcohol Abuse - 2016	718.79	-	718.79	-
Municipal Alliance on Drug and Alcohol Abuse - 2017	-	22,150.00	19,786.90	2,363.10
Health Emergency Preparedness Grant - 2017	-	2,320.00	377.47	1,942.53
	$ 76,153.42	$ 90,030.05	$ 72,841.53	$ 93,341.94

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
STATE GRANT FUND
SCHEDULE OF RESERVE FOR STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2017

Grant	Balance December 31, 2016	Cash Receipts	Transferred To Grants Receivable	Balance December 31, 2017
Recycling Tonnage Grant	$ -	$ 27,030.44	$ -	$ 27,030.44

TRUST FUNDS

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TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2017

	Animal Control	Trust - Other
Balance, December 31, 2016	$ 9,370.99	$ 4,900,114.20
Increased By Receipts:		
Dog License Fees - Municipal Share	4,264.40	-
Dog License Fees - State Portion	582.60	-
Due To Third Parties	-	288,677.87
Reserve for Various Trusts	-	10,174,290.12
Reserve for Farmland Preservation	-	367,605.39
	4,847.00	10,830,573.38
	14,217.99	15,730,687.58
Decreased By Disbursements:		
Expenditures Under R.S. 4:19-15.11	5,778.22	-
Dog License Fees - State Portion	577.80	-
Due To Third Parties	-	298,272.47
Reserve for Various Trusts	-	9,160,485.41
Reserve for Farmland Preservation	-	522,306.25
	6,356.02	9,981,064.13
Balance, December 31, 2017	$ 7,861.97	$ 5,749,623.45

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 8,462.20
Increased By:		
Dog License Fees Collected -		
Cancelation of Accounts Payable		903.39
Municipal Share		4,264.40
		13,629.99
Decreased By:		
Expenditures Under R.S. 4:19-15.11		5,778.22
Balance, December 31, 2017		$ 7,851.77

License Fees Colleted:

2015 Fees	$ 4,137.20
2016 Fees	3,894.40
	$ 8,031.60

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL FUND
SCHEDULE OF DUE (TO)/FROM STATE OF NEW JERSEY DEPARTMENT OF HEALTH
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$	(5.40)
Increased By:		
Payments		577.80
		572.40
Decreased By:		
2017 License Fees		582.60
Balance, December 31, 2017	$	(10.20)

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF DUE (TO)/FROM THIRD PARTIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$ (6,110.64)
Increased By:	
Cash Disbursements	298,272.47
	292,161.83
Decreased By:	
Cash Receipts	288,677.87
Balance, December 31, 2017	$ 3,483.96

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF RESERVE FOR VARIOUS TRUSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance December 31, 2016	Cash Receipts	Disbursements	Balance December 31, 2017
Donations for Recreation Athletic Fields	$ -	$ 562,206.53	$ 23,644.03	$ 538,562.50
Historical Preservation	7,568.12	-	3,218.95	4,349.17
Historical Society	52,120.81	575.00	575.00	52,120.81
Uniform Fire Safety Act Penalties	22,121.99	8,278.40	4,791.15	25,609.24
Law Enforcement Trust Fund	2,005.28	0.99	1,410.00	596.27
Schlesinger Estate	34,661.93	-	-	34,661.93
Unemployment Trust Fund	310.82	-	-	310.82
Tax Collector Trust Fund	581,600.00	445,624.82	338,027.70	689,197.12
Construction Code Fees	72,924.54	434,639.21	404,051.11	103,512.64
Tree Removal	436.94	-	-	436.94
Senior Center Donations	33,174.27	125.82		33,300.09
Donations to the Library	889.45	500.00	728.37	661.08
Snow Removal	33,852.05	63,450.69	8,858.78	88,443.96
Bid Opening	4,560.00	2,500.00	-	7,060.00
P.O.A.A. Fines	252.00	-	-	252.00
Public Defender	-	7,401.14	7,401.14	-
S.C.A.R.T.	7,245.00	4,095.00	11,340.00	-
Police Donations	11,123.29	2,025.00	1,573.50	11,574.79
County DWI Task Force	1,966.39	-	-	1,966.39
Third Party Police Vehicle Reimbursement	-	12,665.00	12,665.00	-
COAH	677,581.40	238,493.75	25,283.15	890,792.00
Developers' Fees for Engineering and Cash Performance Bonds	2,495,834.02	773,509.65	774,576.08	2,494,767.59
Payroll Agency	-	5,720,635.25	5,720,635.25	-
Medical Insurance	63,258.32	1,892,575.16	1,815,658.26	140,175.22
Alliance Against Substance Abuse	1,818.80	15.08	-	1,833.88
Flexible Spending Account	3,625.43	4,973.63	6,047.94	2,551.12
	$ 4,108,930.85	$ 10,174,290.12	$ 9,160,485.41	$ 5,122,735.56

EXHIBIT B-6

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF RESERVE FOR FARMLAND PRESERVATION
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 785,072.71
Increased By:		
2016 Budget Levy	$ 360,239.00	
Cash Receipts	7,366.39	
		367,605.39
		1,152,678.10
Decreased By:		
Payment of Bond Principal	190,185.60	
Interest on Bonds	7,366.39	
Disbursement to Capital Fund	34,048.00	
Disbursement to Current Fund	284,582.60	
Other Expenses	6,123.66	
		522,306.25
Balance, December 31, 2017		$ 630,371.85

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")
SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 719,645.52
Increased By:		
Township Contributions	$ 39,355.00	
Appreciation on Investments	121,930.54	
		161,285.54
		880,931.06
Decreased By:		
Withdrawals	$ 8,447.39	
Accounting Charges	2,199.91	
		10,647.30
Balance, December 31, 2017		$ 870,283.76

EXHIBIT B-8

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")
SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 719,645.52
Increased By:		
Township Contributions	$ 39,355.00	
Appreciation on Investments	121,930.54	
		161,285.54
		880,931.06
Decreased By:		
Withdrawals	$ 8,447.39	
Accounting Charges	2,199.91	
		10,647.30
Balance, December 31, 2017		$ 870,283.76

GENERAL CAPITAL FUND

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EXHIBIT C-2

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 1,600,480.14
Increased By:		
Budget Appropriations:		
Capital Improvement Fund	$ 293,300.00	
Bond Anticipation Notes	2,148,000.00	
Received from Open Space Trust for Down Payment	34,048.00	
Reimbursements for Improvement Authorizations	16,376.51	
NJ DOT Grant Received	289,000.00	
		2,780,724.51
		4,381,204.65
Decreased By:		
Bond Anticipation Notes	2,398,095.00	
Improvement Authorizations	1,726,704.72	
Reserve for Purchase of Fire Truck	3,494.50	
		4,128,294.22
Balance, December 31, 2017		$ 252,910.43

EXHIBIT C-3

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2017

		Balance December 31, 2017
Capital Improvement Fund		$ 90,261.00
Fund Balance		3,942.13
Reserve for:		
Debt Service		52,808.68
Encumbrances		325,704.57
Ordinance Date/Number	Improvement Description	
2001-03	Rehabilitation of Affordable Housing - RCA	100,869.00
2008-03	Acquisition of Hammond and Amdur Farm	38,242.55
2009-10	Various Capital Improvements/Equipment	11,920.00
2009-19	Acquisition of Affordable Housing Units	37,500.00
2010-14	Improvements To Heyers Mill Road, Phase II	55,133.82
2011-09, 2014-05	Various Capital Improvements/Equipment	2,669.70
2015-07	Various Capital Improvement/Equipment	49,350.59
2016-02	Various Capital Improvements	417,441.75
2016-09	Various Capital Improvements/Equipment	69,858.62
2017-06	Various General Capital Improvements	(982,683.90)
2017-14	Various Capital Improvements/Equipment	110,843.92
2017-18	Acquisition/Refurbishment of Property	34,048.00
		$ 252,910.43

EXHIBIT C-4

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016		$ 9,968,714.62
Increased By:		
Ordinance 2016-06 Grants Receivable		394,000.00
		10,362,714.62
Decreased By:		
Bonds Paid By Budget Appropriations:		
General Serial Bonds	$ 980,000.00	
Green Trust Loans	10,126.88	
MCIA Lease Principal	38,000.00	
NJDOT Grant Received	289,000.00	
		1,317,126.88
Balance, December 31, 2017		$ 9,045,587.74

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2017

Ordinance Date/ Number	Improvement Description	Balance December 31, 2016	2017 Authorizations	Balance December 31, 2017	Analysis of Balance: Bond Anticipation Notes	Analysis of Balance: Expenditures	Analysis of Balance: Unexpended Improvement Authorizations
2009-19	Acquisition of Affordable Housing Units	$ 712,500.00	$ -	$ 712,500.00	$ -	-	$ 712,500.00
2014-12	Various Capital Improvements/Equipment	38,000.00	-	38,000.00	-	-	38,000.00
2016-02	Various Capital Improvements	2,398,095.00	-	2,398,095.00	1,584,699.26	145,858.99	667,536.75
2017-06	Various General Capital Improvements	-	2,872,617.00	2,872,617.00	563,300.74	419,383.16	1,889,933.10
2017-18	Acquisition/Refurbishment of Property	-	680,952.00	680,952.00	-	-	680,952.00
		$ 3,148,595.00	$ 3,553,569.00	$ 6,702,164.00	$ 2,148,000.00	$ 565,242.15	$ 3,988,921.85

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Purpose	Original Issue Date	Original Issue Amount	Maturities of Bonds Outstanding December 31, 2017 Date	Maturities of Bonds Outstanding December 31, 2017 Amount	Interest Rate	Balance December 31, 2016	Decreased	Balance December 31, 2017
Refunding Bonds	04/24/12	5,340,000.00	12/31/18	665,000.00	4.000%	$ 4,225,000.00	$ 635,000.00	$ 3,590,000.00
			12/31/19	690,000.00	4.000%			
			12/31/20	715,000.00	4.000%			
			12/31/21	745,000.00	4.000%			
			12/31/22	775,000.00	5.000%			
MCIA General Obligaiton Bonds	12/24/13	6,310,000.00	12/01/18	360,000.00	4.000%	5,365,000.00	345,000.00	5,020,000.00
			12/01/19	375,000.00	4.000%			
			12/01/20	390,000.00	5.000%			
			12/01/21	410,000.00	5.000%			
			12/01/22	430,000.00	5.000%			
			12/01/23	450,000.00	5.000%			
			12/01/24	470,000.00	5.000%			
			12/01/25	495,000.00	5.000%			
			12/01/26	520,000.00	5.000%			
			12/01/27	545,000.00	5.000%			
			12/01/28	575,000.00	5.000%			
						$ 9,590,000.00	$ 980,000.00	$ 8,610,000.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF MCIA LEASE PAYABLES
FOR THE YEAR ENDED DECEMBER 31, 2017

Purpose	Original Issue Date	Original Issue Amount	Maturities of Bonds Outstanding December 31, 2017 Date	Maturities of Bonds Outstanding December 31, 2017 Amount	Interest Rate	Balance December 31, 2016	Decreased	Balance December 31, 2017
MCIA Lease Purchase	10/01/15	301,000.00	10/01/18	40,000.00	4.000%	$ 266,000.00	$ 38,000.00	$ 228,000.00
			10/01/19	42,000.00	4.000%			
			10/01/20	44,000.00	5.000%			
			10/01/21	19,000.00	5.000%			
			10/01/22	20,000.00	5.000%			
			10/01/23	20,000.00	5.000%			
			10/01/24	21,000.00	5.000%			
			10/01/25	22,000.00	5.000%			
						$ 266,000.00	$ 38,000.00	$ 228,000.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2017

Purpose	Date of Issue	Original Issue	Maturities of Bonds December 31, 2017 Date	Principal and Interest	Interest Rate	Balance December 31, 2016	Decrease	Balance December 31, 2017
Laird Road Recreation Area Development	06/25/01	$ 89,000.00	03/25/12-21 09/25/12-20	Various	2.00%	$ 23,703.49	$ 5,085.54	$ 18,617.95
Laird Road Recreation II	08/06/02	90,000.00	05/06/12-22 11/06/12-21	Various	2.00%	29,011.13	5,041.34	23,969.79
						$ 52,714.62	$ 10,126.88	$ 42,587.74

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

Ordinance Number/Date	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2016 Funded	Balance December 31, 2016 Unfunded	2017 Authorizations: Deferred Charges To Future Taxation Unfunded	2017 Authorizations: Capital Improvement Fund	2017 Authorizations: Grants	2017 Authorizations: Open Space Fund Down Payment	2017 Authorizations: Reimbursed	Transfer from Enc.	Cash Disbursements	Balance December 31, 2017 Encumbrances	Balance December 31, 2017 Funded	Balance December 31, 2017 Unfunded
2001-03	Rehabilitation of Affordable Housing - RCA	01/30/01	$ 3,100,000.00	$ 100,869.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,869.00	$ -
2008-03	Acquisition of Hammond and Amdur Farm	03/12/08	800,000.00	38,242.55	-	-	-	-	-	-	-	-	-	38,242.55	-
2008-07	Various Capital Improvements	05/14/08	396,000.00	-	-	-	-	-	-	-	586.61	-	586.61	-	-
2009-10	Various Capital Improvements/Equipment	05/27/09	125,000.00	11,920.00	-	-	-	-	-	-	-	-	-	11,920.00	-
2009-19	Acquisition of Affordable Housing Units	11/12/09	750,000.00	37,500.00	712,500.00	-	-	-	-	-	-	-	-	37,500.00	712,500.00
2010-08	Acquisition/Refurbishment of Property	08/11/10	73,339.00	43,000.00	-	-	-	-	-	-	-	-	43,000.00	-	-
2010-14	Improvements To Heyers Mill Road, Phase II	11/10/10	300,000.00	57,922.13	-	-	-	-	-	-	-	2,788.31	-	55,133.82	-
2011-09, 2014-05	Various Capital Improvements/Equipment	11/30/11, 2/26/14	3,161,255.00	15,136.87	38,000.00	-	-	-	-	-	-	6,350.00	6,117.17	2,669.70	38,000.00
2013-10	Various Road Improvements/Acq. of Equipment	07/10/13	2,950,000.00	21,338.31	-	-	-	-	-	-	-	21,338.31	-	-	-
2014-12	Various Capital Improvement/Equipment	5/14/14	296,100.00	10,804.74	-	-	-	-	-	-	9,297.35	20,102.09	-	-	-
2015-07	Various Capital Improvement/Equipment	5/13/15	304,975.00	84,033.11	-	-	-	-	-	-	18,712.00	53,394.52	-	49,350.59	-
2016-02	Various Capital Improvements	1/13/16	2,740,000.00	-	832,410.90	-	-	-	-	-	-	145,858.99	19,015.16	-	667,536.75
2016-09	Various Capital Improvements/Equipment	4/27/16	406,550.00	116,807.60	-	-	-	-	-	-	58,009.66	103,373.09	1,585.55	69,858.62	-
2017-06	Various General Capital Improvements	2/23/17	3,394,000.00	-	-	2,872,617.00	127,383.00	394,000.00	-	16,376.51	-	1,276,738.33	243,705.08	-	1,889,933.10
2017-14	Various Capital Improvements/Equipment	5/10/17	219,300.00	-	-	-	219,300.00	-	-	-	-	96,761.08	11,695.00	110,843.92	-
2017-18	Acquisition/Refurbishment of Property	9/27/17	715,000.00	-	-	680,952.00	-	-	34,048.00	-	-	-	-	34,048.00	680,952.00
				$ 537,574.31	$ 1,582,910.90	$ 3,553,569.00	$ 346,683.00	$ 394,000.00	$ 34,048.00	$ 16,376.51	$ 86,605.62	$ 1,726,704.72	$ 325,704.57	$ 510,436.20	$ 3,988,921.85

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$	143,644.00
Increased By:		
2017 Budget Appropriations		293,300.00
		436,944.00
Decreased By:		
Improvement Authorizations Funded		346,683.00
Balance, December 31, 2017	$	90,261.00

EXHIBIT C-11

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016 & 2017	$ 52,808.68

EXHIBIT C-12

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE TO PURCHASE FIRE TRUCK
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$ 3,494.50
Decreased By:	
Utilized in Purchase of Fire Truck	3,494.50
Balance, December 31, 2017	$ -

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS AND INTERGOVERNMENTAL RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$	60,000.00
Increased By:		
Ordinance 2017-6		394,000.00
		454,000.00
Decreased By:		
NJDOT Grant Received		289,000.00
Balance, December 31, 2017	$	165,000.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2017

Ordinance Number/Date	Improvement Description	Balance December 31, 2016	Increased By 2017 Authorizations	Proceeds Resulting from BAN Paydown	Balance December 31, 2017
2009-19	Acquisition of Affordable Housing Units	$ 712,500.00	$ -	$ -	$ 712,500.00
2014-05	Various Capital Improvements/Equipment	38,000.00	-	-	38,000.00
2016-02	Various Capital Improvements/Equipment	-	-	250,095.00	250,095.00
2017-06	Various Capital Improvements/Equipment	-	2,872,617.00	-	2,872,617.00
2017-18	Acquisition/Refurbishment of Property	-	680,952.00	-	680,952.00
		$ 750,500.00	$ 3,553,569.00	$ 250,095.00	$ 4,554,164.00

EXHIBIT C-15

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

Date of Ordinance	Improvement Description	Original Issue Date	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2016	Increased	Decreased	Balance December 31, 2016
3/15/17	Various Capital Improvements	3/14/17	3/14/17	3/14/18	2.25%	$ 2,398,095.00	$ 2,148,000.00	$ 2,398,095.00	$ 2,148,000.00
						$ 2,398,095.00	$ 2,148,000.00	$ 2,398,095.00	$ 2,148,000.00

GENERAL FIXED ASSETS ACCOUNT GROUP

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EXHIBIT D-1

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF LAND
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$ 19,876,189.69
Increased By:	
Additions	1,819,974.00
Balance, December 31, 2017	$ 21,696,163.69

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF BUILDINGS AND IMPROVEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$ 3,899,540.00
Increased By Additions:	
Buildings and Improvements	60,000.00
Balance, December 31, 2017	$ 3,959,540.00

TOWNSHIP OF COLTS NECK
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF MACHINERY, EQUIPMENT AND VEHICLES
FOR THE YEAR ENDED DECEMBER 31, 2017

Balance, December 31, 2016	$ 7,203,657.00
Increased By Additions:	
Machinery, Equipment and Vehicles	596,808.00
	7,800,465.00
Decreased By Deletions:	
Machinery, Equipment and Vehicles	300,023.00
Balance, December 31, 2017	$ 7,500,442.00

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TOWNSHIP OF COLTS NECK

PART II

SCHEDULE OF FINANCIAL STATEMENT FINDINGS -
GOVERNMENT AUDITING STANDARDS

FOR THE YEAR ENDED DECEMBER 31, 2017

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TOWNSHIP OF COLTS NECK
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 *Government Auditing Standards* and with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

None.

TOWNSHIP OF COLTS NECK
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2017

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

FEDERAL AWARDS

N/A – No Federal Single Audit in prior year.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit in prior year.

TOWNSHIP OF COLTS NECK

PART III

LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2017

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OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2017:

Name	Title
Russel Macnow	Mayor
JP Bartolomeo	Councilmember
Edward C. Eastman Jr.	Councilmember
Thomas Orgo	Councilmember
Frank G. Rizzuto	Councilmember
John D. Antonides	Chief Financial Officer, Tax Collector, Tax Search Officer *
Kathleen M. Capristo	Township Administrator
Cheryl Houss	Deputy Treasurer/Collector
Beth Kara	Municipal Clerk, Secretary to the Township Committee
Nicole Sonnenblick	Municipal Judge
Meghan Bennett Clark	Municipal Attorney

*Public Employees Faithful Performance Coverage under a multi-peril policy carried with a coverage of $1,000,000.00, through MID Jersey Joint Insurance Fund.

All bonds were examined and appear to be properly executed.

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HFA
HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010
www.hfacpas.com

Honorable Mayor and Members
of the Township Council
Township of Colts Neck
Colts Neck, New Jersey

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 ended December 31, 2017.

GENERAL COMMENTS:

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

N.J.S.A.40A:11-4 states 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 the bid threshold, except by contract or agreement.

The bid threshold in accordance with N.J.S.A. 40A:II-4 was $40,000 for the year ended December 31, 2017.

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.

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.

Our examination of expenditures did not reveal any individual payments or contracts in excess of the bid threshold “for the performance of any work, or the furnishing of any materials, supplies or labor” other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6.*

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates 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 7, 2017 adopted the following resolution authorizing interest to be charged on delinquent taxes:

> *NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first $1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of $1,500.00; and*
>
> *BE IT FURTHER RESOLVED, by the Council of the Township of Colts Neck, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and*
>
> *BE IT FURTHER RESOLVED, by the Council of the Township of Colts Neck, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of $10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.*

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

OTHER COMMENTS (FINDINGS):

None.

RECOMMENDATIONS:

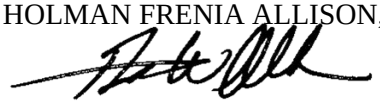
None.

Appreciation

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.



Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Freehold, New Jersey
June 5, 2018